

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of Syrma SGS Technology Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Syrma SGS Technology Limited** ("the Holding/Parent Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate, which comprise the Consolidated Balance Sheet as at 31 March 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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



Other Matters

We did not audit the financial information of three subsidiaries, whose financial information reflect total assets of Rs.5,587.49 Million as at 31 March 2022, total revenues of Rs 3,557.13 Million, total net profit after tax of Rs.202.82 Million, total comprehensive income of Rs.201.81 Million and net cash inflows amounting to Rs.26.78 Million for the Period 17 September 2021 to 31 March 2022, as considered in the Consolidated Financial Statements. This financial information has been audited by other auditors whose reports have been furnished to us by the Parent's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

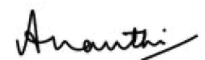
We did not audit the financial information of one subsidiary, whose financial information reflect total assets of Rs.445.49 Million as at 31 March 2022, total revenues of Rs.176.47 Million, total net profit after tax of Rs.31.38 Million, total comprehensive income of Rs.31.26 Million and net cash outflows amounting to Rs.54.92 Million for the Period 1 November 2021 to 31 March 2022, as considered in the Consolidated Financial Statements. The consolidated financial statements also include the Group's share of Profit after tax of Rs.0.06 Million for the Period 1 November 2021 to 31 March 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial information have not been audited by us. Also, the consolidated financial statements include the Group's share of Profit after tax of Rs.25.28 Million for the Period 1 April 2021 to 16 September 2021, as considered in the consolidated financial statements have not been audited by us. This financial information has been audited by other auditors whose reports have been furnished to us by the Parent's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 14.23 Million as at 31 March 2022, total revenues of NIL and net cash flows amounting to Rs.14.23 Million for the period 3 December 2021 to 31 March 2022, as considered in the consolidated financial statements. This financial statements are unaudited and has been furnished to us by the Parent's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018



Ananthi Amarnath
Partner

(Membership No. 209252)
UDIN:22209252AMQHPT1305

Place: Chennai
Date: 01 July 2022

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements and with the returns received by us and the other auditors.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding company and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

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- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.
- iv) (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Parent/ Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The Holding Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.



**Deloitte
Haskins & Sells LLP**

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018



Ananthi Amarnath

Partner

(Membership No. 209252)

UDIN: 22209252AMQHPT1305

Place: Chennai

Date: 01 July 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of **Syrma SGS Technology Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

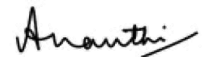
Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)



Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN: 22209252AMQHPT1305

Place: Chennai
Date : 01 July 2022

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Consolidated Balance Sheet as at 31 March 2022
 (All amounts are in Million Indian Rupees unless otherwise stated)

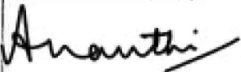
Particulars		Note No.	As at 31 March 2022	As at 31 March 2021
A	ASSETS			
I	Non-Current Assets			
	(a) Property, plant and equipment	3	2,339.77	750.89
	(b) Capital work-in-progress	55(III)	390.63	-
	(c) Right-of-use assets	4	238.48	49.58
	(d) Investment property	5	4.13	-
	(e) Goodwill	47	1,181.85	-
	(f) Other Intangible assets	6	15.11	13.22
	(g) Intangible assets under development		17.38	-
	(h) Financial assets			
	(i) Non-current Investments	8	47.10	921.45
	(ii) Other financial assets	9	52.41	129.51
	(i) Income tax asset (net)	10	29.39	9.78
	(j) Deferred tax asset (net)	50.4	1.08	-
	(k) Other non-current assets	11	212.28	111.52
	Total non-current assets		4,529.61	1,985.95
II	Current Assets			
	(a) Inventories	12	2,913.00	770.75
	(b) Financial assets			
	(i) Current investments	13	362.99	-
	(ii) Trade receivables	14	2,722.34	1,278.72
	(iii) Cash and cash equivalents	15.1	334.11	279.63
	(iv) Other bank balances	15.2	34.97	22.43
	(v) Other financial assets	16	73.76	54.65
	(c) Other current assets	17	571.33	241.99
	Total current assets		7,012.50	2,648.17
	Total assets		11,542.11	4,634.12
B	EQUITY AND LIABILITIES			
I	Equity			
	(a) Equity share capital	18	1,376.17	7.48
	(b) Other equity	19	4,344.39	2,408.27
	Equity attributable to owners of the Company		5,720.56	2,415.75
	(c) Non Controlling Interest		108.41	-
	Total equity		5,828.97	2,415.75

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Consolidated Balance Sheet as at 31 March 2022

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	As at 31 March 2022	As at 31 March 2021
II	Liabilities			
1	Non-current liabilities			
(a)	Financial liabilities			
(i)	Borrowings	20	38.92	244.98
(ii)	Lease liabilities	48	218.89	41.62
(iii)	Other financial liabilities	21	-	6.80
(b)	Provisions	22	69.60	31.89
(c)	Deferred tax liabilities (net)	50.4	123.70	2.42
(d)	Other non-current liabilities	23	33.06	-
	Total non-current liabilities		484.17	327.71
2	Current liabilities			
(a)	Financial liabilities			
(i)	Borrowings	24	1,903.48	316.23
(ii)	Lease liabilities	48	21.62	10.78
(iii)	Trade payables	25		
	- Total outstanding dues of micro enterprises and small enterprises		76.56	11.12
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		2,327.95	1,137.30
(iv)	Other financial liabilities	26	171.07	9.15
(b)	Other current liabilities	27	652.43	377.61
(c)	Provisions	28	40.82	28.47
(d)	Current tax liabilities (net)	29	35.04	-
	Total current liabilities		5,228.97	1,890.66
	Total liabilities		5,713.14	2,218.37
	Total equity and liabilities		11,542.11	4,634.12
See accompanying notes to the Consolidated Financial Statements (Note 1-59)				

In terms of our report attached
For Deloitte Haskins & Sells LLP
 Firm Registration no. 117366W/W-100018
 Chartered Accountants



Ananthi Amarnath
 Partner

Place : Chennai
 Date : 01 July 2022

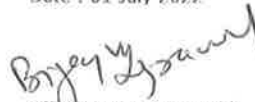
For and on behalf of the Board of Directors of
Syrma SGS Technology Limited



Sandeep Tandon
 Executive Chairman
 DIN : 00054553
 Place : Mumbai
 Date : 01 July 2022



JS Gajral
 Managing Director
 DIN : 00198825
 Place : Gurugram
 Date : 01 July 2022



Bijay Kumar Agrawal
 Chief Financial Officer
 Place : Gurugram
 Date : 01 July 2022



Rahul Sinnarkar
 Company Secretary
 Place : Mumbai
 Date : 01 July 2022

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Consolidated Statement of Profit and Loss for the year ended 31 March 2022
(All amounts are in Million Indian Rupees unless otherwise stated)

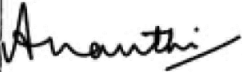
Particulars		Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
1	Revenue from operations	30	10,197.20	4,383.03
2	Other income	31	126.88	61.77
3	Total income (1+2)		10,324.08	4,444.80
4	Expenses			
(a)	Cost of raw materials consumed	32	7,358.29	2,763.93
(b)	Purchases of stock-in-trade	33	20.84	38.09
(c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	(193.72)	18.86
(d)	Employee benefits expense	35	597.15	286.35
(e)	Finance costs	36	67.82	45.24
(f)	Depreciation and amortization expense	7	194.32	120.74
(g)	Other expenses	37	1,470.36	808.23
	Total expenses		9,515.06	4,081.44
5	Profit before tax (3 - 4)		809.02	363.36
6	Tax expense:			
	- Current tax	50	269.79	96.33
	- Tax pertaining to previous years	50.1	-	3.78
	- Deferred tax (net)	50	(2.17)	(22.90)
	Total tax expense		267.62	77.21
7	Share of Post-acquisition Profit of Associate		25.34	34.02
8	Profit for the year (5 - 6+7)		566.74	320.17
9	Other comprehensive income			
	(A) Items that will not be reclassified to Profit and Loss			
	(i) Remeasurement of the defined benefit plans		1.39	(0.25)
	(ii) Income tax expenses relating to the above		(0.47)	0.07
	(iii) Share of Equity accounted investee		(0.21)	0.03
			0.71	(0.15)
	(B) Items that will be reclassified to Profit and Loss			
	(i) Exchange differences in translating financial statements of foreign operations		(1.72)	-
	(ii) Share of Equity accounted investee		0.02	(0.01)
			(1.69)	(0.01)
	Total other comprehensive income for the year		(0.98)	(0.16)
10	Total comprehensive income for the year (8+9)		565.76	320.01

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Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
 Consolidated Statement of Profit and Loss for the year ended 31 March 2022
 (All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
11 Profit for the year attributable to	Owners of the Company		555.38	320.17
	Non-controlling interests		11.36	-
			566.74	320.17
12 Total other comprehensive income for the year attributable to	Owners of the Company		(0.89)	(0.16)
	Non-controlling interests		(0.09)	-
			(0.98)	(0.16)
13 Total comprehensive income for the year attributable to	Owners of the Company		554.49	320.01
	Non-controlling interests		11.27	-
			565.76	320.01
14 Earnings per equity share (Face Value of Rs. 10 each)		49		
	- Basic (In Rs.)		4.97	3.72
	- Diluted (In Rs.)		4.94	3.72
See accompanying notes to the Consolidated Financial Statements (Note 1-59)				

In terms of our report attached
 For Deloitte Haskins & Sells LLP
 Firm Registration no. 117366W/W-100018
 Chartered Accountants



Ananthi Amarnath
 Partner

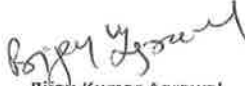
For and on behalf of the Board of Directors of
 Syrma SGS Technology Limited



Sandeep Tandon
 Executive Chairman
 DIN : 00054553
 Place : Mumbai
 Date : 01 July 2022




JS Gujral
 Managing Director
 DIN : 00198825
 Place : Gurugram
 Date : 01 July 2022



Bijay Kumar Agrawal
 Chief Financial Officer

Place : Gurugram
 Date : 01 July 2022



Rahul Sinnarkar
 Company Secretary

Place : Mumbai
 Date : 01 July 2022

Place : Chennai
 Date : 01 July 2022

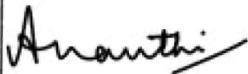
Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Consolidated Cash Flow Statement for the year ended 31 March 2022
 (All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	809.02	363.36
<i>Adjustments for:</i>		
Depreciation and Amortization Expense	194.32	120.74
Finance Costs	67.82	45.24
Mark-to-Market (MTM) (gain) / loss on financial instrument (net)	(2.78)	8.74
Employee stock compensation expense (Refer Note 41)	35.07	-
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (net)	0.34	-
Liabilities No Longer Required Written Back	(10.04)	(1.94)
Interest Income	(15.91)	(9.20)
Fair value changes of existing investment at the date of acquisition (Refer Note 47.7)	(2.15)	-
Net (gain) / loss on account of sale of current investments (Mutual funds)	(5.13)	-
Net (gain)/ losses on fair value changes in financial assets measured at FVTPL	0.54	-
Gain on termination/modification of leases	(9.65)	-
Allowance for Expected Credit Loss (net)	7.18	(0.22)
Dividend Income	(0.77)	-
Unrealised Exchange (gain)/ loss (net)	(27.32)	(23.45)
Operating Profit Before Working Capital / Other Changes	1,040.54	503.27
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(485.98)	(88.50)
Trade Receivables	(548.63)	(108.47)
Other Current Financial Assets	(17.62)	(15.26)
Other Non-Current Financial Assets	(19.38)	(3.01)
Other Current and Non-current Assets	(132.41)	(36.58)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade Payables	326.90	88.85
Other financial Liabilities (Current and Non-Current)	(5.96)	-
Other Current and Non-current Liabilities	211.26	(10.54)
Provisions (Current and Non-Current)	12.83	9.09
Cash Generated from Operations	381.55	338.85
Direct Taxes Paid (net)	(232.25)	(100.31)
Net Cash flow from Operating Activities	149.30	238.54
II. CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure towards tangible assets (including capital advances, net of capital payables)	(816.50)	(56.77)
Capital Expenditure towards Intangible assets (including capital advances)	(24.75)	-
Proceeds from sale of property, plant and equipment	3.73	-
Investment in Associate	-	(887.41)
Acquisition of subsidiaries	(3,110.64)	-
Other Non-current investment	(31.23)	-
Sale of Non-current investment	11.66	-
Proceeds from Current investments (net)	31.66	-
Net Cash (Used in) Investing Activities	(3,936.07)	(944.18)
III. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment)/ Proceeds from Short Term Borrowings (net)	1,036.14	(273.82)
Proceeds from issue of Equity Share Capital (including securities premium)	2,715.25	331.25
Proceeds from issue of Compulsorily Convertible Preference Shares (CCPS) (including securities premium)	-	749.28
Utilization of Securities Premium	-	(1.85)
Redemption of Preference Shares	-	(45.00)
Long Term Borrowings Taken	-	219.84
Long Term Borrowings Repaid	(267.16)	(37.77)
Long Term Borrowings repaid to Related Party	-	(125.39)
Payment of Lease Liabilities	(22.31)	(15.17)
Finance Costs Paid (including dividend on preference shares)	(61.50)	(51.53)
Decrease / (Increase) in Lien Marked / Margin Money Deposits	164.78	(75.14)
Interest Received on Lien Marked / Margin Money Deposits	17.87	5.42
Net Cash flow from Financing Activities	3,583.07	680.12

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Consolidated Cash Flow Statement for the year ended 31 March 2022
 (All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
IV. Net (Decrease)/ Increase in Cash and Cash Equivalents (I + II + III)	(203.70)	(25.52)
V. Cash and Cash Equivalents at the Beginning of the year	279.63	307.68
Add: Cash and cash equivalents acquired through Business Combination	259.68	-
<i>Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents</i>	<i>(1.50)</i>	<i>(2.53)</i>
VI. Cash and Cash Equivalents at the end of the year	334.11	279.63
VII. Cash and Cash Equivalents as per Note 15.1	334.11	279.63
Reconciliation of change in Liabilities arising from financing activities is given in Note 20.4		
See accompanying notes to the Consolidated Financial Statements (Note 1-59)		

In terms of our report attached
For Deloitte Haskins & Sells LLP
 Firm Registration no. 117366W/W-100018
 Chartered Accountants



Ananthi Amarnath
 Partner

Place : Chennai
 Date : 01 July 2022

For and on behalf of the Board of Directors of
Syrma SGS Technology Limited



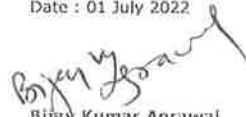
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 Date : 01 July 2022



Rahul Sinnarkar
 Company Secretary

Place : Mumbai
 Date : 01 July 2022

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Consolidated Statement of Changes in Equity for the year ended 31 March 2022
 (All amounts are in Million Indian Rupees unless otherwise stated)

A. Equity Share Capital (Refer Note 18)

Particulars	No. of shares (In full number)	Amount
Balance as at 1 April 2020	702,063	7.02
Changes in equity share capital during the year:		
Add: Issue of equity shares	45,978	0.46
Balance as at 31 March 2021	748,041	7.48
Changes in equity share capital during the year:		
Add: Fresh issue of shares during the year	508,380	5.06
Add: Conversion of preference shares	106,132	1.06
Add: Bonus issue of shares	136,255,300	1,362.55
Balance as at 31 March 2022	137,617,853	1,376.17

B. Other Equity (Refer Note 19)

Particulars	Components of Other Equity attributable to owners of the Group									
	Capital Reserve (out of Amalgamation)	Securities Premium	SEZ Reinvestment Reserve	Surplus in Statement of Profit and Loss	Compulsorily Convertible Preference Share (CCPS)	Foreign currency translation reserve	Employee Stock Option Reserve	Total attributable to owners of the Company (A)	Non- Controlling interest (B)	Total Other Equity (A+B)
Balance as at 1 April 2020	8.23	100.12	256.60	645.08	-	-	-	1,010.03	-	1,010.03
Profit for the year	-	-	-	320.17	-	-	-	320.17	-	320.17
Premium on issue of preference and equity shares	-	1,069.68	-	-	-	-	-	1,069.68	-	1,069.68
Utilisation of securities premium	-	(1.85)	-	-	-	-	-	(1.85)	-	(1.85)
Other Comprehensive Income for the year, net of Income tax	-	-	-	(0.15)	-	-	-	(0.15)	-	(0.15)
Transfer from SEZ Reinvestment Reserve	-	-	(51.83)	51.83	-	(0.01)	-	(0.16)	-	(0.16)
Transfer to SEZ Reinvestment Reserve	-	-	132.64	(132.64)	-	-	-	-	-	-
CCPS treated as Equity Financial Instruments (Refer Note 18.6 (b) & 19.5)	-	-	-	-	10.40	-	-	10.40	-	10.40
Balance as at 31 March 2021	8.23	1,167.95	337.41	884.29	10.40	(0.01)	-	2,408.27	-	2,408.27
Arising on acquisition of Subsidiary	-	-	-	-	-	-	-	-	97.14	97.14
Profit for the year	-	-	-	555.38	-	-	-	555.38	11.36	566.74
Premium on conversion of CCPS / issue of equity shares	-	2,719.51	-	-	-	-	-	2,719.51	-	2,719.51
Utilisation of securities premium	-	(1,362.55)	-	-	-	-	-	(1,362.55)	-	(1,362.55)
Employee stock compensation expense (Refer Note 41)	-	-	-	-	-	-	35.07	35.07	-	35.07
Conversion of CCPS	-	-	-	-	(10.40)	-	-	(10.40)	-	(10.40)
Other Comprehensive Income for the year, net of Income tax	-	-	-	0.80	-	-	-	0.80	(0.09)	0.71
Exchange differences in translating financial statements	-	-	-	-	-	(1.69)	-	(1.69)	-	(1.69)
Transfer from / (to) SEZ Reinvestment Reserve	-	-	(2,170)	2170	-	-	-	-	-	-
Balance as at 31 March 2022	8.23	2,524.51	315.71	1,462.17	-	(1.70)	35.07	4,344.39	108.41	4,452.80

See accompanying notes to the Consolidated Financial Statements
 (Note 1-59)

In terms of our report attached

For Deloitte Haskins & Sells LLP
 Firm Registration no. 117366W/W-100018
 Chartered Accountants

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Ananthi Amarnath
 Partner

Place : Chennai
 Date : 01 July 2022

For and on behalf of the Board of Directors of
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 Place : Mumbai
 Date : 01 July 2022

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Notes forming part of Consolidated Financial Statements for the year ended 31 March 2022
(All amounts are in Million Indian Rupees unless otherwise stated)

Note No.	Particulars				
1	<p>Corporate information</p> <p>Syrma SGS Technology Limited (Formerly known as Syrma Technology Private Limited till 13 September 2021, "the Company or Holding Company") is a public limited Company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is located at Unit F601, Floral Deck Plaza, Andheri East, Mumbai.</p> <p>The Company is engaged in the business of manufacturing various electronic sub-assemblies, assemblies and box builds, disk drives, memory modules, power supplies / adapters, fiber optic assemblies, magnetic induction coils and RFID products and other electronic products. The Company has 5 state of the art manufacturing facilities most of which hold all key accreditations required for the industry.</p> <p>The name of the Holding Company has been changed from Syrma Technology Private Limited to Syrma SGS Technology Private Limited with effect from 14 September 2022. W.e.f. 20 October 2021, the Company has changed its constitution from private limited Company to public limited company resulting in change of name to Syrma SGS Technology Limited.</p> <p>The Holding Company has investments in three Subsidiaries, SGS Teknics Manufacturing Private Limited (Referred as "SGS Teknics") Perfect ID India Private Limited (Referred as "Perfect ID") and Syrma Technology Inc. The Holding company along with three subsidiaries are referred to as "the Group" hereinafter. Also refer Note no 2.2 (b)(II) & Note 47.</p>				
2	<p>Summary of Significant accounting policies</p>				
2.1	<p>Statement of Compliance</p> <p>The consolidated financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises of Indian Accounting Standards (Ind AS) as specified in Sec 133 of the Companies Act, 2013 ('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 ("the Rules") and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act.</p>				
2.2	<p>Basis of preparation and presentation</p>				
(a)	<p>Principles and Particulars of Consolidation</p> <p>The consolidated financial statements include the financial statements of the Holding Company and its subsidiaries.</p> <p>Consolidated financial statements include consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow, consolidated Statement of changes in equity and notes forming part of consolidated financial statements that form an integral part thereof.</p> <p>The consolidated Financial Statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company.</p>				
(b)	<p>Basis of consolidation</p> <p>(I) Associate</p> <p>An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but where there is no control or joint control over those policies. The financial results, assets and liabilities of associate is incorporated in these Consolidated Financial Information using the equity method of accounting. An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate.</p> <p>On acquisition of the investment in an associate, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment and is disclosed separately. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.</p> <p>Under the equity method, the investment in an associate is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income (OCI) of the associate. The statement of profit and loss reflects the Company's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Company recognises its share of any changes, when applicable, in the statement of changes in equity.</p> <p>Distributions received from associate is recognised as reduction in the carrying amount of the investments. When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.</p> <p>'After application of the equity method of accounting, the Company determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in an associate.</p> <p>When a Company entity transacts with an associate of the Company, profit or losses resulting from the transactions with associate are recognised in the Company's Consolidated Financial Statements only to the extent of interests in the associate that are not related to the Company. Unrealised gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.</p> <p>(II) Subsidiary</p> <p>(i) Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses. The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent subsidiary relationship came into existence.</p> <p>(ii) The excess of cost to the Group of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company were made, is recognized as 'Goodwill'. On the other hand, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investments of the Group, it is recognized as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements.</p> <p>(iii) Non-Controlling Interest (NCI) in the Net Assets of the Consolidated Subsidiaries consists of:</p> <p>(a) The amount of Equity attributable to holders of NCI at the date on which the investment in the Subsidiary is made; and</p> <p>(b) The NCI's share of movements in Equity since the date the Parent Subsidiary relationship came into existence.</p> <p>NCI share in the Net Profit / (Loss) for the year of the Consolidated Subsidiaries is identified and adjusted against the Profit After Tax of the Group even if this results in the NCI having a deficit balance.</p> <p>(iv) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's standalone financial statements.</p> <p>(v) The particulars of subsidiaries / associates, which is included in consolidation and the Company's holding therein, are as under</p>				
S. No.	Name of the entity	Relationship	Country of Incorporation	Proportion of Ownership - As at 31 March 2022	Proportion of Ownership - As at 31 March 2021
1	SGS Teknics Manufacturing Private Limited (Refer Note 1)	Subsidiary	India	100%	20%
2	SGS Infosystem Private Limited	Subsidiary of 1 (above)	India	99.68%	-
3	SGS Solutions GMBH	Subsidiary of 1 (above)	Deutschland	66%	-
4	Perfect ID India Private Limited (Refer Note 2)	Subsidiary	India	75%	-
5	Perfect IOT Wireless Solutions LLP	Associate of 4 (above)	India	50%	-
6	Syrma Technology Inc	Subsidiary	USA	100%	-

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Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Notes forming part of Consolidated Financial Statements for the year ended 31 March 2022
(All amounts are in Million Indian Rupees unless otherwise stated)

Note 1: The Company had initially acquired 322,557 shares of SGS constituting 20% of the share capital of SGS vide Shareholders' agreement dated 23rd October 2020 between the Company, promoters of Company, SGS Teknics and erstwhile promoters of SGS Teknics. Subsequently, vide Shareholders' agreement dated 16 September 2021 between the Company, SGS Teknics and erstwhile promoters of SGS Teknics, the Company has acquired the balance 1,290,228 shares constituting 80% of the share capital of SGS Teknics pursuant to which SGS has become a wholly owned subsidiary of the Company.

Note 2: The Company has acquired 1,690,613 shares of Perfect ID constituting 75% of the share capital of Perfect ID vide Investment agreement dated 11th October 2021 between the Company, Perfect ID and erstwhile promoters of Perfect ID.

(c) Accounting Convention and Assumptions

These consolidated Financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting period, as stated in the accounting policies set out below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Going Concern

The directors have, at the time of approving the consolidated Financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated Financial Statements.

(d) Basis of presentation

The consolidated Balance sheet, the consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity, are presented in the format prescribed under Division II of Schedule III of the Act, as amended from time to time, for Companies that are required to comply with Ind AS. The Consolidated Statement of Cash Flows has been presented as per the requirements of Ind AS 7 - Statement of Cash Flows.

The consolidated Financial statements are presented in Indian rupees (INR), the functional currency of the Group. Items included in the consolidated Financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency').

Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes in these consolidated Financial statements.

(e) Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset / liability is expected to be realized / settled in the Group's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset / liability is held primarily for the purpose of trading;
- iv. the asset / liability is expected to be realized / settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.3 Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

In a business combination achieved in stages, the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss or other comprehensive income(OCI), as appropriate. In prior reporting periods, the acquirer may have recognised changes in the value of its equity interest in the acquiree in other comprehensive income. If so, the amount that was recognised in other comprehensive income shall be recognised on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair values, except that:

- (i) deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively; and
- (ii) assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

2.4 Property, plant and equipment

Measurement at recognition:

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of PPE and intangible asset outstanding at each Balance Sheet date are disclosed as capital advances under Other Non-Current Assets.

Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss.

The estimated useful life of items of property, plant and equipment is mentioned below:

Asset Category	Years
Buildings	9 to 30 Years
Plant and Equipment	
- Plant and Machinery	10 to 15 Years
- Stencils	3 to 15 Years
Electrical equipment	10 to 20 Years
Furniture and Fittings	10 Years
Office and Other Equipment	3 to 5 Years
Computer & other peripherals	3 Years to 6 Years
Vehicles	5 to 8 Years

Components of the Group follow different useful lives for the similar block/category of assets. The management believes that this is an accounting estimate which could be different across Holding Company and subsidiaries. The management believes that this is not an accounting policy which needs to be harmonized/made consistent across components of Group in accordance with accounting policy stated in Note 2.2 (B) above.

Based on technical assessment made by technical expert and management estimate, the Group depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The Subsidiary Company (SGS Tekniks) has revised the useful life of Stencils from 15 years to 3 years from 1 April 2021.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Depreciation on additions/ (disposals) is provided on a pro-rata basis i.e. from / (upto) the date on which asset is ready for use/ (disposed of).

Reclassification to Investment Property

When the use of property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognised.

2.5 Intangible assets other than Goodwill

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use. The amortisation period is reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Intangible assets under development

Cost of intangible assets not ready for intended use, as on the Balance Sheet date, is shown as Intangible assets under development.

Derecognition of intangible assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of profit or loss when the asset is derecognised.

Useful lives of intangible assets:

Estimated useful lives of the intangible assets are as follows:

- Computer Software - 3 Years
- Knowhow - 6 Years

2.6 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquire (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.7 Impairment of PPE & Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Consolidated Statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the consolidated Statement of profit and loss.

2.8 Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in ordinary course of business, use in the production or supply of goods or for services or for administrative purposes. Upon initial recognition, investment property is measured at cost.

Any gain or loss on disposal of investment property is recognised in profit or loss.

The Fair value of investment property is disclosed in the notes. Fair value is determined by an independent valuer who hold a recognised and relevant professional qualification and has experience in the location and category of the investment property being valued.

2.9 Investment in debentures/bonds, mutual funds and private equity

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments.

Investments in debentures or bonds are measured at amortised cost at carrying value representative of fair value. These assets are subsequently measured at amortised cost using the effective interest method. Interest income, foreign exchange gain and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Investment in mutual funds, specific bonds (market linked) and structured product/ private equity (i.e.; unquoted investments) are measured at fair value through profit and loss. Net gains and losses are recognised in Statement of Profit or Loss.

2.10 Leases

(a) Policy applicable for Lease Contracts entered on or after 1 April 2019

At inception of a Lease Contract, the Group assesses whether a Lease Contract is, or contains, a lease. A Lease Contract is, or contains, a lease if the Lease Contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a Lease Contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the Lease Contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

a) the Group has the right to operate the asset; or

b) the Group designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to Lease Contracts entered into, or changed, on or after 1 April 2019.

At inception or on reassessment of a Lease Contract that contains a lease component, the Group allocates the consideration in the Lease Contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) Policy applicable for contracts entered before 1 April 2019

For contracts entered into before 1 April 2019, the Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and

- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met

- the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;

- the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or

- facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

(c) Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The Group recognises the lease payments associated with these leases as an expense over the lease term.

2.11	<p>Inventories</p> <p>Inventories are valued at the lower of cost on weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.</p> <p>Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.</p>
2.12	<p>Cash & Cash Equivalents</p> <p>(a) Cash and cash equivalents (for purposes of Cash Flow Statement)</p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p> <p>(b) Cash flow statement</p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.</p>
2.13	<p>Foreign currency transactions and translations</p> <p>(a) Initial recognition</p> <p>In preparing the consolidated Financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.</p> <p>(b) Foreign Operations</p> <p>The assets and liabilities of foreign operations (subsidiary company) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rate at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rate at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.</p> <p>Exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of foreign operation), except to the extent that the exchange differences are allocated to NCI.</p> <p>(c) Measurement at the reporting date</p> <p>At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments 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 classified as FVOCI are recognised in other comprehensive income.</p>
2.14	<p>Revenue recognition</p> <p>Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services.</p> <p>Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and rebates offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.</p> <p>(a) Sale of Products</p> <p>Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.</p> <p>Advance from customers and Deferred revenue is recognized under other current liabilities which is released to revenue on satisfaction of performance obligation.</p> <p>(b) Rendering of services:</p> <p>Income from service activities are recognized at a point in time on satisfaction of performance obligation towards rendering of such services in accordance with the terms of arrangement.</p> <p>(c) Tooling Charges</p> <p>Tooling charges received from customers in advance is recognised based on completion of the project and the number of units sold to the customer during the respective year. The same is recognised at a point in time or over a period of time depending on the terms of arrangement / contract with the customer and the corresponding satisfaction of performance obligation.</p>

2.15 Other Income

(a) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the asset's net carrying amount on initial recognition.

(b) Dividend income

Dividend income is recognized when the right to receive the income is established.

2.16 Employee Benefits

(a) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(b) Defined contribution plans

Provident fund / Employee State Insurance :

The Group makes specified contributions towards Employees' Provident Fund and Employee State Insurance maintained by the Central Government and the Group's contribution are recognized as an expense in the period in which the services are rendered by the employees.

Superannuation fund:

The Group contributes a specified percentage of eligible employees' salary to a superannuation fund administered by trustees and managed by the insurer. The Group has no liability for future superannuation benefits other than its annual contribution and recognizes such contributions as an expense in the period in which the services are rendered by the employees.

National pension scheme:

The Group contributes a specified percentage of the eligible employees salary to the National Pension Scheme of the Central Government. The Group has no liability for future pension benefits and the Company's contribution to the scheme are recognized as an expense in the period in which the services are rendered by the employees.

(c) Defined benefit plans

The Group operates a gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days basic salary last drawn for each completed year of service as per the payment of Gratuity Act, 1972.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). The Group determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then- net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, are based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Annual contributions are made to the employee's gratuity fund, established with the Insurer (Plan asset) every year. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

(d) Other long-term employee benefits

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since, the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognised in Statement of profit or loss in the period in which they arise.

(e) Employee Share Based Payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and The Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of The Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Notes forming part of Consolidated Financial Statements for the year ended 31 March 2022
(All amounts are in Million Indian Rupees unless otherwise stated)

2.17	<p>Provisions</p> <p>Provisions are recognised, when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.</p> <p>The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).</p>
2.18	<p>Product Warranty Cost</p> <p>The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to three years.</p> <p>The estimates used for accounting of warranty liability / recoveries are reviewed periodically and revisions are made as required.</p>
2.19	<p>Contingent liability</p> <p>Contingent liability is disclosed for</p>
(a)	<p>A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or</p>
(b)	<p>Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.</p>
2.20	<p>Taxes on Income</p> <p>The income tax expense represents the sum of the tax currently payable and deferred tax.</p>
(a)	<p>Current tax</p> <p>Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company 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.</p> <p>Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.</p>
(b)	<p>Deferred tax</p> <p>Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated Financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.</p> <p>Deferred tax liabilities are recognised for taxable temporary differences arising on investment in associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investment is only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.</p> <p>Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.</p> <p>The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is highly probable that future economic benefit associated with it will flow to the Group. The carrying amount is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.</p>
(c)	<p>Current tax and deferred tax for the year:</p> <p>Current and deferred tax are recognised in Consolidated Statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.</p>

2.21 Financial Instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

(a) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of profit and loss.

(b) Subsequent Measurement

(i) Financial assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets, except for investments forming part of interest in subsidiaries / associates, which are measured at cost.

Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of profit or loss), and

b) those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on these assets that is subsequently measured at amortized cost is recognized in Statement of profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of profit or loss and recognized in other income / (expense).

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the Statement of profit and loss.

Impairment of financial assets

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

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are measured at amortised cost e.g., cash and bank balances, investment in equity instruments of subsidiary companies, trade receivables and loans etc.

At each reporting date, the Company assesses whether financial assets carried at amortised cost is credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due as per the ageing brackets;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

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

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

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the statement of profit and loss. ECL for financial assets measured as at amortized cost and contractual revenue receivables is presented as an allowance, i.e., as an integral part of the measurement of those assets in the consolidated financial statements. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Write off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Any recoveries made are recognised in Statement of profit or loss.

(ii) Financial liabilities and equity instruments:

Classification as equity or financial liability

Equity and Debt instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Financial liabilities at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Financial liabilities at FVTPL

Liabilities that do not meet the criteria for amortized cost are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the Statement of profit and loss.

(c) Derecognition

(i) Derecognition of financial assets

A financial asset is derecognized only when the Group has transferred the rights to receive cash flows from the financial asset. Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

(ii) Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of profit or loss.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

-Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established internal control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(f) Derivative financial instruments

The Group enters into derivative financial instruments to mitigate its foreign currency risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in statement of profit and loss.

2.22 Earnings Per Share

Basic earnings per share is computed by dividing the net profit / (loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period / year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.23 Segment reporting

Operating segments reflect the Group's management structure and the way the financial statements is regularly reviewed by the Group's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

2.24 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in Statement of profit or loss in the period in which they are incurred.

2.25 Government Grant

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are recognized in the profit or loss, as necessary to match them with the costs that they are intended to compensate.

When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the assets and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

Export Benefits

Export Benefits are recognized when there is reasonable certainty that the Group will comply with the conditions attached and that the benefit will be received.

2.26	<p>Related Party Transactions</p> <p>Related party transactions are accounted for based on terms and conditions of the agreement / arrangement with the respective related parties. These related party transactions are determined on an arm's length basis and are accounted for in the period / year in which such transactions occur and adjustments if any, to the amounts accounted are recognised in the year of final determination.</p> <p>There are common costs incurred by the entity having significant influence / Other Related Parties on behalf of various entities including the Group. The cost of such common costs are accounted to the extent debited separately by the said related parties.</p>
2.27	<p>Use of estimates and judgements</p> <p>In preparing these consolidated Financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.</p> <p>Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.</p> <p>Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.</p> <p>Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.</p> <p>The areas involving critical estimates or judgments are :</p> <p>a. Estimation of useful life of tangible and intangible asset. (Refer Note 2.4, 2.5 and 2.6) b. Impairment of trade receivables / Investment: Expected credit loss. (Refer Note 2.21) c. Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources. (Refer Note 2.17, 2.18 and 2.19) d. Measurement of defined benefit obligation: key actuarial assumptions.(Refer Note 2.16) e. Estimation of income tax (current and deferred) – (Refer Note 2.20) f. Impairment of goodwill – (Refer Note 2.6)</p>
2.28	<p>Insurance claims</p> <p>Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.</p>
2.29	<p>Recent Pronouncements</p> <p>a) Standards issued/amended but not yet effective</p> <p>On March 23, 2022, Ministry of Corporate Affairs amended, the Rules, applicable from April 1, 2022, as summarised below:</p> <p>a. Ind AS 103 – Reference to Conceptual Framework</p> <p>The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.</p> <p>b. Ind AS 16 – Proceeds before intended use</p> <p>The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.</p> <p>c. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract</p> <p>The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.</p> <p>d. Ind AS 109 – Annual Improvements to Ind AS (2021)</p> <p>The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.</p> <p>e. Ind AS 116 – Annual Improvements to Ind AS (2021)</p> <p>The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.</p> <p>The Group does not expect any of the aforesaid amendments to have any significant impact in its Consolidated financial information.</p> <p>b) Code on Social Security</p> <p>The Indian Parliament has approved the Code on Social Security, 2020 which may impact the employee benefit expenses of the Group. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be determined. The Group will give appropriate impact in the financial statements once the code becomes effective and related rules to determine the financial impact are notified.</p>

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3 Property, Plant and Equipment											
Particulars	Land (Refer Note 3.5)	Buildings on Leasehold land	Plant and Equipment	Furniture and fittings	Office equipments	Computers & other peripherals	Electrical Installation	Vehicles	Tools and moulds	Airconditioning equipment	Total
Gross Carrying Value											
As at 1 April 2020	14.57	104.08	626.26	19.34	8.57	12.32	57.53	5.47	-	-	848.14
Additions	-	0.48	51.83	2.33	1.15	7.53	1.28	-	-	-	64.60
Reclassification (Refer Note 3.3)	(14.57)	14.63	(7.10)	1.31	(1.44)	0.94	6.23	-	-	-	-
As at 31 March 2021	-	119.19	670.99	22.98	8.28	20.79	65.04	5.47	-	-	912.74
Acquisitions through business combinations	304.70	220.41	646.80	43.14	27.18	34.84	-	62.08	73.54	41.80	1,454.49
Additions	331.50	7.90	112.24	11.19	6.82	22.19	8.25	6.33	12.30	0.13	518.85
Disposals / Discarded	-	-	0.71	-	0.01	-	-	4.99	0.05	-	5.76
Currency Translation	-	-	-	-	(0.25)	-	-	-	-	-	(0.25)
As at 31 March 2022	636.20	347.50	1,429.32	77.31	42.52	77.82	73.29	68.89	85.79	41.93	2,880.57
Accumulated depreciation											
As at 1 April 2020	-	6.74	49.43	2.39	1.97	4.30	3.15	1.01	-	-	68.99
Depreciation expense for the year	-	9.07	68.97	3.07	1.83	5.32	3.59	1.01	-	-	92.86
Elimination on disposal	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2021	-	15.81	118.40	5.46	3.80	9.62	6.74	2.02	-	-	161.85
Acquisitions through business combinations	-	18.09	124.86	10.40	12.78	15.31	-	12.14	12.17	12.94	218.69
Depreciation expense for the year	-	10.11	114.83	5.54	4.81	10.20	3.95	5.28	3.92	3.02	161.66
Elimination on disposal	-	-	0.16	-	-	-	-	1.53	-	-	1.69
Currency Translation	-	-	-	-	(0.29)	-	-	-	-	-	(0.29)
As at 31 March 2022	-	44.01	357.93	21.40	21.68	35.13	10.69	17.91	16.09	15.96	540.80
Net Carrying Value											
As at 31 March 2021	-	103.38	552.59	17.52	4.48	11.17	58.30	3.45	-	-	750.89
As at 31 March 2022	636.20	303.49	1,071.39	55.91	20.84	42.69	62.60	50.98	69.70	25.97	2,339.77

3.1 Refer Note 20.2 and 24.1 for property, plant and equipment pledged/ hypothecated as securities for borrowings.

3.2 The impact of change in the estimated useful lives of Stencils from 15 Years to 3 years by the Holding Company is additional depreciation charge of Rs. 12.39 Million for the year ended 31 March 2021. The Impact of change in the estimated useful lives of Stencils from 15 years to 3 years by SGS Teknics is additional depreciation charge of Rs. 0.93 Million for the year ended 31 March 2022.

3.3 During the year ended 31 March 2021, certain assets have been reclassified to other categories, based on the physical verification carried out by the Management of the Holding Company.

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3.4 Fair valuation of Land considered upon business combination is based on the valuation by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

3.5 Title deeds of Immovable Property not held in name of any component of the Group as at 31 March 2022 is as follows:-

Description of item of property	Amount	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director	Property held since which date	Reason for not being held in the name of any component of the Group
Freehold Land (Plot No 88, HPSIDC, Baddi, HP)	9.74	SGS Teknics Private Limited	No	12 June 2006	Title deeds are held in the name of SGS Teknics Private Limited, which was amalgamated into SGS Teknics Manufacturing Private Limited as per the order of the High Court of Punjab and Haryana at Chandigarh through order dated 15 September 2012.
Freehold Land (A3 Infocity, Sector 34, Gurugram)	131.5	SGS Teknics Private Limited	No	07 January 2004	Title deeds are held in the name of SGS Teknics Private Limited, which was amalgamated into SGS Teknics Manufacturing Private Limited as per the order of the High Court of Punjab and Haryana at Chandigarh through order dated 15 September 2012.

4 Right-Of-Use (ROU) Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Land	14.62	8.25
Building	223.86	41.33
Total	238.48	49.58

Details of movement in the carrying amounts of Right-of-use assets

Particulars	Land	Building	Total
Gross Carrying Value			
As at 1 April 2020	11.07	63.59	74.66
Additions	-	-	-
Disposals / Discarded	-	-	-
As at 31 March 2021	11.07	63.59	74.66
Acquisitions through business combinations	2.52	55.86	58.38
Additions	6.93	196.01	202.94
Disposals / Discarded	-	(55.87)	(55.87)
As at 31 March 2022	20.52	259.59	280.11
Accumulated depreciation			
As at 1 April 2020	1.41	11.13	12.54
Depreciation expense for the year	1.41	11.13	12.54
Elimination on disposal	-	-	-
As at 1 April 2021	2.82	22.26	25.08
Acquisitions through business combinations	1.18	14.47	15.65
Depreciation expense for the year	1.90	17.00	18.90
Elimination on disposal	-	(18.00)	(18.00)
As at 31 March 2022	5.90	35.73	41.63
Net Carrying Value			
As at 31 March 2021	8.25	41.33	49.58
As at 31 March 2022	14.62	223.86	238.48

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5 Investment property

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying amount as at beginning of the year	-	-
Acquisitions through business combinations	4.13	-
Addition	-	-
Depreciation	-	-
Carrying amount as at end of the year	4.13	-

5.1 Fair valuation of Investment property on business combination is based on the valuation by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

6 Intangible Assets

Particulars	Computer software	Knowhow	Total
Gross Carrying Value			
As at 1 April 2020	8.34	30.59	38.93
Additions	5.04	-	5.04
Disposals / Discarded	-	-	-
As at 31 March 2021	13.38	30.59	43.97
Acquisitions through business combinations	16.40	-	16.40
Additions	7.37	-	7.37
Disposals / Discarded	-	-	-
As at 31 March 2022	37.15	30.59	67.74
Accumulated Amortisation			
As at 1 April 2020	3.12	12.29	15.41
Amortisation expense for the year	3.10	12.24	15.34
Elimination on disposal	-	-	-
As at 31 March 2021	6.22	24.53	30.75
Acquisitions through business combinations	8.12	-	8.12
Amortisation expense for the year	7.70	6.06	13.76
Elimination on disposal	-	-	-
As at 31 March 2022	22.04	30.59	52.63
Net Carrying Value			
As at 31 March 2021	7.16	6.06	13.22
As at 31 March 2022	15.11	-	15.11

7 Depreciation and Amortisation Expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Depreciation of Property, Plant and Equipment	161.66	92.86
(b) Amortisation of Intangible Assets	13.76	15.34
(c) Depreciation on ROU Assets	18.90	12.54
Total	194.32	120.74

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8 Non-current Investment

Particulars	As at 31 March 2022	As at 31 March 2021
Unquoted Investment In Associate - at equity method SGS Tekniks Manufacturing Private Limited (Refer Note 2.2 (b)(I) & Note 47.2) Nil (As at 31 March 2021 - 322,557 Equity Shares of Rs.10 Each, fully paid up)	-	921.45
Perfect IOT Wireless Solutions LLP (50% share in Net-assets)	2.19	-
Investment in debentures or bonds carried at Fair value through Profit and Loss (FVTPL) -100 @ INR 100,000 each Citicorp Finance India Limited, debentures	13.68	-
Investment Carried at Fair value through Other Comprehensive Income Unquoted Equity Shares Inotech FEG GmbH 4127 Shares of €10 Each, fully paid up	21.22	-
Investment carried at FVTPL Unquoted - Compulsorily Convertible Preference Shares (CCPS) Airth Research Private Limited 783 CCPS of Rs 10 Each, fully paid up	10.01	-
Total	47.10	921.45

8.1 Additional information as required by Schedule III to the Act

Particulars	As at 31 March 2022	As at 31 March 2021
Aggregate book value of unquoted investments	47.10	921.45

9 Other Financial Assets (Non-current)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Security Deposits measured at amortised cost	47.48	24.64
(b) Other Bank Deposits		
- Banks deposits (due to mature after 12 months from the reporting date)	1.30	-
- Under Lien*	-	101.13
- Margin Money	3.37	3.74
(c) Loan to employees	0.26	-
Total	52.41	129.51

* The balance of Rs. 101.13 million as on 31 March 2021, was under lien to DBS Bank India Ltd as secondary security on the External Commercial Borrowing (ECB) granted to the Group. As on 31 March 2022, the loan has been repaid. Refer Note 20.

10 Income Tax Asset (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance tax / Tax deducted at source (Net of Provisions of Rs. 528.72 Millions as at 31 March 2022 & Rs. 243.20 Million as at 31 March 2021)	25.17	9.78
Amount paid under protest (Refer Note 38)	4.22	-
Total	29.39	9.78

11 Other Non-Current Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Capital Advances	211.24	111.52
Prepaid Expense	1.04	-
Total	212.28	111.52

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12 Inventories (At Lower of Cost and Net Realisable Value)		
Particulars	As at 31 March 2022	As at 31 March 2021
(a) Raw Materials and Components - Materials-in-Transit	1,703.69 346.32	293.25 239.38
	2,050.01	532.63
(b) Work-in-Progress	643.59	201.31
(c) Finished Goods (other than those acquired for trading)*	198.99	26.16
(d) Stock-in-trade	1.05	0.90
(e) Stores and Spare Parts (including packing materials)	19.36	9.75
Total	2,913.00	770.75
*Including Goods-in-transit amounting to Rs. 77.15 Million (As at 31 March 2021 - Nil)		
12.1 Cost of Inventories (including cost of traded goods) recognised as expense in Statement of Profit and Loss		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cost of inventories (including cost of traded goods)	7,287.13	2,889.30
12.2 The mode of valuation of inventories has been stated in Note 2.11		
12.3 Movement in allowance for obsolete and non-moving inventory		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at beginning of the year	2.82	-
Additional allowance created / (reversed) during the year (net)	5.52	2.82
Balance at end of the year	8.34	2.82
12.4 In addition to the above, the cost of inventories recognised as expense in respect of write down of inventories are as follows:		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Write down of Inventories	14.81	76.00
13 Current Investment		
Particulars	As at 31 March 2022	As at 31 March 2021
Investment - Measured at FVTPL		
- Investments in mutual funds - quoted (Refer Note 13.1 below)	314.20	-
- Investment in other -unquoted investments (Refer Note 13.1 below)	48.79	-
Total	362.99	-
13.1 Additional information as required by Schedule III to the Act		
Particulars	As at 31 March 2022	As at 31 March 2021
Aggregate book value of quoted current investments	314.20	-
Aggregate market value of quoted current investments	314.20	-
Aggregate book value of unquoted current investments	48.79	-
14 Trade Receivables		
Particulars	As at 31 March 2022	As at 31 March 2021
(a) Considered good – unsecured (Refer Note 14.3)	2,774.56	1,301.27
(b) Receivables which have significant increase in credit risk	-	-
(c) Receivables - Credit impaired	6.31	-
Gross receivables	2,780.87	1,301.27
Allowance for expected credit loss	(58.53)	(22.55)
Net receivables	2,722.34	1,278.72
The above amount of trade receivables also includes amount receivable from its related parties (Refer Note 14.5 & 44.3)	11.00	24.55
14.1 Movement in Expected Credit Loss (ECL) Allowance		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at beginning of the year	22.55	22.77
Acquisitions through business combinations	28.13	-
Add: Additional Provision / (Reversal) of ECL allowance	9.08	9.18
Less: Utilization of ECL allowance	(1.23)	(9.40)
Balance at end of the year	58.53	22.55

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14.2 The Trade Receivables, include certain customers having more than 10% of the total outstanding trade receivables balance.

Particulars	As at 31 March 2022	As at 31 March 2021
No of customers	-	3.00
Amount outstanding	-	546.01

There are no other customers who represent more than 10% of the total balance of trade receivables.

14.3 The Group measures the loss allowance for trade receivables at an amount equal to ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

14.4 The Group had entered into a factoring arrangement on a non recourse basis with M/s India Factoring and Financing Solutions Private Limited, in connection with receivables from certain customers. Based on the terms of the arrangement, the amounts received from India Factoring and Financing Solutions Private Limited has been derecognized. The amount of such factored receivables derecognised as at 31 March 2022 is Rs. 193.70 Million (As at 31 March 2021 - 169.84 Million).

14.5 The Group has receivable due from the following Parties in which there is a common Director.

Particulars	As at 31 March 2022	As at 31 March 2021
Infix Services Private Limited	3.72	6.12
TIS International (USA) Inc	7.28	18.28
Syrma Tech Singapore Pte Ltd	-	0.15
Total	11.00	24.55

No trade or other receivable is due from directors or other officers of the Group either severally or jointly with any other person. No trade or other receivable is due from firms or private companies respectively in which any director is a partner, a director or a member, other than mentioned above.

14.6 Refer Note 55(V) for trade receivables ageing.

15.1 Cash and Cash Equivalents (as per Ind AS 7 Cash Flow Statements)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Cash on Hand	1.33	1.00
(b) Balances with Banks		
- In Current Accounts	82.57	39.18
- In EEFC Accounts	58.19	71.05
- In Deposit Accounts	192.02	168.40
Total	334.11	279.63

15.2 Other Bank Balances

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with Banks - Margin Money	34.97	22.43
Total	34.97	22.43

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16 Other Financial Assets (Current)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Interest accrued, but not due on Fixed Deposits with banks	2.12	4.08
(b) Balance Receivable from Customs Authorities	4.06	0.42
(c) Export benefits Receivable	50.21	46.55
(d) Advances to employees	5.54	2.05
(e) Derivative contracts entered to mitigate foreign currency risk (Refer Note 16.1)	0.39	-
(f) Security deposits	8.83	-
(g) Other Benefits Receivable from State Government	2.61	1.55
Total	73.76	54.65

16.1 Derivative contracts represents fair value of the derivative contracts undertaken related to term loan and working capital loan and interest rates.

17 Other Current Assets

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Balances Receivable from Government Authorities	294.67	74.74
(b) Advance to Suppliers	177.90	133.80
(c) Other Advances (Refer Note 17.1 & 17.2)	80.62	23.86
(d) Advances to Employees	0.15	-
(e) Prepaid expenses	17.99	9.59
Total	571.33	241.99

17.1 The Group has given supplier advances to the following parties in which there is a common Director. (Refer Note 44.3)

Particulars	As at 31 March 2022	As at 31 March 2021
Infinx Services Private Limited	-	23.39
Reliable Consultancy Services Pvt. Limited	0.57	-
Memory Electronics Private Limited	-	0.09
Total	0.57	23.48

17.2 Other Advances, as at 31 March 2022, includes fees paid to Stock Exchanges, Securities Exchange Board of India (SEBI), Lawyers, Bankers, Auditors etc., in connection with the proposed IPO of the Company. A proportionate part of the above mentioned advances will be recovered from the selling shareholders and the remaining portion will be set off against the securities premium on the successful completion of IPO.

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18 Share Capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
(a) Authorised Equity Shares of Rs. 10/- each Preference Shares of Rs. 100/- each	200,000,000 1,200,000	2,000.00 120.00	5,550,000 1,200,000	55.50 120.00
(b) Issued, Subscribed and Fully Paid Up Equity Shares of Rs. 10/- each fully paid up	137,617,853	1,376.17	748,041	7.48
Total	137,617,853	1,376.17	748,041	7.48

Notes:

18.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
Equity Shares:				
Shares outstanding as at the beginning of the year	748,041	7.48	702,063	7.02
Add: Fresh issue of shares during the year*	508,380	5.08	45,978	0.46
Add: Conversion of preference shares (Refer Note 19.5)	106,132	1.06	-	-
Add: Bonus Issue of Shares	136,255,300	1,362.55	-	-
Shares outstanding as at the end of the year	137,617,853	1,376.17	748,041	7.48
Compulsorily Convertible preference Shares (CCPS):				
Shares outstanding as at the beginning of the year	104,002	10.40	-	-
Add: Fresh issue of shares during the year #	-	-	104,002	10.40
Less: Conversion of CCPS (Refer Note 19.5)	(104,002)	(10.40)	-	-
Shares outstanding as at the end of the year	-	-	104,002	10.40

* During the year ended 31 March 2022, the Holding Company issued Equity shares at Rs. 5,341 per share comprising of face value of Rs. 10 each and securities premium of Rs. 5,331 each.

* During the year ended 31 March 2021, the Holding Company issued Equity shares at Rs. 7,204.50 per share comprising of face value of Rs. 10 each and securities premium of Rs. 7,194.50 each.

During the year ended 31 March 2021, the Holding Company issued Preference shares at Rs. 7,204.50 per share comprising of face value of Rs. 100 each and securities premium of Rs. 7,104.50/- each.

18.2 Details of Shares held by Ultimate Holding Company

Particulars	As at 31 March 2022	As at 31 March 2021
	No. of shares (In full number)	No. of shares (In full number)
Tancom Electronics Private Limited* (Equity shares of Rs.10/- each fully paid)	NA	697,925

* Tancom Electronics Private Limited is no longer a holding Company of the Company w.e.f 21st October, 2021.

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18.3 Details of Shares held by each shareholder holding more than 5% shares in the Holding Company:

Class of Shares / Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
	No. of shares (In full number)	% Holding in the respective Class of Shares	No. of shares (In full number)	% Holding in the respective Class of Shares
Equity shares of Rs.10/- each fully paid				
Tancom Electronics Private Limited	63,319,425	46.01%	697,925	93.30%
Mr. Jasbir Singh Gujral	12,569,000	9.13%	-	-
Mr. Sanjiv Narayan	12,569,000	9.13%	-	-
Mr. Ranjeet Singh Lonial	12,569,000	9.13%	-	-
Mr. Krishna Kumar Pant	12,569,000	9.13%	-	-
South Asia Growth Fund II Holdings, LLC	10,648,026	7.74%	-	-
0.01% CCPS of Rs. 100 each fully paid				
South Asia Growth Fund II Holdings, LLC	-	-	103,213	99.24%

18.4 Shareholding of promoters*

Name of the promoter	Year	No. of shares (In full number)	% of total shares	% change during the year #
Tancom Electronics Private Limited	As at 31 March 2022	63,319,425	46.01%	(47.29%)
	As at 31 March 2021	697,925	93.30%	(6.11%)
Mr. Jasbir Singh Gujral	As at 31 March 2022	12,569,000	9.13%	9.13%
	As at 31 March 2021	-	-	-
Ms. Veena Kumari Tandon	As at 31 March 2022	4,884,360	3.55%	(0.91%)
	As at 31 March 2021	33,360	4.46%	3.87%

*Promoter means Promoter as defined in the Act.

% change during the year represents the % change in total holding when compared to the previous year end.

18.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

a) During FY 17-18, the aggregate number of equity shares allotted as fully paid up for consideration other than cash pursuant to amalgamation of Syrma Services and Solutions Private limited and 3G Wireless Communication Private limited are 2,063 shares.

b) During FY 21-22, the members of the Holding Company at the Extra Ordinary General Meeting (EGM) held on 28 October, 2021 approved the issue of bonus shares in the ratio of 100 equity shares for every 1 equity share as on the date of EGM. Aggregate number of shares allotted as fully paid up by way of bonus shares is 136,255,300 shares of Rs 10 each.

18.6 Disclosure of Rights

(a) Equity Shares

The Holding Company has only one class of equity shares having a par value of Rs. 10 each. Each holder is entitled to one vote per equity share. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

(b) Compulsorily Convertible preference Shares (CCPS)

The holders of CCPS shall be entitled to share in the distribution of declared dividends at a pre-determined cumulative dividend rate of 0.01% per annum. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year and shall be paid in priority to other classes of shares. In the event of liquidation, as applicable, the holder(s) of the CCPS shall have the right to be first paid in priority to the other shareholders and all other classes of preference shareholders, any declared but accrued and unpaid dividends. The holders of CCPS shall be entitled to attend meetings of all shareholders of the Holding Company and will be entitled to such voting rights on an as if converted basis, as may be permissible under applicable law. The holders of CCPS shall be entitled to the same number of votes for each CCPS as a holder of 1 (one) equity share, provided however that in the event of any adjustment in conversion the number of votes associated with each CCPS will change accordingly. The holders of CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

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19 Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Capital Reserve	8.23	8.23
(b) Securities Premium	2,524.91	1,167.95
(c) Special Reserve - Special Economic Zone (SEZ) Reinvestment Reserve	315.71	337.41
(d) Surplus in Statement of Profit and Loss	1,462.17	884.29
(e) CCPS treated as Equity Financial Instruments (Refer Note 19.5)	-	10.40
(f) Foreign currency translation reserve	(1.70)	(0.01)
(g) Employee Stock Option Reserve	35.07	-
Total	4,344.39	2,408.27

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Capital Reserve (out of Amalgamation)		
Opening Balance	8.23	8.23
Addition for the year	-	-
Closing Balance	8.23	8.23
(b) Securities Premium		
Opening Balance	1,167.95	100.12
Addition for the year:		
Upon issue of new equity shares	2,710.17	1,069.68
Upon conversion of CCPS to equity shares	9.34	-
Utilisation / Reversal during the year	(1,362.55)	(1.85)
Closing Balance	2,524.91	1,167.95
(c) Special Reserve - SEZ Reinvestment Reserve		
Opening Balance	337.41	256.60
Addition for the year	-	132.64
Utilisation / Reversal during the year	(21.70)	(51.83)
Closing Balance	315.71	337.41
(d) Surplus in Statement of Profit and Loss		
Opening Balance	884.29	645.08
Profit for the year	555.38	320.17
Other Comprehensive Income for the period, net of Income tax	0.80	(0.15)
Transfer from Special Reserve - SEZ Reinvestment Reserve	21.70	51.83
Transfer to Special Reserve - SEZ Reinvestment Reserve	-	(132.64)
Closing Balance	1,462.17	884.29
(e) CCPS treated as Equity Financial Instruments (Refer Note 18.6(b) & 19.5)		
Opening Balance	10.40	-
Issue / Conversion of Preference Shares during the year	(10.40)	10.40
Closing Balance	-	10.40
(f) Foreign currency translation reserve		
Opening Balance	(0.01)	-
Exchange difference on translating financial statement, during the year	(1.69)	(0.01)
Closing Balance	(1.70)	(0.01)
(g) Employee Stock Option Reserve		
Opening balance	-	-
Employee stock compensation expense	35.07	-
Closing balance	35.07	-
Total	4,344.39	2,408.27

Notes: Nature and purpose of other reserves

19.1 Capital Reserve

The reserve has been created consequent to the Amalgamation of 3G Wireless Private Limited with the Holding Company.

19.2 Securities Premium

Securities Premium is used to record the premium realised on issue of securities. The reserve is utilised in accordance with the provisions of the Act. During the year ended 31 March 2022, securities premium has been utilised for issue of new bonus shares.

19.3 Special Reserve - SEZ Reinvestment Reserve

The Special Economic Zone (SEZ) Reinvestment Reserve has been created out of profit of eligible SEZ unit as per provisions of Section 10AA(1)(ii) of the Income-tax Act, 1961 for acquiring new plant and machinery.

19.4 Surplus in Statement of Profit and Loss

Surplus in Statement of Profit and Loss represents Group's cumulative earnings since its formation less the dividends / Capitalisation, if any. These reserves are free reserves which can be utilised for any purpose as may be required.

19.5 Compulsorily Convertible Preference Shares (CCPS) treated as Equity Financial Instruments

CCPS treated as Equity Financial Instruments represents 0.01% CCPS issued pursuant to the agreement entered into by the Company with South Asia Growth Fund II Holdings LLC and South Asia EBT Trust. These Preference Shares are entitled to a 0.01% dividend and are not entitled to any other form of distribution of profits by the Company until its conversion to equity shares.

The members at the Extra Ordinary General Meeting held on 19 October 2021 have approved the modification in the conversion ratio of 0.1% Cumulative CCPS from 1:1 as defined in Schedule 7 of the Share Subscription Agreement to 1:1.02048. Consequently, the Board of Directors in their meeting held on 19 October 2021 have approved the conversion of 104,002 preference shares of Rs. 100 each into 106,132 equity shares of Rs. 10 each.

19.6 Employee Stock Option Reserve

Employee Stock Option Reserve relates to the share options granted by the Holding Company to its employees under its stock option plan. Refer Note 41 for further details.

19.7 Foreign currency translation reserve

Foreign currency translation reserve created on account of exchange differences in translating financial statements of foreign subsidiary.



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20 Borrowings (Non-Current)		
Particulars	As at 31 March 2022	As at 31 March 2021
Term Loans from Banks (Secured) (Refer Notes 20.1 & 20.2)	34.78	244.98
Vehicle loans from Banks (Secured) (Refer Notes 20.1 & 20.2)	4.14	-
Total	38.92	244.98

20.1 Terms of Secured Loan from Banks:

Particulars	Interest Rate	No. of Installments Outstanding / period	Repayment Terms	Amount outstanding as at 31 March 2022
(a) Term loan from RBL:				
Loan 3 (EUR) (Refer Note 20.2(I)(a) below)	3.85%	10 quarters	Principal Quarterly & Interest Monthly	58.29
(b) Citi Bank				
Term loan (Refer Note 20.2(I)(b) below)	9.25% to 10.80%	within 1 year	Principal & Interest Quarterly	2.60
Vehicle Loan (Refer Note 20.2(I)(c) below)	7.60% to 8.75%	within 3 years	Principal & Interest Monthly	5.05
(c) HDFC Bank				
Vehicle Loan (Refer Note 20.2(I)(c) below)	8.40%	35 monthly instalments	Principal & Interest Monthly	2.53
Total				68.47
Less: Current Maturities of Long-Term Borrowings (Refer Note 24)				29.55
Long Term Borrowings from Bank				38.92

As at 31 March 2021

Particulars	Interest Rate	No. of Installments Outstanding	Repayment Terms	Amount outstanding as at 31 March 2021
(i) Term loan from RBL:				
Loan 1 (USD)	4.78%	1 quarter		6.97
Loan 2 (USD)	3.30%	1 quarter	Principal Quarterly & Interest Monthly	4.61
Loan 3 (EUR)	3.85%	14 quarters		84.59
Loan 5 (INR)	11.10%	3 quarters		1.70
(ii) External Commercial Borrowing from DBS Bank, Singapore (USD)				
	2.87%	18 quarters	Principal & Interest Quarterly	220.88
Total				318.75
Less: Current Maturities of Long-Term Borrowings				73.77
Long Term Borrowings from Bank				244.98

20.2 Security

I. As at 31 March 2022

(a) Term Loan from RBL:

Exclusive charge by way of hypothecation on Plant & Machinery, Equipment at Bawal Plant, Haryana.
 Second Pari Passu Charge on the entire current assets of the Company both present and future under multiple banking arrangement.

(b) Term loan from Citibank

- Exclusive charge on land and building and Plant & Machinery at Manesar facility.
- First exclusive charge on the machineries at Bangalore facility.
- First exclusive charge by way of equitable mortgage on land and building located at:
 - Plot no. 174, Sector 4, IMT, Manesar; and
 - Plot no. 3, Block A, Infocity, Gurgaon.
- Corporate guarantee of SGS Infosystems Private Limited.
- Lien marked to Citibank on Investment in Mutual fund amounting to INR 26.50 million.
- Pledge on Fixed Deposits of Rs 7.5 Million.

(c) Vehicle loan from banks - secured against hypothecation of the vehicles.

II. As at 31 March 2021

(a) Term Loan from RBL:

Primary Security -

Pari Passu hypothecation Over Unencumbered machinery and other moveable fixed assets belonging to the Company and exclusive charge on assets of Bawal Plant, Haryana.

Secondary Security -

- Exclusive Charge by way of Equitable Mortgage of commercial property owned by Tancom Electronics: Unit No.1B, 5th Floor, Unified Infotech park, Plot No R-797, Savil Village, Navi Mumbai, TTCN Area having carpet area of 11492 Sq.ft.
- Exclusive charge by way of equitable mortgage of Flat no. 1, Merry Niketan, Mount Mary Road, Bandra Owned by Sandeep Tandon.
- Personal Guarantee by Mr. Manoharlal Tandon, Mr. Sandeep Tandon & Ms. Veena Kumari Tandon.

(b) External Commercial Borrowings (ECB):

Primary Security -

Exclusive charge on the Plant & Machinery funded out of the ECB.

Secondary Security -

Exclusive charge on Fixed Deposit of Rs. 100 Million and interest accrued thereon for the tenor of the ECB Loan.
 Personal Guarantee by Mr. Manoharlal Tandon, Mr. Sandeep Tandon and Ms. Veena Kumari Tandon.

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20.3 Details of Redeemable Preference Shares

(a) Reconciliation of the Number of Redeemable Preference Shares and Amount Outstanding at the Beginning and at the End of the Reporting Period:

Particulars	1% Cumulative Redeemable Non Convertible Preference Shares Rs. 100 Fully Paid - Refer Note (i)		7% Cumulative Convertible Redeemable Preference Shares Rs. 100 Fully Paid - Refer Note (ii)	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
Shares / Amount outstanding as at 1 April 2020	300,000	30.00	150,000	15.00
Add: Fresh issue of shares during the year	-	-	-	-
Less: Redemption of shares during the year	(300,000)	(30.00)	(150,000)	(15.00)
Shares / Amount outstanding as at 31 March 2021	-	-	-	-
Add: Fresh issue of shares during the year	-	-	-	-
Less: Redemption of shares during the year	-	-	-	-
Shares / Amount outstanding as at 31 March 2022	-	-	-	-

Notes:

(i) The 1% Cumulative Redeemable Preference shares are Non-Convertible in nature having a par value of Rs. 100 per share. These preference shares are non-participating in surplus funds and in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid. The preference shares carry a preferential right vis-a-vis equity shares with respect to payment of dividend or repayment of capital and the payment of dividend on cumulative basis for the preference shares. The preference shares have a voting right as per the provisions of Section 47(2) of the Companies Act, 2013. The preference shares are redeemable on completion of 14 years from the date of allotment at par on the face Value of the preference shares or optional early redemption at the option of the Holding Company. During the year ended 31 March 2021, the Holding Company had redeemed the balance preference shares of 300,000 by exercising its option for early redemption.

(ii) The 7% Cumulative Redeemable Preference shares numbering 150,000 of Rs. 100 each are issued and allotted pursuant to the order of the Hon'ble National Company Law Tribunal, Mumbai Bench passed on 22nd Day of June 2017 and in accordance with scheme of Amalgamation between M/s. Syrma Services And Solutions Private Limited, (First Transferor Company), and 3G Wireless Communications Private Limited, (Second Transferor Company) with Syrma Technology Private Limited to the preference shareholder of 3G Wireless Communications Private Limited. Preference Shareholder(s) shall have option to convert preference shares into equity shares as may be decided by the Board of Directors. If the preference shares are not converted into equity shares, the same shall be redeemable at any time at the option of the Board of Directors but not later than 20 years from the date of allotment. During the year ended 31 March 2021, the Holding Company had redeemed the said preference shares by exercising its option for early redemption.

20.4 Reconciliation of change in Liabilities arising from financing activities:

Particulars	As at 1 April 2021	Acquisitions through business combinations	Cash flow (net)	Exchange difference	Others^	New lease	As at 31 March 2022
Non current borrowings*	318.75	17.50	(267.16)	(2.30)	1.68	-	68.47
Current borrowings	242.46	601.79	1,036.14	(6.46)	-	-	1,873.93
Lease liability	52.40	49.95	(22.31)	-	9.37	151.10	240.51

Particulars	As at 1 April 2020	Acquisitions through business combinations	Cash flow (net)	Exchange difference	Others^	New lease	As at 31 March 2021
Non current borrowings*	260.01	-	56.68	2.17	(0.11)	-	318.75
Current borrowings	531.40	-	(273.82)	(15.12)	-	-	242.46
Redeemable Preference Shares	46.62	-	(45.00)	-	(1.62)	-	-
Lease liability	61.53	-	(15.17)	-	6.04	-	52.40

* Non current borrowing includes current maturities of Long term borrowing.

^ Others includes amortisation of processing fees, interest on lease liability, fair value changes for Redeemable Preference Shares.

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21 Other Financial Liabilities (Non-Current)

Particulars	As at 31 March 2022	As at 31 March 2021
Liability towards (gains) / losses on financial instrument	-	6.80
Total	-	6.80

22 Provisions (Non-Current)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (Refer Note 40)		
- Provision for Gratuity	41.31	19.48
- Provision for Compensated Absences	28.29	12.41
Total	69.60	31.89

23 Other non-current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Deferred government grant (Refer note 52)	18.43	-
(b) Other payables	14.63	-
Total	33.06	-

24 Borrowings (Current)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Working Capital Facilities from Banks - Secured (Refer Notes 24.1)	1,377.23	242.46
(b) Current Maturities of Long-term Borrowings (Refer Note 20.1)	29.55	73.77
(c) Term Loan from Bank - Secured	496.70	-
Total	1,903.48	316.23

24.1 Security

- (a) First pari-passu charge on present and future inventories and book debts.
- (b) Second pari-passu Charge by way of hypothecation on movable fixed assets of the Holding Company, both present and future under multiple banking arrangement.
- (c) Second pari-passu charge by way of equitable mortgage on Factory Land & Building property bearing survey number: SF 164/1 PART, situated at Plot no B 27, Phase II, Zone B, area, MEPZ, Tambaram, - 600045, owned by the Holding Company.
- (d) First pari-passu charge on moveable fixed assets, present and future, of the Holding Company located at Chennai, Manesar, Hyderabad & Hosur.
- (e) Cash credit, working capital loan and packing credit from Citi bank is secured by first pari-passu charge on present and future stocks and book debts of the SGS Tekniks, first pari-passu charge on land and building located at Plot no. 174, Sector 4, IMT, Manesar and Plot No. 3, Block A, Info City, Gurgaon, Corporate Guarantee of SGS Infosystems Private Limited, fixed deposit of Rs. 7.50 million and Mutual fund amounting to INR 26.50 millions to be lien marked to Citi Bank.
- (f) Cash credit, working capital loan and packing credit from HDFC Bank is secured by First pari-passu charge on all current assets of SGS Tekniks (present & future) and on plant & machinery- Second pari passu charge on all movable fixed assets of SGS Tekniks (present & future).

24.2 Refer Note 55 (VII) for the Comparison of Quarterly returns furnished to Banks with books of account.

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25 Trade Payables		
Particulars	As at 31 March 2022	As at 31 March 2021
(a) Total outstanding dues of micro enterprises and small enterprises	76.56	11.12
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,327.95	1,137.30
Total	2,404.51	1,148.42
25.1 Trade payables are non-interest bearing and are normally settled as per due dates.		
25.2 Refer Note 55(VI) for trade payables ageing.		
26 Other Financial Liabilities (Current)		
Particulars	As at 31 March 2022	As at 31 March 2021
(a) Payable towards procurement of capital assets	170.93	2.35
(b) Interest accrued and due on loans from Related Party	-	4.30
(c) Interest accrued but not due on loans from banks	0.14	0.56
(d) Liability towards (gains) / losses on financial instrument	-	1.94
Total	171.07	9.15
27 Other Current Liabilities		
Particulars	As at 31 March 2022	As at 31 March 2021
(a) Deferred revenue (Refer Note below)	247.15	247.15
(b) Deferred government grant (Refer Note 52)	2.00	-
(c) Advance from Customers	365.27	117.80
(d) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, GST etc.)	33.88	12.66
(e) Other payables	4.13	-
Total	652.43	377.61
Note: Deferred revenue represents tooling charges received in advance from one of the customers, recognised as tooling income on the basis of completion of projects and number of units sold to the customer during the respective years.		
28 Provisions (Current)		
Particulars	As at 31 March 2022	As at 31 March 2021
(a) Provision for Warranty (Refer Note 51)	0.91	1.42
(b) Provision for Employee Benefits (Refer Note 40)		
- Provision for Gratuity	17.34	8.07
- Provision for Compensated Absences	6.57	2.98
(c) Provision for Contingencies (Refer Note 51)	16.00	16.00
Total	40.82	28.47
29 Current tax liabilities (net)		
Particulars	As at 31 March 2022	As at 31 March 2021
Provision for Tax (Net of Advance Tax of Rs. 489.24 Million as at 31 March 2022)	35.04	-
Total	35.04	-

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30 Revenue from Operations		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Sale of Products (net)		
- Manufactured goods	9,973.90	4,233.72
- Traded goods	25.46	41.59
(b) Sale of Services	133.44	18.16
(c) Other Operating Revenues		
- Export Incentive	4.84	41.19
- Tooling Charges	37.52	32.63
- Sale of Scrap	21.08	12.41
- Income from Outsourcing Services	-	3.33
- Freight Outward	0.96	-
Total Other Operating Revenues	64.40	89.56
Total	10,197.20	4,383.03

30.1 Reconciliation of revenue recognized with the contract price (including export incentives) is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contract price	10,197.20	4,383.03
Adjustment for:		
- Discounts and rebates	-	-
- Refund liability	-	-
Revenue recognised	10,197.20	4,383.03

30.2 Disaggregation of Revenue information

The table below presents disaggregated revenues from contracts with customer (including export incentives) which is recognised based on goods transferred at a point of time by geography and offerings of the Group.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of how revenues and cash flows are affected by industry, market and other economic factors.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue by Geography		
India	5,521.11	1,313.32
Rest of the world	4,676.09	3,069.71
Total Revenue from Operations	10,197.20	4,383.03

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue by Segment		
Electronic Manufacturing Services	10,148.74	4,323.28
Others	48.46	59.75
Total Revenue from Operations	10,197.20	4,383.03

30.3 Timing of Recognition of Revenue

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Products / services transferred at point in time	10,169.36	4,323.68
Products / services transferred over a period of time	23.00	18.16
Total revenue from contracts with customers	10,192.36	4,341.84

Note: The aforesaid excludes export incentives recognised under Revenue from operations.

30.4 Contract balances

Particulars	As at 31 March 2022	As at 31 March 2021
Receivables, which are included in 'Trade receivables'*	2,780.87	1,301.27
Advance from customers, which are included in 'Other current liabilities'	365.27	117.80
Deferred revenue, which are included in 'Other current liabilities'	247.15	247.15

*Represents Gross Trade receivables without considering expected credit loss allowance

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31 Other Income		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Interest income on financial assets carried at amortised cost		
- Bank deposits	13.78	8.29
- Security deposits	1.99	0.91
- Others	0.14	-
Total Interest Income	15.91	9.20
(b) Fair value changes of existing investment at the date of acquisition (Refer Note 47.7)	2.15	-
(c) Foreign Exchange Gain (net)	77.29	48.90
(d) Dividend income from mutual funds mandatorily measured at FVTPL	0.77	-
(e) Net gain/(losses) on fair value changes in financial assets (mutual funds) measured at FVTPL	(0.54)	-
(f) Net gain on account of sale of current investments (mutual funds)	5.13	-
(g) Government incentive*	1.11	-
(h) Mark-to-Market (MTM) gain on financial instrument (net)	2.78	-
(i) Gain on termination/modification of leases	9.65	-
(j) Liabilities No Longer Required Written back	10.04	1.94
(k) Insurance / Other Claims	0.64	0.04
(l) Miscellaneous Income	1.95	1.69
Total	126.88	61.77

*There are no unfulfilled conditions and other contingencies attached to government assistance

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32 Cost of Raw Materials Consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening Stock	532.64	426.78
Acquisition through Business Combination	1,234.73	-
Add: Purchases	7,640.93	2,869.79
	9,408.30	3,296.57
Less: Closing Stock (Refer Note 12)	2,050.01	532.64
Consumption of Raw Materials	7,358.29	2,763.93

33 Purchase of Stock-in-Trade

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Purchase of Stock-in-Trade	20.84	38.09
Total	20.84	38.09

34 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Inventories at the End of the year: (Refer Note 12)		
- Finished Goods	198.99	26.16
- Work-in-progress	643.59	201.31
- Stock-in-trade	1.05	0.90
Sub-total (A)	843.63	228.37
(b) Inventories at the Beginning of the year:		
- Finished Goods	26.16	57.68
- Work-in-progress	201.31	186.13
- Stock-in-trade	0.90	3.42
(c) Acquisition through Business Combination		
- Finished Goods	135.40	-
- Work-in-progress	286.14	-
- Stock-in-trade	-	-
Sub-total (B)	649.91	247.23
Net (Increase) / Decrease (B)-(A)	(193.72)	18.86

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35 Employee Benefits Expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Salaries, wages and bonus	424.83	234.65
(b) Contribution to provident and other funds (net) (Refer Note 40)	31.00	18.94
(c) Gratuity expense (Refer Note 40)	10.49	6.10
(d) Compensated absences expense	5.56	4.91
(e) Remuneration to Executive Directors	49.54	24.00
(f) Staff welfare expenses	44.21	15.21
(g) Employee stock compensation expense (Refer Note 41)	35.07	-
	600.70	303.81
Less: Recovery of Salaries from Related Parties (Refer Note 44.2)	(3.55)	(17.46)
Total	597.15	286.35

36 Finance Costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Interest on borrowings	44.49	19.99
(b) Interest on lease liability	9.38	6.04
(c) Interest on Unsecured Loan	0.04	5.13
(d) Factoring Charges	11.75	11.50
(e) Interest on Redeemable Preference shares (net)	-	0.58
(f) Interest on delayed payment of taxes	1.33	0.34
(g) Interest on delayed payments to micro enterprises and small enterprises	0.83	1.66
	67.82	45.24
Total	67.82	45.24

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37 Other Expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Consumption of stores and spares	101.72	68.42
(b) Stipend to Apprentices	98.28	47.29
(c) Insurance	24.87	11.15
(d) Power and fuel	71.66	39.93
(e) Contract Wages	487.30	295.15
(f) Job Work Charges	141.29	69.82
(g) Freight outward and clearing	48.78	13.72
(h) Rent	7.64	5.30
(i) Repairs and maintenance		
- Plant and machinery	28.20	13.63
- Buildings	12.06	8.80
- Others	32.42	17.71
(j) Advertising and sales promotion	84.39	77.44
(k) Provision for Warranty (Refer Note 51)	0.11	0.10
(l) Travelling and conveyance	51.58	8.27
(m) Communication costs	4.95	3.63
(n) Office maintenance	11.31	-
(o) Subscription and membership	0.75	-
(p) Development charges	12.76	-
(q) Allowance for ECL	8.30	9.18
(r) Bad debts Written Off	8.44	9.40
Less: Utilization of Allowance for ECL	(1.12)	(9.40)
Net Bad debts Written Off	7.32	-
(s) Printing and stationery	6.75	2.58
(t) Postage and courier	2.79	-
(u) Legal and professional fees	122.58	79.95
(v) Payments to auditor	7.52	5.60
(w) Loss on sale / discard of Property, plant and equipment (Net)	0.34	-
(x) Security charges	12.99	6.93
(y) Canteen expense	3.42	-
(z) Commission to Non- executive directors	0.49	-
(aa) Bank charges	22.13	14.80
(ab) Festival expenses	2.42	-
(ac) Corporate Social Responsibility	17.86	6.71
(ad) Rates and Taxes	35.34	4.49
(ae) Mark-to-Market (MTM) loss / (gain) on financial instrument	-	8.74
(af) Director Sitting Fees	0.61	-
(aq) Commission cost	6.79	-
(ah) Miscellaneous expenses	10.23	2.43
	1,487.95	821.77
Less: Claims for reimbursement with State Government	(9.12)	(3.34)
Less: Freight charges reimbursed by customers	(8.47)	(10.20)
Total	1,470.36	808.23

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38 Contingent Liabilities and Commitments (to the extent not specifically provided for)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Claims against the Group not Acknowledged as Debt		
- Erstwhile customer (Refer Note I (ii) below)	56.17	56.17
- Karnataka VAT related matters	14.02	14.02
- Income tax demands (Refer Note II (i) below)	6.58	-
- Civil Matters (Refer Note II (ii) below)	0.18	-
(b) Company's share of associate contingent liability		
- Income tax demands	-	1.02
- Civil Matters	-	0.04
(c) Commitments [Refer Note (b) below]		
- Capital Commitments	579.49	125.30
- Investment Commitment	278.54	-

Notes:

(a) **Contingent Liabilities**

I Holding Company

- (i) The amounts shown above represent the best possible estimates arrived at on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various legal proceedings which have been initiated by the Holding Company or the Claimants, as the case may be and therefore, cannot be predicted accurately.
- (ii) The Holding Company has filed Special Leave Petition (SLP) before Honorable Supreme Court of India against the Madras High Court Judgment relating to direction to the Holding Company to deposit 50% of the amount in the Court. Supreme court has stayed the order of Madras High court, to pay the said amount. Further, the erstwhile customer, has also filed a counter SLP before the Honorable Supreme Court of India against the Madras High Court Judgment referred above, which is pending hearing. Based on the assessment carried out by the Holding Company, the Management expects a favorable decision in respect of the above. Further, petition against the Holding Company before National Company Law Tribunal, Mumbai Bench, for initiation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code has been withdrawn.

II SGS Tekniks, Subsidiary company

- (i) Income Tax Demands being disputed by the Subsidiary Company INR 6.58 Million. The Subsidiary Company has deposited INR 4.22 Million under protest and the same has been included in the Other non-current assets. The Income tax demand excludes penalty and interest. Based on external consultant advice, the Subsidiary Company has concluded that chances of liability devolving on the company is not probable and hence no provision in respect thereof has been made in the books.
- (ii) Civil matters being disputed by the Subsidiary Company INR 0.18 Million. Based on legal advice, the Subsidiary company has concluded that chances of liability devolving on the Subsidiary company is not probable and hence no provision in respect thereof has been made in the books.
- (iii) Pending resolution of aforesaid proceedings, it is not practicable for the Subsidiary Company to estimate the timing of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/ decision pending with various forums/authorities.

(b) Commitments

- (i) Capital Commitments represents estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for.
- (ii) The Holding Company has an Outstanding Export Obligation under EPCG Scheme as on 31 March 2022 amounting to Rs. 188.69 Million (As at 31 March 2021 - Rs. 180.47 Million).
- (c) In February 2019, Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Subsidiary Company ('SGS Tekniks') believes that there are interpretative challenges on the application of judgement retrospectively. Accordingly, owing to uncertainty regarding the application of matter upto the date of Supreme Court judgement, the subsidiary has started paying provident fund contribution as per the Supreme Court judgement from March 2019. Further, the Subsidiary believes that the impact of the same will not be material.

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39 Information as required by Part III of General instructions to Schedule III to the Companies Act, 2013

(i) As at and For the year ended 31 March,2022

Name of the Entity	Net Assets (i.e. Total Assets minus Total Liabilities)	Share in Profit and Loss	Share in Other Comprehensive Income	Share in Total Comprehensive Income
Holding Company: Syrma SGS Technology Limited				
As a % of consolidated entities	45%	54%	(82.43)%	55%
Amount	2,622.22	308.19	0.81	309.00
Subsidiary Company - India, SGS Tekniks Manufacturing Private Limited* (consolidated)				
As a % of consolidated entities	49%	35%	104%	35%
Amount	2,827.95	199.30	(1.03)	198.27
Subsidiary Company - India, Perfect ID India Private Limited (consolidated)\$				
As a % of consolidated entities	5%	4%	27%	4%
Amount	271.57	23.53	(0.27)	23.26
Subsidiary Company - Syrma Inc				
As a % of consolidated entities	-	-	-	-
Amount	(1.17)	(0.94)	-	(0.94)
Minority Interests in all subsidiaries				
As a % of consolidated entities	2%	2%	9%	2%
Amount	108.41	11.36	(0.09)	11.27
Associate Company - India, SGS Tekniks Manufacturing Private Limited #				
As a % of consolidated entities	-	4%	42%	4%
Amount	-	25.28	(0.41)	24.87
Total				
As a % of consolidated entities	100%	100%	100%	100%
Amount	5,828.98	566.74	(0.98)	565.75

* SGS Tekniks Manufacturing Private Limited disclosed above is at Consolidated level, i.e, including two step down subsidiaries.

\$ Perfect ID India Private Limited disclosed above is at Consolidated level, i.e, including share of associate profit accounted under equity method

#SGS Tekniks was an associate of the Company upto 16th September 2021. W.e.f 17th September 2021 SGS Tekniks has become a wholly-owned subsidiary of the Holding Company. Also refer Note 2.2(b) and Note 46.ii.

(ii) As at and For the year ended 31 March,2021

Name of the Entity	Net Assets (i.e. Total Assets minus Total Liabilities)	Share in Profit and Loss	Share in Other Comprehensive Income	Share in Total Comprehensive Income
Company: Syrma SGS Technology Limited				
As a % of consolidated entities	62%	89%	113%	89%
Amount	1,494.30	286.15	(0.18)	285.97
Associate Company: SGS Tekniks Manufacturing Private Limited				
As a % of consolidated entities	38%	11%	(13)%	11%
Amount	921.45	34.02	0.02	34.04
Total				
As a % of consolidated entities	100%	100%	100 %	100%
Amount	2,415.75	320.17	(0.16)	320.01

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40 Employee Benefits

40.1 Defined Contribution Plan

Group's (employer's) contribution to Defined Contribution Plans recognised as expenses in the Statement of Profit and Loss are:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Employer's Contribution to Provident Fund	27.10	16.52
Employer's Contribution to Employee State Insurance	1.07	0.45
Employer's Contribution to Labour Welfare Fund	0.10	1.73
Employer's Contribution to National Pension Fund	0.67	-
Employer's Contribution to Superannuation Fund	2.06	-
Total	31.00	18.70

40.2 Defined Benefit Plans

Certain entities of the Group have a funded gratuity scheme for covering their employee's gratuity obligation. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. Certain entities of the Group make annual contribution to the Group gratuity scheme administered by the Life Insurance Corporation of India.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Investments for these plans are carried out by Life Insurance Corporation of India.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the above plans, the actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2022 and 31 March 2021 by an independent member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost and past service cost were measured using the projected unit credit method.

(a) Amount recognised in the total comprehensive income in respect of the defined benefit plan are as follows :

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Gratuity:		
Service Cost		
- Current Service Cost	7.78	4.62
- Interest expense on Defined Benefit Obligation	3.11	1.77
- Interest income on plan assets	(0.40)	(0.29)
Components of Defined Benefit Costs recognised in Statement of profit and loss (A)	10.49	6.10
Remeasurement of the net defined benefit liability :		
Return on plan assets (excluding amount included in net interest expense)	0.15	0.20
Actuarial (gain) / loss arising from changes in financial assumptions	1.71	0.80
Actuarial (gain) / loss arising from experience adjustments	(1.68)	(0.70)
Actuarial (gain) / loss arising from demographic adjustments	(1.57)	(0.05)
Components of defined benefit costs recognised in other comprehensive income (B)	(1.39)	0.25
Total (A) + (B)	9.10	6.35

(i) The current service cost and interest expense (net) for the relevant period are included in the "Employee Benefit Expenses" line item in the Statement of Profit and Loss.

(ii) The remeasurement of the net defined benefit liability is included in Other Comprehensive Income.

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(b) The amount included in the Balance Sheet arising from the Group's obligation in respect of defined benefit plan is as

Particulars	As at 31 March 2022	As at 31 March 2021
Net (Asset) / Liability recognised in the Balance Sheet:		
Gratuity:		
Present value of defined benefit obligation	65.69	31.54
Fair value of plan assets	7.04	3.99
(Surplus) / Deficit	58.65	27.55
Current portion of the above	17.34	8.07
Non current portion of the above	41.31	19.48

(c) Movement in the present value of the Defined Benefit Obligation are as follows :

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Gratuity:		
Present value of defined benefit obligation at the beginning of the year	31.54	25.89
Acquisitions through business combinations	27.58	-
Expenses Recognised in the Statement of Profit and Loss:		
- Current Service Cost	7.77	5.13
- Interest Expense / (Income)	3.11	1.77
Recognised in Other Comprehensive Income:		
Remeasurement (gains) / losses	(1.79)	0.30
Benefit payments	(2.53)	(1.55)
Present value of defined benefit obligation at the end of the year	65.68	31.54

(d) Movement in fair value of plan assets are as follows :

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Gratuity:		
Fair value of plan assets at the beginning of the year	3.99	4.59
Acquisitions through business combinations	5.17	-
Income Recognised in Statement of Profit and Loss Account:		
- Expected return on plan assets	0.38	0.29
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)	(0.15)	(0.20)
Contributions by employer (including benefit payments recoverable)	0.18	0.86
Benefit payments	(2.53)	(1.55)
Fair Value of Plan assets at the end of the year	7.04	3.99

The actual return on Plan Assets as furnished by Insurer is Rs. 0.24 Million and Rs. 0.09 Million for the year ended 31 March 2022 and 31 March 2021 respectively.

(e) The entire Plan Assets are managed by the Insurer. The details with respect to the composition of investments in the fair value of Plan Assets have not been disclosed in the absence of the necessary information.

(f) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	As at 31 March 2022	As at 31 March 2021
Gratuity:		
Discount rate	6.82% - 7.66%	6.55% - 7.08%
Expected rate of salary increase	8% - 13%	2.5% - 8%
Expected return on plan assets	6.55% - 7.08%	6.55% - 7.08%
Attrition Rate	6% - 40%	10.63%-13.33%
Mortality tables*	Indian Assured Lives (2012-14) Ultimate	Indian Assured Life (2012-14) Ultimate

* Based on India's standard mortality table with modification to reflect the expected changes in mortality / others.

(i) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

(ii) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

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(g) Significant actuarial assumptions for the determination of defined benefit obligation are discount rate, expected salary increase rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant :

In respect of Gratuity:

(Increase) / Decrease on the Defined Benefit Obligation	As at 31 March 2022	As at 31 March 2021
(i) Discount rate		
Increase by 100 bps	3.65	2.22
Decrease by 100 bps	(4.11)	(2.56)
(ii) Salary growth rate		
Increase by 100 bps	(3.63)	(2.39)
Decrease by 100 bps	3.37	2.10
(iii) Attrition rate		
Increase by 100 bps	0.51	0.37
Decrease by 100 bps	(0.56)	(0.40)
(iv) Mortality rate		
Increase by 10%	0.02	0.01

(i) The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(ii) Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

(iii) There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

(h) Experience Adjustments

Particulars	As at 31 March 2022	As at 31 March 2021
Projected Benefit Obligation	65.68	31.54
Fair Value of Plan Assets	7.04	3.99
Deficit / (Surplus)	58.64	27.55
Experience Adjustments on Plan Liabilities - (Gains) / losses	(1.79)	0.30
Experience Adjustments on Plan Assets - Gains / (losses)	(0.15)	(0.20)

(i) Effect of Plan on Group's Future Cash Flows

(i) Funding Arrangements and Funding Policy

Certain entities of the Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

(ii) Expected contributions to post-employment benefit plans during the next one year from the respective year end date is as follows:

Year Ending	Amount
As at 31 March 2022	11.21
As at 31 March 2021	8.08

(iii) The weighted average duration of the defined benefit obligation is as follows

Year Ending	Weighted average duration
As at 31 March 2022	5.89 to 20.87 years
As at 31 March 2021	6.40 years to 12.48 years

(iv) Maturity profile of defined benefit obligation on an undiscounted basis is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Year 1	9.73	4.96
Year 2	5.63	1.39
Year 3	4.36	3.65
Year 4	4.17	1.13
Year 5	3.21	1.95
Next 5 year pay-outs (6-10 years)	17.05	12.86
Pay - outs above ten years	50.37	36.42
Total	94.52	62.36

40.3 Compensated Absences

The compensated absences cover the Group's liability for earned leave. Based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Accordingly the Group has accounted for provision for compensated absences as below

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current portion	28.29	12.41
Current portion	6.57	2.98
Total	34.86	15.39

The key assumptions used in the computation of provision for compensated absences as per the actuarial valuation done by an Independent Actuary are as given below:

Particulars	As at 31 March 2022	As at 31 March 2021
Assumptions		
Discount rate	6.82% - 7.66%	6.55% - 7.08%
Expected rate of salary increase	8% - 13%	2.5% - 8%
Attrition Rate	6% - 40%	10.63%-13.33%
Mortality tables	Indian Assured Lives (2012-14) Ultimate	Indian Assured Life (2012-14) Ultimate

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41 Share-based payments

41.1 Details of the employee share option plan of the Group

On 19 October 2021, the shareholders of the Holding Company have approved the Syrma SGS Employee Stock Option Scheme ("Scheme 1") which forms part of the Syrma SGS Stock Option Plan. Under the Scheme 1, the Holding Company has issued 7,726 options of Rs. 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Holding Company.

On 19 October 2021, the shareholders of the Holding Company have approved the Syrma SGS Employee Stock Option Scheme ("Scheme 2") which forms part of the Syrma SGS Stock Option Plan. Under the Scheme 2, the Holding Company has issued 16,133 options of Rs. 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Holding Company.

Each employee share option converts into one equity share of the Holding Company on exercise of option under Scheme 1 or Scheme 2. Options may be exercised at any time from the date of vesting to the date of their expiry.

The members in the Extra Ordinary General Meeting (EGM) held on 28 October 2021 have approved the issue of bonus shares in the ratio of 100 equity shares for every 1 equity share as on the date of EGM. Consequently, at the time of exercise of share options, each option shall be converted into the ratio of 1:101. The number of options disclosed below are after giving the impact of Bonus issue.

Since, the Options are granted only in the year ended 31 March 2022, all the disclosures as given below are pertaining to only for the year ended/ as at 31 March 2022.

Option Series	Grant Date	No of Options granted (Pre-Bonus)	Number of Options (post-Bonus)	Exercise price in Rs.	Vesting period	Fair value of the Options*	Vesting condition
(1) Scheme 1	19-Oct-21	7,726	780,326	10	1 to 3 years	56.83	Time based vesting
(2) Scheme 2	19-Oct-21	16,133	1,629,433	10	1 to 4 years	55.52	Time based vesting

*Represents cost recorded by the Group based on fair valuation report

41.2 Vesting schedule

The Holding Company has issued stock options on its own shares to specified employees of the Holding Company and its subsidiary i.e, SGS Teknics Manufacturing Private Limited. The Holding Company uses fair value to account for the compensation cost of stock options to employees in the financial statements. The following are the vesting pattern of ESOPs:

Particulars	Scheme 1	Scheme 2
At the end of one year of service from grant date	50%	25%
At the end of two years	25%	25%
At the end of three years	25%	25%
At the end of four years	-	25%
Total	100%	100%

41.3 Reconciliation of outstanding options

The details of options granted under the above schemes are as follows.

Particulars	Scheme 1		Scheme 2	
	Number of Options (Post-Bonus)	Weighted average exercise price per option	Number of Options (Post-Bonus)	Weighted average exercise price per option
Outstanding at beginning of year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Granted during the year	780,326	10.00	1,629,433	10.00
Outstanding at the end of the year	780,326	10.00	1,629,433	10.00

41.4 Fair value of share options granted during the year

The weighted average fair value of the share options granted (Post-Bonus) for the year ended 31 March 2022 is Rs. 55.94. The fair value of options have been estimated on the dates of each grant using the Black Scholes model. The various inputs considered in computation of fair value are as follows:

Option Series	Scheme 1	Scheme 2
Grant date share price (Fair value)	65.95	64.36
Exercise price	10	10
Expected volatility	52.90%	50.30%
Dividend yield	2.70%	2.67%
Risk-free interest rate	4.51%	4.78%
Weighted average remaining contractual life	1.64	2.39

41.5 Expense recognised in the statement of profit and loss for the year ended 31 March 2022

Particulars	Amount
Employee Stock compensation expense under employee benefit expense (Refer Note 35)	35.07

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Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
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42 Segment Reporting

42.1 Business Segment

The Chief Operating Decision Maker evaluates the performance of the Group based on the operating segments as Electronic Manufacturing Services (EMS) and Others. Therefore, there are only two reportable segment called EMS & Others in accordance with the requirement of Ind AS 108 "Operating Segments".

a) As at 31 March 2022

Particulars	EMS	Others	Total
Revenue	10,148.74	48.46	10,197.20
Segment Results before depreciation	941.38	2.90	944.28
Less: Depreciation and Amortisation	193.77	0.55	194.32
Segment Results after depreciation	747.61	2.35	749.96
Less: Unallocated expenses**			67.82
Add: Other Income^			126.88
Profit before Tax			809.02
Segment Assets	11,033.40	68.15	11,101.55
Unallocated Assets*			440.56
Total Assets			11,542.11
Segment Liabilities	3,603.43	8.57	3,612.00
Unallocated Liabilities#			2,101.14
Capital Employed ***			5,828.97
Total Liabilities			11,542.11
Other disclosures			
Addition to Non-current assets \$	934.03	0.20	934.23

b) As at 31 March 2021

Particulars	EMS	Others	Total
Revenue	4,323.28	59.75	4,383.03
Segment Results before depreciation	469.54	(1.97)	467.57
Less: Depreciation	120.18	0.56	120.74
Segment Results after depreciation	349.36	(2.53)	346.83
Less: Unallocated expenses**			45.24
Add: Other Income^			61.77
Profit before Tax			363.36
Segment Assets	3,620.97	81.92	3,702.89
Unallocated Assets*			931.23
Total Assets		81.92	4,634.12
Segment Liabilities	1,641.62	13.12	1,654.74
Unallocated Liabilities#			563.63
Capital Employed***			2,415.75
Total Liabilities			4,634.12
Other disclosures			
Addition to Non-current assets \$	69.64	-	69.64

** Unallocated expenses represents Finance costs

^ Other Income represents interest income, exchange gain etc.

* Unallocated assets represent Non-current investments, current investments, Income tax asset (net) and Deferred tax asset.

Unallocated Liabilities represent Deferred Tax Liability, Borrowings and Current tax liabilities.

***Capital employed represent Total equity.

\$ Additions to non-current assets represents additions to PPE, Intangible assets, CWIP and Intangible assets under development

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42.2 Geographical Information

The Group's revenue from external customers by location of operations and information about its non current assets by location of operations are detailed below. The geographical segments considered for disclosure are – India, USA, Germany and Rest of the World.

Revenue by Geographic Market

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
India	5,521.11	1,313.32
USA	1,260.26	953.26
Germany	1,927.68	1,411.31
Rest of the world	1,488.15	705.14
Total*	10,197.20	4,383.03

Information about product revenue are as given in Note 30.

* Represents Revenue from operations as per Note 30.

Non-Current Assets by Geographic Market**

Particulars	As at 31 March 2022	As at 31 March 2021
India	4,396.88	925.21
Outside India	2.76	-
Total	4,399.64	925.21

**Represents all Non current assets other than financial assets, deferred tax assets and income tax assets.

42.3 Information about major customers:

Revenue from operations include revenues from major customers contributing individually to more than 10% of the Group's total revenue from operations.

Particulars	As at 31 March 2022	As at 31 March 2021
No of customers	1	2
Amount	1,031.71	1,402.94

There is no other single customer who contributed more than 10% to the Group's revenue for the respective years.

43 The Group has incurred Research and Development ("R&D") expenditure during the year. The details are as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salary	14.23	-
Development charges (including material)	4.53	-
Total	18.76	-

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44 Disclosure in respect of Related Parties

44.1 Names of Related Parties and Nature of Relationship

Description of Relationship	Name of the Related Party
Ultimate Holding Company upto 21 October 2021, and Entity with significant influence over Holding Company w.e.f 22 October, 2021	Tancom Electronics Private Limited
Fellow Subsidiaries upto 21 October, 2021 and Entities controlled by entity having significant influence over the Holding Company w.e.f 22 October 2021	Infinx Services Private Limited Memory Electronics Private Limited Reliable Consultancy Services Pvt Limited Tandon Holdings Limited Tassel Trading LLP (erstwhile Tassel Trading Company Pvt Ltd) Advance Power Devices Pvt Limited (Amalgamated into Reliable Consultancy Services Pvt Limited)* Advance Motors Technology Private Limited Syrma Tech Singapore Pte Ltd TIS International (USA) Inc Titus Trading and Agencies Limited
Investment in Associate	Perfect IOT Wireless Solutions LLP
Whole -time Directors (WTD)	Mr. Sandeep Tandon (Executive Chairman) Mr. Jasbir Singh Gujral (Managing Director w.e.f 1 October, 2021)
Key Managerial Personnel (KMP)	Mr. Sreeram Srinivasan (Chief Executive Officer w.e.f 29 November, 2021) Mr. Bijay Kumar Agrawal (Chief Financial Officer w.e.f 4 October, 2021) Mr. Rahul Nitin Sinnarkar (Company Secretary w.e.f 4 October, 2021)
Non-executive Directors	Mr. Jayesh Doshi (w.e.f 27 September, 2021) Mr. Hetal Madhukant Gandhi (w.e.f 29 November, 2021) Mr. Anil Govindan Nair (w.e.f 29 November, 2021) Mr. Bharat Anand (w.e.f 29 November, 2021) Ms. Smita Amit Jatia (w.e.f 29 November, 2021)
Relatives of Directors	Ms. Veena Kumari Tandon (Relative of Mr. Sandeep Tandon)

Note: Related party relationships are as identified by the Management and relied upon by the auditors.

*The said related party has been amalgamated with Reliable Consultancy Services Pvt Limited with an appointed date of 1 February 2019 vide Order received from the National Company law Tribunal, Mumbai Bench dated 28 April 2020.

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
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44.2 Transactions with the related parties

Particulars	Name of the Related Party	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Sales of Goods and Services	Infinx Services Private Limited TIS International (USA) Inc	- 2.94	3.43 0.47
Expenses			
Purchase of Goods and Services (Also refer Note (f) below)	TIS International (USA) Inc Memory Electronics Pvt. Ltd Tandon Holdings Limited Perfect IOT Wireless Solutions LLP	36.61 - 26.53 0.97	36.70 0.03 - -
Interest on Unsecured Loan	Advance Power Devices Pvt. Ltd. Tancom Electronics Pvt Ltd Tassel Trading LLP Titus Trading & Agencies Ltd Ms. Veena Kumari Tandon	- - - - -	0.04 0.24 1.04 0.16 3.65
Remuneration to WTD and KMP (Refer Note (a) and (b) below)			
(a) Salary	Mr. Sandeep Tandon Mr. Jasbir Singh Gujral Mr. Sreeram Srinivasan Mr. Bijay Kumar Agrawal Mr. Rahul Nitin Sinnarkar	24.00 6.89 5.25 3.41 0.65	24.00 - - - -
(b) Contribution to Provident Fund	Mr. Sandeep Tandon Mr. Jasbir Singh Gujral Mr. Sreeram Srinivasan Mr. Bijay Kumar Agrawal Mr. Rahul Nitin Sinnarkar	2.88 0.77 0.30 0.18 0.04	2.76 - - - -
(c) Perquisite	Mr. Sandeep Tandon Mr. Jasbir Singh Gujral Mr. Bijay Kumar Agrawal	5.15 0.16 0.18	4.80 - -
Remuneration to Non-executive Directors (Refer Note (c) below)			
(a) Sitting Fees Paid	Mr. Hetal Madhukant Gandhi Mr. Anil Govindan Nair Mr. Bharat Anand Ms. Smita Amit Jatia	0.23 0.15 0.09 0.10	- - - -
Other transactions (Refer Note (d) below)			
Recovery of expenses	Infinx Services Private Limited	3.55	13.97
Reimbursement of Expenses	Infinx Services Private Limited	0.05	-
Dividend Paid on Redeemable Preference Shares	Tandon Holdings Limited Reliable Consultancy Services Pvt Limited	- -	0.71 1.05
Advances received	Mr. Jasbir Singh Gujral	0.50	-
Issue of equity share (Including securities premium)	Ms. Veena Kumari Tandon	-	210.53
Redemption of preference share	Reliable Consultancy Services Pvt Limited Advance Motors Technology Private Limited Tandon Holdings Limited	- - -	11.80 3.20 30.00
Loans repaid during the year	Advance Power Devices Pvt. Ltd. Mr. Sandeep Tandon Tassel Trading Company Pvt Ltd Titus Trading and Agencies Ltd Ms. Veena Kumari Tandon Tancom Electronics Pvt Ltd	- - - - - -	0.89 0.48 22.06 9.10 81.80 11.06

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44.3 Related Party balances as at the year end

Particulars	Name of the Related Party	As at 31 March 2022	As at 31 March 2021
Assets at Year End			
Security Deposit (Refer Note (e) below)	Reliable Consultancy Services Pvt Limited	10.00	10.00
Trade Receivable	Infinx Services Private Limited	3.72	6.12
	TIS International (USA) Inc	7.28	18.28
	Syrma Tech Singapore Pte Ltd	-	0.15
Advance to suppliers	Infinx Services Private Limited	-	23.29
	Memory Electronics Private Limited	-	0.09
	Reliable Consultancy Services Pvt Limited	0.57	0.47
	Tandon Holdings Limited	-	-
Loans & Advances	Reliable Consultancy Services Pvt Limited	-	1.06
	Tancom Electronics Private Limited	0.00	0.00
Loans & Advances to KMP	Mr. Sreeram Srinivasan	2.00	-
Liabilities at year End			
Employee benefit and other dues	Mr. Jasbir Singh Gujral	0.63	-
Interest payable on Unsecured Loans	Reliable Consultancy Services Pvt Limited	-	0.04
	Tancom Electronics Private Limited	-	0.22
	Tassel Trading LLP	-	0.96
	Titus Trading and Agencies Limited	-	0.15
	Ms. Veena Kumari Tandon	-	2.93
Trade Payable	Infinx Services Private Limited	0.00	1.52
	Reliable Consultancy Services Pvt Limited	-	0.93
	Tandon Holdings Limited	2.15	-
	TIS International (USA) Inc	7.08	6.90
	Tancom Electronics Private Limited	0.00	-
	Perfect IOT Wireless Solutions LLP	1.15	-
Mr. Hetal Madhukant Gandhi	0.04	-	

Notes:

(a) During the year, the Holding Company has granted the options to the following

S.No.	Name of the Related Party	No of Options granted (Pre-Bonus) (in units)	Number of Options (post-Bonus) (in units)
1	Mr. Bijay Kumar Agrawal	984	99,384
2	Mr. Rahul Nitin Sinnarkar	27	2,727
3	Mr. Jayesh Doshi	7,030	710,030

The receipt of exercise price on exercise of the share option will be disclosed in the year of actual exercise and the Perquisite computed thereon as per Income Tax Act,1961 will also be disclosed in the year of actual exercise.

(b) As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Group as a whole, the amounts pertaining to KMP are not included above.

(c) Commission payable to non-executive/independent directors is subject to approval of shareholders in general meeting and shall be considered for disclosure upon approval and actual payment

(d) During the year, the Holding Company has issued the Bonus shares to the following -

S.no	Name of the Related Party	No of Bonus shares
1	Tancom Electronics Private Limited	62,692,500
2	Mr. Jasbir Singh Gujral	12,569,000
3	Ms. Veena Kumari Tandon	4,836,000

(e) The security deposit amount disclosed above, is presented at an undiscounted amount and not at amortised cost as carried in the financial statements.

(f) The entity having significant influence / certain other Related parties, incur certain common costs on behalf of the Company / other entities in the Group. These costs primarily relate to certain marketing, administration, infrastructure and other costs. The common costs have been accounted based on the debit notes raised by related parties/Group entities.

(g) Refer Note 20.2 and 24.1 for guarantees provided by related parties in connection with loans availed by the Group during the year ended 31 March 2022 and 31 March 2021.

(h) The aforesaid transactions are disclosed only from the date / upto the date, the party has become / ceases to become a related party to the Group.

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45 Non-Controlling Interest

Following are the details of the Non-wholly owned subsidiaries of the Group that have material Non-controlling interest:

Perfect ID is a subsidiary of the Company having Non-Controlling interest. The Holding Company holds ownership interest of 75% in the subsidiary as at 31 March 2022. The summarized financial information of the Subsidiary is provided below.

Summarized Statement of Profit and Loss*

Particulars	For the year ended 31 March 2022
Income	185.85
Expenses	(142.37)
Profit Before Tax	43.48
Tax Expense	12.17
Share of Profits of Associate	0.06
Profit for the Year	31.37
- attributable to the owners of the Company	23.53
- attributable to the non-controlling interest	7.84
Other Comprehensive Income / (Loss)	(0.36)
- attributable to the owners of the Company	(0.27)
- attributable to the non-controlling interest	(0.09)
Total Comprehensive Income	31.01
- attributable to the owners of the Company	23.26
- attributable to the non-controlling interest	7.75

Summarized Balance Sheet

Particulars	As at 31 March 2022
Non-Current Asset	85.50
Current Asset	360.00
Non-Current Liabilities	4.85
Current Liabilities	78.58
Total Equity	362.06
- attributable to the owners of the Company	271.55
- attributable to the non-controlling interest	90.52

Summarized Cash Flow Statement*

Particulars	For the year ended 31 March 2022
Net cash generated from operating activities (A)	31.06
Net cash used in investing activities (B)	(84.55)
Net cash used in financing activities (C)	(1.43)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(54.92)

Particulars	As at 31 March 2022
Non Controlling Interest	90.50

*The profits and cash flows disclosed above represents the figures from the date of acquisition , i.e 1 November 2021 until 31 March 2022 considered for Consolidation in the Statement of Profit & Loss, Statement of Cash flows.

As on 31 March 2021, the Holding Company did not have any ownership interest in the Subsidiaries. Hence, the disclosure required for Non-controlling interest is not applicable for the year ended 31 March,2021.

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46 Interest in Associates

The Company was holding an interest of 20% in SGS Teknics upto 16th September 2021 (Effective from 17th September, 2021, the same has become wholly owned subsidiary. Also refer Note 2.2(b) and Note 47.2). The summarized financial information of the Associate upto 16th September 2021 and 31st March 2021 is provided below:

(i) Summarised financial information of associate:

Particulars	As at 16 September 2021	As at 31 March 2021
Current Assets	3,093.12	2,527.81
Non - current Assets	2,127.34	2,113.58
Current Liabilities	1,581.77	1,132.53
Non - Current Liabilities	166.27	170.85
Minority Interest	14.39	5.48
Equity	3,458.03	3,332.53
Company's Share in equity - 20%	691.61	666.50
Fair value Changes as on date of associate*	254.95	254.95
Company's Carrying Value of Investment	946.55	921.45

*Fair value Changes as on the date of acquisition of 20% refers to changes in the value of land and Investment property on account of Fair valuation to the extent Rs. 51.38 Million and Goodwill at the time of acquisition of 20% amounting to Rs. 203.57 Million included in the carrying amount of investment. (Also Refer Note 47.2)

(ii) Summarized Statement of Profit and Loss:

Particulars	For the period 1 April 2021 to 16 September 2021	For the Year ended 31 March 2021*
Revenue from Operations	2,203.08	2,216.35
Cost of Sales	1,615.81	1,630.82
Finance Cost	11.74	15.03
Other Expense net of Other Income	393.93	342.84
Profit / (loss) for the period / year before tax	181.60	227.66
Income Tax	46.27	54.39
Profit / (loss) for the period / year after tax	135.33	173.27
Profit transferred to Non controlling interest	8.91	3.18
Other Comprehensive Income for the period / year	(0.91)	0.08
Total Comprehensive Income for the period / year	125.51	170.17
Company's Share of profit/ (loss) for the period / year	25.28	34.02
Company's Share of total other comprehensive income for the period	(0.18)	0.02

* Represents the amount from 01 November, 2020. The acquisition of the associate was made with effect from 05 November 2020.

(iii) Perfect IOT Wireless Solutions LLP is not considered a material associate and hence the aforesaid disclosures have not been provided.

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47 Business Combination

47.1 During the year ended 31 March 2022, the Holding Company has acquired Controlling interest in the below companies, the details of which is given below

Particulars	Acquiree 1	Acquiree 2
Name of the acquiree	SGS Teknics Manufacturing Private Limited	Perfect ID India Private Limited
Description of the acquiree	SGS is engaged in the business of providing electronic manufacturing goods and related services.	Perfect is India's first fully automated RFID tag manufacturing company and is a leading developer and manufacturer of high quality and smart UHF RAIN RFID inlays and tags.
Acquisition date	16 September 2021	21 October 2021
Percentage of voting equity interests acquired at the acquisition date	100% (Refer Note 2.2 (b))	75%
Primary reasons for the business combination	Synergy in operations, expansion and reduced competition	Synergy in operations and expansion
Description of how the acquirer (i.e Company) obtained control	By virtue of share purchase agreement, equity stake of 100% was acquired from the existing shareholders of the acquiree	By virtue of share purchase agreement, equity stake of 75% was acquired from the existing shareholders of the acquiree

47.2 The acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration, such as:

Particulars of the consideration	SGS Teknics	Perfect ID
Mode of consideration	Cash (Refer Note (i) below)	Cash (Refer Note (ii) below)
Total Consideration as on date of acquisition	3,658.82	339.23
Contingent consideration arrangement	NA	NA
Total	3,658.82	339.23

Note:

- (i) The Holding Company had initially acquired 322,557 shares of SGS Teknics constituting 20% of the share capital of SGS vide Shareholders' agreement dated 23rd October 2020 between the Company, promoters of Company, SGS Teknics and erstwhile promoters of SGS Teknics by paying a consideration amounting to Rs. 887.41 Million. Subsequently, vide Shareholders' agreement dated 16 September 2021 between the Holding Company, SGS Teknics and erstwhile promoters of SGS Teknics, the Holding Company has acquired the balance 1,290,228 shares constituting 80% of the share capital of SGS Teknics by paying consideration of Rs 2,771.41 Millions. Pursuant to this SGS Teknics has become a wholly owned subsidiary of the Company.
- (ii) The Holding Company has acquired 1,690,613 shares of Perfect ID India Private Limited ("Perfect ID") constituting 75% of the share capital of Perfect ID vide Investment agreement dated 11th October 2021 between the Company, Perfect ID and erstwhile promoters of Perfect ID by paying a consideration of Rs. 339.23 Million. Pursuant to this Perfect ID has become a subsidiary of the Company.

47.3 Details of contingent consideration arrangement and indemnification assets

Particulars of the consideration	SGS Teknics	Perfect ID
Whether any Contingent consideration is Payable as per purchase agreement	No	No
Amount recognized as at Acquisition date	NA	NA
Description of arrangement and basis for determining the amount of payment	NA	NA
An estimate of the the range of outcome	NA	NA

47.4 Details of receivables at the date of Acquisition

Particulars	SGS Teknics	Perfect ID
Fair value of Trade receivables	788.61	80.16
Gross contractual of amount receivables	816.63	80.27
Best estimate of the contractual cash flows not expected to be collected at the date of acquisition	NA	NA

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47.5 Assets acquired and liabilities recognised at the date of acquisition

Particulars	SGS Teknics	Perfect ID
Current Assets		
Inventories	1,592.25	64.02
Current Investment	389.29	-
Trade receivables	788.61	80.16
Cash and cash equivalents and other bank balances	133.77	200.71
Other financial assets	1.44	2.01
Other Current assets	187.76	8.38
Total Current Assets (A)	3,093.12	355.28
Non-current Assets		
Property, Plant and Equipment	1,185.82	49.97
Investment property	4.13	-
Right of use asset	41.38	1.34
Other intangible assets	4.86	3.43
Non-current Investment	25.34	2.13
Other financial asset	11.16	-
Income tax asset (net)	31.50	-
Deferred tax asset (net)	-	0.81
Other non-current assets	31.52	-
Total Non-Current Assets (B)	1,335.71	57.68
Total Assets Acquired (C=A+B)	4,428.83	412.96
Current Liabilities		
Borrowings	611.89	0.77
Lease liabilities	4.85	0.33
Trade payable	877.35	47.70
Other financial liabilities	5.60	-
Other current liabilities	51.89	12.72
Provisions	6.75	0.01
Current tax liabilities	23.44	14.62
Total Current Liabilities (D)	1,581.77	76.15
Non-Current Liabilities		
Borrowings	3.75	2.88
Lease liabilities	43.51	1.26
Provisions	30.24	1.62
Deferred tax liabilities(net)	93.96	-
Other non-current liabilities	32.01	-
Total Non-Current Liabilities (E)	203.47	5.76
Total Liabilities (F=D+E)	1,785.24	81.91
Net-assets Acquired* (G=C-F)	2,643.59	331.05
Non-Controlling Interest in above (H)	14.39	82.76
Share of Net assets of the Company (I=G-H)	2,629.20	248.29

* The Net-assets acquired as considered above is after considering the difference in Fair value on date of acquisition and carrying value in books of SGS Teknics for land and investment property amounting to Rs 267.66 Million, removing the Goodwill already existing in the books of subsidiary (i.e,SGS Teknics) amounting to Rs 1,059.62 Million and adjusting the deferred tax liability on the fair value as stated above amounting to Rs 37.2 Million.

47.6 Non-Controlling Interest

The Non-controlling Interest of 25% ownership interest in Perfect ID recognised at the acquisition date was measured by proportionate share of Net-assets, and amounted to Rs 82.76 million as at 31 October 2021.

47.7 Business Combination achieved in Stages

The Company acquired SGS Teknics in the two stages:

- The fair value of the equity interest in the acquiree held by the Company immediately before the acquisition date was amounting to Rs 948.70 million.
- The fair value of the investment as on date of acquisition is equal to the sum of the carrying value of investment of associate under equity method of accounting amounting to Rs 946.55 Million (Refer Note 46) and gain on fair value changes on the date of acquiring control amounting to Rs 2.15 Million recognised in the Consolidated Statement of profit and loss (Refer Note 31).

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47.8 Impact of the acquisition on the results of the Group

(i) Impact of revenue and Profit or loss of the acquiree since the acquisition date, which is included in the Consolidated Statement of Profit and loss

Impact of	SGS Teknics	Perfect ID
Revenue from operations	3,557.13	176.47
Profit after Tax	202.82	31.37

(ii) Impact of revenue and Profit or loss of the acquiree had the acquisition been effected at the start of the reporting period i.e, 1st April 2021.

Impact of	SGS Teknics	Perfect ID
Revenue from operations	5,760.21	442.67
Profit after Tax	338.15	119.21

(iii) Additional Impact of revenue and Profit or loss of the acquiree had the acquisition been effected at the start of the reporting period i.e, 1st April 2021 upto the date of acquisition

Impact of	SGS Teknics	Perfect ID
Revenue from operations	2,203.08	266.20
Profit after Tax	135.33	87.84
Period	1 April 2021 to 16 September 2021	1 April 2021 to 31 October 2021

(iv) Amount of revenue and Profit or loss of the Group had the acquisition been effected at the start of the reporting period i.e, 1st April 2021:

Particulars	Amount at Group level
Revenue from operations	12,666.48
Profit after Tax	764.61

47.9 Reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period

Gross carrying value	Amount
As at 1 April 2021	-
Acquired as part of subsidiary acquisition/ business combination (Refer note (ii) below)	1,181.85
Impairment during the period (Refer note (iii) below)	-
As at 31 March 2022	1,181.85

(ii) **Breakup of the Goodwill on Business Combination**

Particulars	SGS Teknics	Perfect ID	Total
Consideration Transferred	3,658.82	339.23	3,998.05
Add - Share of Profits and Fair value changes upto the date of acquiring control	61.29	-	61.29
Sub-total (A)	3,720.11	339.23	4,059.34
Less - Share of Net assets of the Company (B) (Refer Note 47.5)	2,629.20	248.29	2,877.49
Goodwill (C=A-B)	1,090.91	90.94	1,181.85

The Goodwill computed above is not deductible for tax purposes

(iii) **Impairment of goodwill**

The estimated recoverable amount of CGU including Goodwill is more than the carrying amount at period end, consequently the Group has not provided for any impairment loss. The values assigned to the key assumptions represents management assessment of future trend in the relevant industries and have been based on both historical data from both internal and external sources :-

Particulars	For the year ended 31 March 2022
Discount rate	13.41%
Terminal value of growth rate	3%

48 Leases

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

In adopting Ind AS 116, the Group has applied the below practical expedients:

- (i) The Entities in the Group has applied a single discount rate to their respective portfolio of leases with reasonably similar characteristics.
- (ii) The Group has treated the leases with remaining lease term of less than 12 months as if they were "short term leases".
- (iii) The Group has not applied the requirements of Ind AS 116 for leases of low value assets.
- (iv) The Group has excluded the initial direct costs from measurement of the right-of-use asset at the date of transition.

(b) The Group has taken land and buildings on leases having lease terms of more than 1 year to 12 years, with the option to extend the term of leases. Refer Note 4 for carrying amount of right-to-use assets at the end of the reporting period by class of underlying asset.

(c) The following is the breakup of current and non-current lease liabilities as at 31 March 2022

Particulars	As at 31 March 2022	As at 31 March 2021
Current	21.62	10.78
Non-current	218.89	41.62
Total	240.51	52.40

(d) The contractual maturities of lease liabilities as at 31 March 2022 on an undiscounted basis is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Not Later than One Year	37.93	15.77
Later than one year but not later than Five Years	128.99	45.07
Later than Five Years	173.60	6.01
Total	340.52	66.85

(e) Amounts recognised in the Statement of Profit and Loss:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on lease liabilities	9.38	6.04
Expenses relating to short term leases	7.64	5.3
Depreciation on right-of-use assets	18.90	12.54
Total	35.92	23.88

(f) Amounts recognised in the Cash Flow Statement:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Total cash outflow for leases	22.31	15.17

49 Earnings per share (EPS)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Earnings		
Net profit attributable to equity shareholders for calculation of basic EPS (Rs in million)	566.74	320.17
Net profit attributable to equity shareholders for calculation of diluted EPS (Rs in million)	566.74	320.17
Shares		
Number of Equity shares at the beginning of the year	748,041	702,063
Number of CCPS at the beginning of the year	106,132	-
Number of Equity Shares issued during the year (Refer Note 18.1)	136,869,812	45,978
Number of CCPS (converted) / issued during the year	(106,132)	106,132
Total number of equity shares outstanding at the end of the year	137,617,853	854,173
Weighted average number of equity shares outstanding during the year for calculation of basic EPS after considering the impact of bonus issue (A)	113,920,691	722,463
Weighted average number of CCPS outstanding during the year for calculation of basic EPS (B)	-	43,034
Number of bonus shares issued corresponding to equity shares (C)	-	74,804,100
Number of bonus shares issued corresponding to CCPS (D)	-	10,613,200
Weighted average number of shares outstanding during the year for calculation of Basic EPS (E=A+B+C+D)	113,920,691	86,182,797
Weighted average number of dilutive component of stock options outstanding during the year (F) (Refer Note below)	918,536	-
Weighted average number of shares outstanding during the year for calculation of Dilutive EPS (G = E+F)	114,839,227	86,182,797
Face value per share (In Rs.)	10.00	10
Earning per share		
Basic (In Rs.)	4.97	3.72
Diluted (In Rs.)	4.94	3.72

Note:

Dilutive component of stock options outstanding as at year 31 March 2022, is computed after factoring the impact of issue of Bonus shares. (Refer Note 18)

50 Taxation

50.1 Tax Expense for the year

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current Tax:		
Current Income Tax Charge	269.79	96.33
Adjustments in respect of prior year	-	3.78
Total	269.79	100.11
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	(2.17)	(22.90)
Total	(2.17)	(22.90)
Total tax expense recognised in Statement of profit and loss	267.62	77.21

50.2 Income Tax on Other Comprehensive Income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred Tax:		
Arising on income and expenses recognised in Other Comprehensive Income: Remeasurement of defined benefit obligation (Refer Note 40)	0.47	(0.07)
	0.47	(0.07)
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to Statement of profit and loss	0.47	(0.07)
Items that will be reclassified to Statement of profit and loss	-	-

50.3 The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Amount	Tax Amount	Amount	Tax Amount
Profit Before tax from Operations	809.02	-	363.36	-
Income Tax expense using the Company's Tax rate (Refer Note (i))	-	282.70	-	105.81
Tax Effect of :				
Benefit under section 10AA of Income Tax Act (Refer Note (iv))	-	-	132.64	(38.63)
Effect of change in Tax rate (Refer Note (iii))	-	-	NA	10.93
Effect of difference in tax rates between components of Group (Refer Note (ii))	NA	(32.13)	-	-
Changes in unrecognised temporary differences	NA	5.80	-	-
Effect of expenses that are not deductible in determining taxable profit	16.13	4.72	8.37	2.44
Change in tax due to foreign jurisdiction	NA	(0.39)	-	-
Income Taxable at specified rate	NA	4.33	-	-
Others	7.65	2.59	(11.47)	(3.34)
		267.62		77.21

Notes:-

(i) The tax rate used w.r.t reconciliation above for the year ended 31 March 2022 and 31 March 2021 is the Corporate tax rate of 34.94% / 29.12% respectively, including applicable surcharge and cess payable by corporate entities in India on taxable profits under the Income Tax Act, 1961.

(ii) The subsidiaries - SGS Techniks & Perfect ID has elected to exercise the option permitted under section 115BAA of the Income tax Act, 1961, as introduced by the Taxation laws (Amendment) Act, 2019. Accordingly, the subsidiaries have recognised provision for income tax and remeasured its net deferred tax asset at concessional rate of 25.17% for the year.

(iii) The Company has measured its Deferred tax liability @ 34.94% being the substantively enacted rate as at 31 March 2021 being the rate of income tax applicable for the financial year 2021-22. Whereas the Deferred tax liability as at 1 April 2020 has been measured @ 29.12% being the applicable rate of income tax for the FY 2020-21.

(iv) Until year ended 31 March 2021, since certain divisions of the Holding Company are in a Special Economic Zone (SEZ), the Company has availed the deduction under Section 10AA of the Income Tax Act, 1961, wherein the Company is eligible for a deduction of 100% of export profits in the first 5 years, 50% of the profits in the next five years and upto 50% of the profit which is transferred to SEZ Reinvestment Reserve in the next 5 years.

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**50.4 Following is the analysis of the deferred tax (asset) / liabilities presented in the Balance sheet.
As at 31 March 2022**

Deferred Tax Asset (net)

Particulars	As at 31 March 2022					Closing balance
	Opening balance	Acquisition through business combination	Recognised in Profit & Loss	Recognised in OCI	MAT utilization	
Tax effect of items constituting deferred tax liabilities:						
Deferred Tax Liabilities (A)	-	-	-	-	-	-
Tax effect of items constituting deferred tax assets:						
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	-	0.34	0.15	-	-	0.49
Right of Use asset	-	0.06	-	-	-	0.06
Employee Benefits	-	0.41	(0.02)	0.13	-	0.52
Deferred Tax Assets (B)	-	0.81	0.14	0.13	-	1.08
Net Deferred Tax Liabilities / (Assets) (A-B)	-	(0.81)	(0.14)	(0.13)	-	(1.08)

Deferred Tax Liability (net)

Particulars	As at 31 March 2022					Closing balance
	Opening balance	Acquisition through business combination	Recognised in Profit & Loss	Recognised in OCI	MAT utilization	
Tax effect of items constituting deferred tax liabilities:						
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	76.20	108.64	(2.98)	-	-	181.86
Effective Interest Rate on borrowings	0.75	-	(0.58)	-	-	0.17
Fair valuation of Investments	-	16.77	(0.19)	-	-	16.58
Deferred Tax Liabilities (A)	76.95	125.41	(3.75)	-	-	198.61
Tax effect of items constituting deferred tax assets:						
Employee Benefits	26.64	22.84	3.67	(0.60)	-	52.55
Provision for Contingencies	5.59	-	-	-	-	5.59
Lease liability net of Right-of-use assets	2.64	1.77	(4.50)	-	-	(0.09)
Expected Credit Loss	7.88	7.05	2.01	-	-	16.94
Mark-to-Market Loss on financial instrument	3.05	(0.22)	(2.90)	-	-	(0.07)
Deferred Tax Assets (B)	45.80	31.44	(1.72)	(0.60)	-	74.92
MAT credit entitlement (C)	28.73	-	-	-	(28.73)	-
Net Deferred Tax Liabilities / (Assets) (A-B-C)	2.42	93.97	(2.03)	0.60	28.73	123.69

As at 31 March 2021

Particulars	Particulars				
	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT utilization	Closing balance
Tax effect of items constituting deferred tax liabilities:					
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	65.12	11.08	-	-	76.20
Effective Interest Rate on borrowings	0.59	0.16	-	-	0.75
Deferred Tax Liabilities (A)	65.71	11.24	-	-	76.95
Tax effect of items constituting deferred tax assets:					
Employee Benefits	6.37	20.20	0.07	-	26.64
Provision for Contingencies	-	5.59	-	-	5.59
Lease liability net of Right-of-use assets	(1.96)	4.60	-	-	2.64
Expected Credit Loss	6.63	1.25	-	-	7.88
Mark-to-Market Loss on financial instrument	-	3.05	-	-	3.05
Deferred Tax Assets (B)	11.04	34.69	0.07	-	45.80
MAT credit entitlement (C)	62.13	(0.55)	-	(32.85)	28.73
Net Deferred Tax Liabilities / (Assets) (A-B-C)	(7.46)	(22.90)	(0.07)	32.85	2.42

50.5 International Transactions

The Group has entered into international transactions with its Associated Enterprises. The Management is of the opinion that the Group maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the same will not have any impact on the Consolidated financial statements, particularly on the amount of tax expense for the year ended 31 March 2022 and the year ended 31 March 2021.

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Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
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51 Provisions

The Group has made provision for contractual warranty obligations and provision for possible contingencies based on the assessment of the amount it expects to incur to meet such obligations. The details of the same are given below:

Provision for Warranty:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	1.42	1.58
Provision created during the year	0.11	0.10
Provision Utilized / reversed during the year	(0.62)	(0.26)
Closing balance	0.91	1.42

Provision for Contingencies:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	16.00	16.00
Provision created during the year	-	-
Provision Utilized / reversed during the year	-	-
Closing balance	16.00	16.00

Notes:

- (a) Provision for warranties is estimated in accordance with the Group's accounting policy (Refer Note 2.18) and is expected to be settled as and when claims are received.
- (b) Whilst the provision for contingencies is considered as short term in nature, the actual outflow with regard to the contingencies depends on various future developments.

52 Nature and Movement of Deferred Government Grant

The Group has been awarded with government grant during the year which was allowable and received after completion of installation of certain plant and equipments in specified region. The grant has been recognised as deferred income and is amortised in proportion to depreciation expense charged in books related to such plant and equipments over their useful life.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	-	-
Add : Government grant upon business combination	21.54	-
Less : Government grant recognised during the year	(1.11)	-
Closing balance	20.43	-

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current	2.00	-
Non-current	18.43	-
Closing balance	20.43	-

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53 Financial Instruments

53.1 Capital Management

The Group manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Group determines the amount of capital required on the basis of an annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through equity, internal accruals and borrowings (short term / long term).

Gearing Ratio :

Particulars	As at 31 March 2022	As at 31 March 2021
Debt*	1,942.40	561.21
Cash and Cash equivalents**	(373.75)	(406.93)
Net Debt	1,568.65	154.28
Total Equity#	5,828.97	2415.75
Net Debt to equity ratio (In times)	0.27	0.06

*Debt is defined as long-term borrowings including current maturities of long term borrowings and short-term borrowings.

**Cash and Cash equivalents includes other bank balances (current and non-current portion)

Equity includes all capital, reserves and NCI of the Group that are managed as capital.

53.2 Categories of Financial Instruments

As at 31 March 2022

Financial Assets:

Particulars	At cost	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets at fair value through OCI	Total carrying value
Non-Current Financial Asset					
- Investment in Associate (Equity Method)	2.19	-	-	-	2.19
- Investment in CCPS	-	-	10.01	-	10.01
- Investment in Equity shares	-	-	-	21.22	21.22
- Security Deposits	-	47.48	-	-	47.48
- Other bank deposits	-	4.67	-	-	4.67
- Loans to employees	-	0.26	-	-	0.26
- Investment in debentures and bonds	-	-	13.68	-	13.68
	2.19	52.41	23.69	21.22	99.51
Current Financial Asset					
- Investment in mutual fund	-	-	314.20	-	314.20
- Investment in other -unquoted investments	-	-	48.79	-	48.79
- Trade receivables	-	2,722.34	-	-	2,722.34
- Cash and Cash equivalents	-	334.11	-	-	334.11
- Other bank balances	-	34.97	-	-	34.97
- Other Financial Asset	-	73.37	0.39	-	73.76
	-	3,164.79	363.38	-	3,528.17
Total	2.19	3,217.20	387.07	21.22	3,627.68

Financial Liabilities :

Particulars	At cost	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets at fair value through OCI	Total carrying value
Non-Current Financial Liability					
- Borrowings	-	38.92	-	-	38.92
- Lease Liabilities	-	218.89	-	-	218.89
	-	257.81	-	-	257.81
Current Financial Liability					
- Borrowings	-	1,903.48	-	-	1,903.48
- Trade payables	-	2,404.51	-	-	2,404.51
- Lease liabilities	-	21.62	-	-	21.62
- Other financial liabilities	-	171.07	-	-	171.07
	-	4,500.68	-	-	4,500.68
Total	-	4,758.49	-	-	4,758.49

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As on 31 March 2021
Financial Assets:

Particulars	At cost	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets at fair value through OCI	Total carrying value
Non-Current Financial Asset					
- Investment in associate (Equity Method)	921.45	-	-	-	921.45
- Security Deposits	-	24.64	-	-	24.64
- Other bank deposits	-	104.87	-	-	104.87
	921.45	129.51	-	-	1,050.96
Current Financial Asset					
- Trade receivables	-	1,278.72	-	-	1,278.72
- Cash and Cash equivalents	-	279.63	-	-	279.63
- Other bank balances	-	22.43	-	-	22.43
- Other Financial Asset	-	54.65	-	-	54.65
	-	1,635.43	-	-	1,635.43
Total	921.45	1,764.94	-	-	2,686.39

Financial Liabilities :

Particulars	At cost	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets at fair value through OCI	Total carrying value
Non-Current Financial Liability					
- Borrowings	-	244.98	-	-	244.98
- Lease Liabilities	-	41.62	-	-	41.62
- Other financial liabilities	-	-	6.80	-	6.80
	-	286.60	6.80	-	293.40
Current Financial Liability					
- Borrowings	-	316.23	-	-	316.23
- Trade payables	-	1,148.42	-	-	1,148.42
- Lease liabilities	-	10.78	-	-	10.78
- Other financial liabilities	-	7.21	1.94	-	9.15
	-	1,482.64	1.94	-	1,484.58
Total	-	1,769.24	8.74	-	1,777.98

53.3 Financial Risk Management Framework:

The Group's Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest rate risk and other price risk) and credit risk.

The Group has not offset financial assets and financial liabilities.

53.4 Market Risk:

The Group's activities are exposed to finance risk, interest risk & Credit risk. However, the Group is primarily exposed to the financial risks of changes in foreign currency exchange rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

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53.5 Foreign Currency Risk Management:

The Group undertakes transactions denominated in foreign currencies and consequently exposures to exchange rate fluctuation arises. These exposures are reviewed periodically with reference to the risk management policy followed by the Group.

The Group does trade financial instruments including derivative financial instruments for hedging its foreign currency risk on borrowings which are not designated as hedges for accounting purposes, but provide an economic hedge of the particular transaction risk or a risk component of the transaction. Fair Value Changes in such Derivative Instruments are recognised in the Statement of Profit and Loss.

As at 31 March 2022

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities that have not been hedged by a derivative instrument or otherwise are given below:

A. Outstanding assets

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Bank Balance - EEFC	USD	0.67	50.71
	EUR	0.09	7.48
Receivables	USD	14.23	1,077.51
	EUR	1.58	133.33

B. Outstanding liabilities

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Long-term Borrowings (Including current maturities of Long term borrowings)	EUR	0.70	58.78
	USD	0.02	2.21
Short-term Borrowings	USD	7.76	588.48
Payables (including Payables on purchase of fixed assets)	USD	16.63	959.65
	EUR	12.11	921.16
	GBP	0.36	30.85
	JPY	19.98	12.64
	CHF	0.31	1.76

As at 31 March 2021

The year-end foreign currency exposures that have been hedged by a derivative instrument or otherwise are given below:

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Non - qualifying hedges / economic hedge			
Long-term Borrowings	USD	3.00	222.00

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year that have not been hedged by a derivative instrument or otherwise are as follows :

A. Outstanding assets

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Bank Balance - EEFC	USD	0.72	52.24
	EUR	0.22	18.80
Receivables (including other receivables from customers and net of advances)	GBP	0.00	0.18
	EUR	0.65	55.44
	USD	7.16	518.93

B. Outstanding liabilities

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Long-term Borrowings (Including current maturities of Long term borrowings)	EUR	0.98	85.66
Short-term Borrowings	USD	2.94	217.92
Payables (including Payables on purchase of fixed assets and net of advances)	USD	5.58	412.46
	EUR	(0.02)	(2.18)
	GBP	0.01	0.65
	JPY	(0.08)	(0.05)

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Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
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53.6 Foreign Currency sensitivity analysis :

The Group is mainly exposed to the currencies of USD, EUR, GBP and JPY.

The following table details the Group's sensitivity to a 5% increase and decrease in the Indian Rupees against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Indian Rupees strengthens 5% against the relevant currency. For a 5% weakening of the Indian Rupees against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

Impact on Profit / (Loss) and Equity

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(24.18)	24.18	(1.93)	1.93
EUR	0.53	(0.53)	(0.30)	0.30
GBP	(0.02)	0.02	(0.02)	0.02
JPY	(0.48)	0.48	0.00	0.00

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Group at the end of the respective reporting period.

53.7 Interest Rate Risk Management

Interest rate is the risk that an upward / downward movement in interest rates would adversely / favourably affect the borrowing costs of the Group.

Fair value sensitivity analysis for Floating-rate instruments

The sensitivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of instruments that have floating rates.

The sensitivity analysis have been carried out based on the exposure to interest rates for term loans from banks, debt securities and borrowings carried at variable rate. If interest rates had been 25 basis points higher or lower and all other variables were constant, the Group's profit after tax would have changed by the following:

Impact on Profit / (Loss) and Equity

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	25 bps increase	25 bps decrease	25 bps increase	25 bps decrease
Impact on profit for the year	(1.15)	1.15	(0.91)	0.91

53.8 Liquidity Risk Management

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the risk management policy of the Group. The Group invests its surplus funds in bank fixed deposits and mutual funds.

Liquidity and Interest Risk Tables :

The following table detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table below represents principal and interest cash flows. To the extent that interest rates are floating, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

As at 31 March 2022

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total contractual cash flows	Carrying Amount
Borrowings	1,905.63	40.54	-	1,946.17	1,942.40
Lease Liabilities	37.93	128.99	173.60	340.52	240.51
Trade Payables	2,404.51	-	-	2,404.51	2,404.51
Other financial Liabilities	171.07	-	-	171.07	171.07
Total	4,519.14	169.53	173.60	4,862.27	4,758.49

As at 31 March 2021

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total contractual cash flows	Carrying Amount
Borrowings	324.70	258.86	-	583.56	561.21
Lease Liabilities	15.77	45.07	6.01	66.85	52.40
Trade Payables	1,148.42	-	-	1,148.42	1,148.42
Other financial Liabilities	7.21	-	-	7.21	7.21
Total	1,496.10	303.93	6.01	1,806.04	1,769.24

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

53.9 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved on a regular basis.

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53.10 Commodity risk

Fluctuation in commodity price affects directly and indirectly the price of raw material and components used by the Group. The key raw material for the Group are Printed Circuit Boards (PCB), Integrated Circuit (IC) and Transistors. The Group imports its few raw materials and due to ongoing situation in international market, these raw material is in shortage or available at higher prices resulting in reduced margins. The Group keeps on negotiating with its customers to recover through price hike of the finished products.

53.11 Fair Value Measurement

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value / amortized cost:

(a) Long-term fixed-rate borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables.

(b) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

(c) Fair values of the Group's interest-bearing borrowings and loans are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the respective reporting periods. The own non-performance risk as at 31 March 2022 and 31 March 2021 was assessed to be insignificant.

(i) Financial Assets and Financial Liabilities that are measured at fair value through Profit or loss:

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis

As at 31 March 2022

Particulars	Amount	Fair value measurement as at end of the reporting period using		
		Level 1	Level 2	Level 3
Financial assets				
Investment in debentures or bonds	13.68	-	13.68	-
Investments in mutual fund	314.20	314.20	-	-
Investment in other investments - unquoted	48.79	48.79	-	-
Derivative contracts entered to mitigate foreign currency risk	0.39	-	0.39	-
Investment in CCPS	10.01	-	-	10.01
Investment in Equity Shares	21.22	-	-	21.22
Total	408.29	362.99	14.07	31.23

As at 31 March 2021

Particulars	Amount	Fair value measurement as at		
		Level 1	Level 2	Level 3
Financial liabilities				
Derivative contracts entered to mitigate foreign currency risk	8.74	-	8.74	-
Total	8.74	-	8.74	-

(ii) Financial Assets and Financial Liabilities that are not measured at fair value through Profit or loss:

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in associate	2.19	921.45

The aforesaid value represents the value carried in books under the equity method as per the accounting policy of the Group and includes the share of post acquisition profit including other comprehensive income of the associate accounted in these Consolidated Financial Statements of the Company amounting to Rs. 0.06 Million and Rs. 34.04 Million for the year ended 31 March 2022 and 31 March 2021 respectively.

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54 Additional regulatory information as required by Schedule III to the Companies Act, 2013

I. Ratio Analysis and its elements

The below Non-GAAP measures presented may not be comparable to similarly titled measures reported by other companies. Further, it should be noted that these are not a measure of operating performance or liquidity defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies.

(a) Current Ratio = Current Assets / Current Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Current Assets	7,012.50	2,648.17
Current Liabilities	5,228.97	1,890.66
Ratio (In times)	1.34	1.40
% Change from previous year	(4.25)%	

(b) Debt Equity ratio

(1) As per Guidance note of ICAI Debt equity ratio = Total debt / Total shareholder's equity

Particulars	As at 31 March 2022	As at 31 March 2021
Total debt*	1,942.40	561.21
Total equity	5,828.97	2415.75
Ratio (In times)	0.33	0.23
% Change from previous year	43.44%	

*Total debt includes Long term borrowing and Short term borrowings.

Reason for change more than 25%

The ratio has increased from 0.23 in FY 20-21 to 0.33 as at 31 March 2022, due to the loans existing in books of the subsidiaries which have been acquired during the year. (Refer Note 47)

(2) Group believes that the Debt equity ratio computed as Long term debt / Average shareholder's equity, is a more apt way of measuring performance

Particulars	As at 31 March 2022	As at 31 March 2021
Long term debt*	68.47	318.75
Average equity**	4,122.36	1,716.40
Ratio (In times)	0.02	0.19
% Change from previous year	(91.06)%	

*Long term debt includes long term borrowing and current maturities of long-term borrowings

**Average Equity represents the average of opening and closing equity.

Reason for change more than 25%

The ratio has declined from 0.19 in FY 20-21 to 0.02 as at 31 March 2022 since the Group has pre-closed the External Commercial Borrowing due to higher generation of funds on higher sales and profits. Further fresh issue of equity shares at premium has resulted in an increase in average equity thereby resulting in an improved ratio. Additionally the subsidiaries acquired during the year do not have any significant long term borrowings.

(c) Debt Service Coverage Ratio = Earnings available for debt services / total interest and principal repayments

Particulars	As at 31 March 2022	As at 31 March 2021
Profit after tax (A)	566.74	320.17
Add: Non cash operating expenses and finance cost		
- Depreciation and amortisation (B)	194.32	120.74
- Finance cost (C)	67.82	45.24
- Other Non-cash operating expenses (D)	22.59	6.80
Total Non cash operating expenses and finance cost (Pre-tax) (E=B+C+D)	284.73	172.78
Total Non cash operating expenses and finance cost (Post-tax) (F = E*(1-Tax rate))	194.04	122.47
Earnings available for debt services (G = A+F)	760.78	442.64
Expected interest outflow on long term borrowings (H) *	34.85	8.47
Lease payments for next one year (I)	37.93	15.77
Principal repayments (J) *	526.25	73.77
Total Interest and principal repayments (K =H + I+J)	599.03	98.01
Ratio (In times) (L = G/ K)	1.27	4.52
% Change from previous year	(71.88)%	

* Expected interest outflow and principal repayments represent the expected outflows w.r.t long term borrowings during next one year from the end of the reporting period.

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Reason for change more than 25%

During the current year due to the acquisition of the subsidiaries, the consolidated profit after tax has increased substantially while the acquired subsidiaries do not have any significant long term borrowings. The Holding Company has pre-closed the External Commercial Borrowings due to higher generation of funds on account of higher sales and profits. However, on account of avilment of bridge loan for payment to capital creditors in connection with the proposed expansion/capital expenditure the amount of debt to be serviced has increased. However since the said loan is proposed to be repaid from IPO proceeds and not from profits/earnings of the Company, this will not have any implication on liquidity.

(d) Return on Equity Ratio = Net profit after tax / average equity

Particulars	As at 31 March 2022	As at 31 March 2021
Net profit after tax	566.74	320.17
Average equity*	4,122.36	1,716.40
Ratio (in %)	13.75%	18.65%
% Change from previous year	(26.30)%	

*Average Equity represents the average of opening and closing equity.

Reason for change more than 25%

During the current year due to the acquisition of new subsidiaries, the consolidated profit after tax has increased only to the extent of post acquisition profits. Further fresh issue of equity shares at premium has resulted in an increase in average equity.

(e) Inventory Turnover Ratio = Cost of materials consumed / average inventory

Particulars	As at 31 March 2022	As at 31 March 2021
Cost of materials consumed*	7,287.13	2,889.30
Average Inventory**	2,670.01	726.50
Ratio (In times)	2.73	3.98
% Change from previous year	(31.37)%	

*Cost of material consumed comprises of cost of raw materials consumed, consumption of spares, purchases of stock-in-trade and changes in Inventories.

**Average inventory represents the average of opening and closing inventory.

Reason for change more than 25%

During the current year due to the acquisition of new subsidiaries, SGS Teknics has a lower inventory turnover ratio as against the Holding Company. This indicates that SGS Teknics has higher inventory when compared to the Holding Company. Moreover the cost of materials consumed has increased only to the extent of post acquisition numbers. Consequently on a consolidated basis, the inventory turnover ratio has declined when compared to the previous year on account of ratio getting averaged out.

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55 Additional regulatory information as required by Schedule III to the Companies Act, 2013 (cont.)

I. Ratio Analysis and its elements (cont.)

(f) Trade Receivables turnover ratio = Credit Sales / average trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Credit Sales (Net)*	10,371.45	4,425.76
Average Trade Receivables#	2,226.48	1,104.80
Ratio (In times)	4.66	4.01
% Change from previous year	16.28%	

*Credit sales includes sale of products, services, scrap sales and GST component on such sales

Trade receivables is included gross of ECL and net of customer advances. Average Trade receivables represents the average of opening and closing Trade Receivables.

(g) Trade payables turnover ratio = Credit purchases / average trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Credit Purchases*	11,391.03	3,809.61
Average Trade Payables#	2,202.30	1,112.44
Ratio (In times)	5.17	3.42
% Change from previous year	51.04%	

*Credit purchases includes purchases of raw-material, stock-in-trade and all other expenses except cash and non-cash transaction like rates and taxes, bank charges, CSR, loss on sale of assets and Mark-to-Market loss.

#Trade Payables excludes employee benefits payables. Average Trade Payables represents the average of opening and closing Trade Payables.

Reason for change more than 25%

During the current year due to the acquisition of new subsidiaries, SGS Techniks has a higher creditors turnover ratio as against the Holding Company. This indicates that SGS Techniks has lower average credit period with its vendors when compared to the Holding Company. Consequently on a consolidated basis, the payables turnover ratio has improved on account of ratio getting averaged out.

(h) Net Capital Turnover Ratio

(1) As per Guidance note of ICAI Net Capital Turnover Ratio = Net Sales / Working capital

Particulars	As at 31 March 2022	As at 31 March 2021
Sales* (A)	10,324.08	4,444.80
Current Assets (B)	7,012.50	2,648.17
Current Liabilities (C)	5,228.97	1,890.66
Working Capital (D = B-C)	1,783.53	757.51
Ratio (In times) (E = A/D)	5.79	5.87
% Change from previous year	(1.35)%	

*Sales represents Total Income

(2) Group believes that the Net Capital Turnover Ratio computed as Net Sales / Working capital excluding Short term borrowings , is a more apt way of measuring performance

Particulars	As at 31 March 2022	As at 31 March 2021
Sales* (A)	10,324.08	4,444.80
Current Assets (B)	7,012.50	2,648.17
Current Liabilities (C)**	3,355.04	1,648.20
Working Capital (D = B-C)	3,657.46	999.97
Ratio (In times) (E = A/D)	2.82	4.44
% Change from previous year	(36.50)%	

*Sales represents Total Income

**Current Liabilities excludes Short term borrowings, includes current maturities of long-term borrowing

Reason for change more than 25%:

During the current year due to the acquisition of new subsidiaries, SGS Techniks has a lower net capital turnover ratio as against the Holding Company. This indicates that SGS Techniks has higher working capital when compared to the Holding Company. Moreover the sales has increased only to the extent of post-acquisition figures. Consequently, on a consolidated basis, the net capital turnover ratio has declined on account of ratio getting averaged out.

(i) Net profit ratio

(1) As per Guidance note of ICAI Net profit ratio = Net Profit after tax / Total Sales

Particulars	As at 31 March 2022	As at 31 March 2021
Net-profit after tax	566.74	320.17
Sales#	10,324.08	4,444.80
Ratio (in %)	5.49%	7.20%
% Change from previous year	(23.79)%	

Sales represents Total Income

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(2) Group believes that Net profit ratio computed as Net Profit before tax / Total Sales, is a more apt way of measuring performance

Particulars	As at 31 March 2022	As at 31 March 2021
Net-profit before tax	809.02	363.36
Sales#	10,324.08	4,444.80
Ratio (in %)	7.84%	8.00%
% Change from previous year	(2.05)%	

Sales represents Total Income

(j) Return on Capital employed (pre-tax)

(1) As per Guidance note of ICAI = Earnings before interest and taxes (EBIT) / Capital Employed

Particulars	As at 31 March 2022	As at 31 March 2021
Profit before tax (A)	809.02	363.36
Finance Costs (B)	67.82	45.24
EBIT (C) = (A)+(B)	876.84	408.60
Capital Employed #	6,958.24	2,097.11
Ratio (In %)	12.60%	19.48%
% Change from previous year	(35.32)%	

Capital employed has been computed as (Total assets excluding investments in subsidiaries/associates and intangible assets) - (Current liabilities excluding short term borrowings and lease liabilities) - (Long term provisions and other non-current financial liabilities)

Reason for change more than 25%:

During the current year due to the acquisition of new subsidiaries, the consolidated profit after tax has increased only to the extent of post acquisition profits. However fresh issue of equity shares at premium has resulted in an increase in total equity. Additionally the borrowings of the subsidiaries as at Balance Sheet date has resulted in an increase in total capital employed.

(2) Group believes that this shall be computed as Earnings before interest and taxes (EBIT) / Average Capital Employed

Particulars	As at 31 March 2022	As at 31 March 2021
Profit before tax (A)	809.02	363.36
Finance Costs (B)	67.82	45.24
EBIT (C) = (A)+(B)	876.84	408.60
Average Capital Employed #	4,527.68	1,995.10
Ratio (In %)	19.37%	20.48%
% Change from previous year	(5.44)%	

Average Capital employed represents the average of opening and closing capital employed.

(k) Return on Investment = Net profit after tax / average equity

The Group believes that Return on equity ratio as disclosed above is an apt measure of Return on investment ratio as well.

Particulars	As at 31 March 2022	As at 31 March 2021
Net profit after tax	566.74	320.17
Average equity*	4,122.36	1,716.40
Ratio (in %)	13.75%	18.65%
% Change from previous year	(26.30)%	

*Average equity represents the average of opening and closing total equity.

Reason for change more than 25%

During the current year due to the acquisition of new subsidiaries, the consolidated profit after tax has increased only to the extent of post acquisition profits. Further fresh issue of equity shares at premium has resulted in an increase in average equity.

55 Additional regulatory information as required by Schedule III to the Companies Act, 2013 (cont.)

II. Loans or advances in the nature of loans granted to promoters, directors, KMPs and related parties'

As at 31 March 2022

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	In the nature of loan / advance	Percentage to the total Loans and advances in the nature of loans	Repayable on Demand / Without specifying any terms or period of repayment
Related Parties	2.57	Advance	NA	To be adjusted against subsequent supply of goods or services

As at 31 March 2021

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	In the nature of loan / advance	Percentage to the total Loans and advances in the nature of loans	Repayable on Demand / Without specifying any terms or period of repayment
Related Parties	23.86	Advance	NA	To be adjusted against subsequent supply of goods or services

III. Capital work in progress (CWIP)

CWIP predominantly comprises of the following:-

Particulars	As at 31 March 2022	As at 31 March 2021
Plant and Machinery	10.30	-
Buildings	274.71	-
Electrical Equipment	94.7	-
Others	10.92	-
Total	390.63	-

As at 31 March 2022

(i) Ageing schedule:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	390.63	-	-	-	390.63

(ii) Completion schedule:

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	390.63	-	-	-	390.63

There is no CWIP as on 31 March 2021 and hence the ageing and completion schedule is not applicable.

IV. Intangible Assets under Development

As at 31 March 2022

(i) Ageing schedule:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17.38	-	-	-	17.38

(ii) Completion schedule:

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17.38	-	-	-	17.38

There is no Intangible Assets under Development as on 31 March 2021 and hence the ageing and completion schedule is not applicable.

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V. The ageing schedule of Trade receivables is as follows:

a) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Not due	Total*
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed Trade Receivables – considered good	686.98	38.66	45.54	8.56	54.57	1,940.25	2,774.56
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	1.36	0.50	1.24	-	3.10
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	3.21	-	3.21

Receivables over one year includes Rs. 179.21 Million from certain customers with a corresponding payable to/advance received from respective parties / their group entities.

b) As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Not Due	Total*
	Less than 6 months	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 Years		
(i) Undisputed Trade receivables – considered good	210.58	31.23	21.23	24.57	69.22	944.44	1,301.27
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Receivables over one year includes Rs. 169.53 Million for the year ended 31 March 2021 from certain customers with a corresponding payable to / advance received from respective parties / their group entities.

*The ageing has been given based on Gross Trade receivables without considering expected credit loss allowance

VI. The ageing schedule of trade payables is as follows:

a) As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Not due	Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) MSME	22.88	2.81	0.76	0.07	50.04	76.56
(ii) Others	777.07	16.69	16.02	76.36	1,414.12	2,300.26
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled Dues	-	-	-	-	27.69	27.69

b) As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment				Not due	Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) MSME	2.93	0.02	0.05	0.04	8.08	11.12
(ii) Others	558.24	4.89	25.54	77.08	471.55	1,137.30
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled Dues	-	-	-	-	-	-

VII. Comparison of Quarterly returns furnished to Banks with books of account

The Group is filing statement of inventories and trade receivables as per covenants stated in sanction letter to the banks for working capital loan. The below is summary of quarterly statement filed with the banks duly compared with the books of accounts.

For the year ended 31 March 2022

Quarter Ended	Inventory			Receivables		
	As per Quarterly Return (A)	As per Books	Difference (C= A - B) [Refer Note (v)]	As per Quarterly Return (D)	As per Books	Difference (F = D - E) [Refer Note (v)]
30-Jun-21	628.68	859.45	(230.77)	1,202.03	1,361.79	(159.76)
30-Sep-21	2,145.37	2,144.38	0.99	2,839.59	3,057.42	(217.83)
31-Dec-21	2,542.72	2,542.14	0.58	2,578.93	2,822.46	(243.53)
31-Mar-22	2,579.40	2,791.85	(212.45)	2,434.57	2,724.14	(289.57)

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For the year ended 31 March 2021

Quarter Ended	Inventory			Receivables		
	As per Quarterly Return (A)	As per Books (Refer Note (iii)) (B)	Difference (C= A - B)	As per Quarterly Return (D)	As per Books (Refer Note (iv)) (E)	Difference (F = D - E)
30-Jun-20	514.48	687.81	(173.33)	432.23	679.47	(247.24)
30-Sep-20	538.22	616.82	(78.60)	539.19	1,007.22	(468.03)
31-Dec-20	595.72	731.62	(135.90)	1,265.01	1,316.63	(51.62)
31-Mar-21	487.46	525.71	(38.25)	999.62	1,166.92	(167.30)

Notes:

(i) The variance in inventories is on account of certain year end adjustments such as overhead and labour allocation and other adjustment entries recorded in books post filing of the returns with the banks.

(ii) The variance in receivables is on account of certain aged debtors more than one year not included in returns filed with banks as well as period end adjustments such as restatement of foreign currency receivables, reconciliation based on confirmation, etc. being carried out in books post filing of the returns with the banks.

(iii) Inventory as per books of account disclosed above excludes goods in transit, inventory of certain divisions of the Group and allowance for obsolete and non-moving inventory.

(iv) Receivable excludes allowance for expected credit losses and receivables of certain division of the Group.

(v) The variance in the returns/statements filed by Holding Company/Subsidiary-SGS Teknics, were subsequently rectified to submit the information as per books of accounts with the banks.

VIII. Other Statutory Information

- (a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (b) The Group did not have any transactions with Companies struck off.
- (c) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Group 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:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (f) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (g) The Group does not have any 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).
- (h) The Group has not been declared willful defaulter by any bank or financial Institution or other lender.
- (i) The Group does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.
- (j) The Group has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (k) The Group has utilised the borrowing amount taken from financial institutions for the purpose as stated in the sanction letter.

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56 Foreign Exchange Management Act, 1999

The Holding Company has approached the designated authority and is in the process of filing the required documents as may be required with the designated authority in connection with the various foreign exchange transactions of earlier years, relating to certain long outstanding payables to foreign parties and receivable from export customers etc., to ensure compliance with the Foreign Exchange Management Act, 1999.

The Management is confident of completing all the required formalities and obtaining the required approvals / ratification from the designated authority (AD Bank / RBI as the case may be) and does not estimate any outflow of cash on account of the same.

57 COVID-19

The outbreak of the Covid-19 pandemic and the consequent lock down has impacted the regular business operations of the Group. The Group has assessed the impact of the pandemic on its financial position based on the internal and external information, to the extent known and available up to the date of approval of these consolidated financial statements. Based on such assessment, the Group believes no additional adjustments is required as at 31 March 2022 and 31 March 2021 to the carrying value of trade receivables, inventories, property, plant and equipment and other financial assets. Further, the Group has also assessed its liquidity position and based on the cash flows available on balance sheet and unutilized credit lines with banks, the Group will be able to meet all its obligations. The impact of the pandemic may be different from that assessed as at the date of approval of these consolidated financial statements and the Group will continue to monitor any material changes to future economic conditions.

57 Previous Year Comparatives

Previous year figures have been reclassified to conform to the current year classification/presentation. Since the Company has acquired two subsidiaries (refer Note 47) which has been consolidated on a line-by-line basis as stated in accounting policy in Note 2.2 (b)(II), the figures of the current year ended 31 March 2022 are not comparable with those of the previous year ended 31 March 2021.

58 Events after the latest reporting period, i.e 31 March 2022

Pursuant to the approval of Draft Red Herring Prospectus (DRHP) by SEBI subsequent to the year end, the Holding Company has raised Rs. 1,100 Million by issue of 3,793,103 Equity Shares at a price of Rs. 290.00 per Equity Share, by way of Pre-IPO placement, in line with SEBI, Issue of Capital and Disclosure (Requirements) Regulations, 2018 ("ICDR Regulations").

59 Approval of Financial Statements

In connection with the preparation of the Consolidated financial statements for the year ended 31 March, 2022, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Group and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Group and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the consolidated financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the consolidated financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements at its meeting held on 01 July 2022.



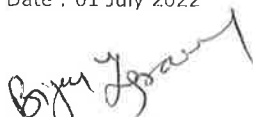
For and on behalf of the Board of Directors of
Syrma SGS Technology Limited



Sandeep Tandon
Executive Chairman
DIN : 00054553
Place : Mumbai
Date : 01 July 2022



JS Gujral
Managing Director
DIN : 00198825
Place : Gurugram
Date : 01 July 2022



Bijay Kumar Agrawal
Chief Financial Officer
Place : Gurugram
Date : 01 July 2022



Rahul Sinnarkar
Company Secretary
Place : Mumbai
Date : 01 July 2022