Deloitte Haskins & Sells LLP

Chartered Accountants
ASV N Ramana Tower
52, Venkatnarayana Road
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INDEPENDENT AUDITOR'S REPORT

To The Members of Syrma SGS Technology Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Syrma SGS Technology Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the 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, the aforesaid Standalone 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 state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules 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 is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Information Other than the Standalone financial statements and Auditor's Report Thereon

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

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

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone Financial Statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid 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 as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

    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 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 Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of it's 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 advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), 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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, other than disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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 performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ananthi

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN:22209252AMQAWR2619

Place: Chennai
Date: July 01, 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")

We have audited the internal financial controls over financial reporting of **Syrma SGS Technology Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of Ind AS Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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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 Standalone 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 Standalone 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 Standalone 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, the Company has, 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 March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ananthi

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN: 22209252AMQAWR2619

Place: Chennai
Date: July 01, 2022

Deloitte Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right of use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, capital work in-progress and right-of-use assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, comprising all the immovable properties of land which are freehold, disclosed in the financial statements included in property, plant and equipment, are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the revised quarterly returns and statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information subsequently filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company, of the respective quarters and audited financial statements for financial year end.

(iii) The Company has made investments in companies during the year, in respect of which:

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) and clauses (iii)(c) to (iii)(f) of the Order are not applicable.

(b) The investments made during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(iv) According to The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities except for certain delays in remittance of TDS by one of its division.

(b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Custom, duty of Excise, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(c) Details of statutory dues referred to in sub clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statute	**Nature of Dues**	**Amount (Rs. in million)**	**Period to which the amount relates**	**Forum where the dispute is pending**
Karnataka VAT	Value Added Tax, 2005	5.93	FY 2005-06	Assistant Commissioner of Commercial Taxes, Bangalore
Karnataka VAT	Value Added Tax, 2005	8.09	FY 2006-07	Assistant Commissioner of Commercial Taxes, Bangalore

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) In respect to borrowings:

a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, the funds raised on short term basis aggregating Rs. 1,027.87 Million have been used for long-term purposes.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) In respect of Issuance of Securities :

a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

b) The Company has made preferential allotment and private placement of shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised which is to fund the acquisition of subsidiaries other than temporary deployment pending application and to fund the working capital requirements of the company. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during then year.

(xi) In respect to Fraud:

a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 31, 2021 and the final internal audit reports issued after the balance sheet date covering the period January 01, 2022 to March 31, 2022 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order is not applicable.
(a) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ananthi

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN: 22209252AMQAWR2619

Place: Chennai
Date: July 01, 2022

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Standalone 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	1,087.08	750.89
	(b) Capital work-in-progress	46(II)	390.63	-
	(c) Right-of-use assets	4	45.10	49.58
	(d) Other Intangible assets	5	7.80	13.22
	(e) Intangible assets under development		8.69	-
	(f) Financial assets			
	(i) Non- current Investments	7	4,044.68	887.41
	(ii) Other financial assets	8	37.17	129.51
	(g) Income tax asset (net)	9	-	9.78
	(h) Other non-current assets	10	141.11	111.52
	Total non-current assets		**5,762.26**	**1,951.91**
II	**Current Assets**			
	(a) Inventories	11	1,147.93	770.75
	(b) Financial assets			
	(i) Trade receivables	12	1,717.95	1,278.72
	(ii) Cash and cash equivalents	13.1	88.34	279.63
	(iii) Other bank balances	13.2	23.70	22.43
	(iv) Other financial assets	14	64.73	54.65
	(c) Other current assets	15	342.35	241.99
	Total current assets		**3,385.00**	**2,648.17**
	Total assets		**9,147.26**	**4,600.08**
B	**EQUITY AND LIABILITIES**			
I	**Equity**			
	(a) Equity share capital	16	1,376.17	7.48
	(b) Other equity	17	4,062.74	2,374.23
	Total equity		**5,438.91**	**2,381.71**
II	**Liabilities**			
1	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	18	34.78	244.98
	(ii) Lease liabilities	40	36.28	41.62
	(iii) Other financial liabilities	19	-	6.80
	(b) Provisions	20	36.01	31.89
	(c) Deferred tax liabilities (net)	42.4	25.56	2.42
	Total non-current liabilities		**132.63**	**327.71**
2	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	21	1,291.14	316.23
	(ii) Lease liabilities	40	13.27	10.78
	(iii) Trade payables	22		
	- Total outstanding dues of micro enterprises and small enterprises		15.79	11.12
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,467.22	1,137.30
	(iv) Other financial liabilities	23	159.72	9.15
	(b) Other current liabilities	24	582.38	377.61
	(c) Provisions	25	32.86	28.47
	(d) Current tax liabilities (net)	26	13.34	-
	Total current liabilities		**3,575.72**	**1,890.66**
	Total liabilities		**3,708.35**	**2,218.37**
	Total equity and liabilities		**9,147.26**	**4,600.08**
	See accompanying notes to the Standalone Financial Statements (Note 1-52)			

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

Ananthi

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 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

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Standalone 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	27	6,462.60	4,383.03
2	Other income	28	82.45	61.77
3	**Total income (1+2)**		**6,545.05**	**4,444.80**
4	**Expenses**			
	(a) Cost of raw materials consumed	29	4,650.09	2,763.93
	(b) Purchases of stock-in-trade	30	20.84	38.09
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	(283.30)	18.86
	(d) Employee benefits expense	32	432.44	286.35
	(e) Finance costs	33	37.77	45.24
	(f) Depreciation and amortisation expense	6	130.93	120.74
	(g) Other expenses	34	1,077.33	808.23
	Total expenses		**6,066.10**	**4,081.44**
5	**Profit before tax (3 - 4)**		**478.95**	**363.36**
6	**Tax expense:**			
	- Current tax	40.1	178.91	96.33
	- Tax pertaining to previous years		-	3.78
	- Deferred tax (net)	40.2	(6.03)	(22.90)
	Total tax expense		**172.88**	**77.21**
7	**Profit for the year (5 - 6)**		**306.07**	**286.15**
8	**Other comprehensive income**			
	Items that will not be reclassified to Profit and Loss			
	(i) Remeasurement of the defined benefit plans		1.24	(0.25)
	(ii) Income tax expenses relating to the above		(0.43)	0.07
	Total other comprehensive income for the year		**0.81**	**(0.18)**
9	**Total comprehensive income for the year (7 + 8)**		**306.88**	**285.97**
10	**Earnings per equity share (Face Value of Rs. 10 each)**	41		
	- Basic (In Rs.)		2.69	3.32
	- Diluted (In Rs.)		2.67	3.32
	See accompanying notes to the Standalone Financial Statements (Note 1-52)			

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 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

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited) Standalone 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	478.95	363.36
Adjustments for:		
Depreciation and Amortisation Expense	130.93	120.74
Finance Costs	37.77	45.24
Mark-to-Market (MTM) (gain)/loss on financial instrument (net)	(3.23)	8.74
Employee stock compensation expense (Refer Note 37)	35.07	-
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (net)	0.24	-
Liabilities No Longer Required Written Back	(6.25)	(1.94)
Interest Income	(9.02)	(9.20)
Net (gain) / loss on account of sale of current investments (Mutual funds)	(2.45)	-
Allowance for Expected Credit Loss (net)	-	(0.22)
Unrealised Exchange (gain) / loss (net)	(24.42)	(23.45)
Operating Profit Before Working Capital / Other Changes	**637.59**	**503.27**
Adjustments for (increase) / decrease in operating assets:		
Inventories	(377.18)	(88.50)
Trade Receivables	(409.87)	(108.48)
Other Current Financial Assets	(12.04)	(15.26)
Other Non-Current Financial Assets	(11.88)	(3.01)
Other Current Assets	(100.36)	(36.57)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	329.07	88.85
Other financial Liabilities (Current and Non-Current)	(5.51)	-
Other Current Liabilities	204.77	(10.54)
Provisions (Current and Non-Current)	9.75	9.09
Cash Generated from Operations	**264.34**	**338.85**
Direct Taxes Paid (net)	(127.02)	(100.31)
Net Cash Flow from Operating Activities	**137.32**	**238.54**
II. CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure towards tangible assets (including capital advances, net of capital payables)	(705.95)	(56.77)
Capital Expenditure towards Intangible assets (including capital advances)	(14.42)	-
Investment in Associate	-	(887.41)
Acquisition of Subsidiaries	(3,126.04)	-
Other Non-current investments	(31.23)	-
Proceeds from Current Investment (net)	2.45	-
Net Cash (Used in) Investing Activities	**(3,875.19)**	**(944.18)**

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Standalone 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
III. CASH FLOW FROM FINANCING ACTIVITIES		
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
Proceeds from issue of Redeemable Preference Shares	-	(45.00)
Utilisation of Securities Premium	-	(1.85)
Long Term Borrowings Taken	-	219.84
Long Term Borrowings Repaid	(260.39)	(37.77)
(Repayment) / Proceeds from Short Term Borrowings (net)	1,029.28	(273.82)
Payment of Lease Liabilities	(16.56)	(15.17)
Finance Costs Paid (including dividend on preference shares)	(35.54)	(51.53)
Decrease / (Increase) in Lien Marked / Margin Money Deposits	103.60	(75.14)
Long Term Borrowings repaid to Related Party	-	(125.39)
Interest Received on Lien Marked / Margin Money Deposits	9.95	5.42
Net Cash flow from Financing Activities	**3,545.59**	**680.12**
IV. Net (Decrease) / Increase in Cash and Cash Equivalents (I + II + III)	(192.28)	(25.52)
V. Cash and Cash Equivalents at the Beginning of the year	**279.63**	**307.68**
Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0.99	(2.53)
VI. Cash and Cash Equivalents at the end of the year	**88.34**	**279.63**
VII. Cash and Cash Equivalents as per Note 13	**88.34**	**279.63**
Reconciliation of change in Liabilities arising from financing activities is given in Note 18.3		
See accompanying notes to the Standalone Financial Statements (Note 1-52)		

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
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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)
Standalone 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 16)

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	5.08
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 17)

Particulars	Components of Other Equity						
	Capital Reserve (out of Amalgamation)	**Securities Premium**	**SEZ Reinvestment Reserve**	**Compulsorily Convertible Preference Share (CCPS)**	**Surplus in Statement of Profit and Loss**	**Employee Stock Option Reserve**	**Total**
Balance as at 1 April 2020	8.23	100.12	256.60	-	645.08	-	1,010.03
Balance as at 1 April 2020	8.23	100.12	256.60	-	645.08	-	1,010.03
Profit for the year	-	-	-	-	286.15	-	286.15
Premium on issue of preference and equity shares	-	1,069.68	-	-	-	-	1,069.68
Utilization of Securities Premium	-	(1.85)	-	-	-	-	(1.85)
Other Comprehensive Income for the year, net of Income tax	-	-	-	-	(0.18)	-	(0.18)
Transfer from SEZ Reinvestment Reserve	-	-	(51.83)	-	51.83	-	-
Transfer to SEZ Reinvestment Reserve	-	-	132.64	-	(132.64)	-	-
CCPS treated as Equity Financial Instruments (Refer Note 16.6 (b) & 17.5)	-	-	-	10.40	-	-	10.40
Balance as at 31 March 2021	**8.23**	**1,167.95**	**337.41**	**10.40**	**850.24**	**-**	**2,374.23**

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

Particulars	Components of Other Equity						
	Capital Reserve (out of Amalgamation)	Securities Premium	SEZ Reinvestment Reserve	Compulsorily Convertible Preference Share (CCPS)	Surplus in Statement of Profit and Loss	Employee Stock Option Reserve	Total
Balance as at 1 April 2021	**8.23**	**1,167.95**	**337.41**	**10.40**	**850.24**	**-**	**2,374.23**
Profit for the year	-	-	-	-	306.07	-	306.07
Premium on conversion of CCPS / issue of equity shares	-	2,719.51	-	-	-	-	2,719.51
Employee stock compensation expense (Refer note 37)	-	-	-	-	-	35.07	35.07
Utilization of Securities Premium	-	(1,362.55)	-	-	-	-	(1,362.55)
Other Comprehensive Income for the year, net of Income tax	-	-	-	-	0.81	-	0.81
Conversion of CCPS	-	-	-	(10.40)		-	(10.40)
Transfer from / (to) SEZ Reinvestment Reserve	-	-	(21.70)	-	21.70	-	-
Balance as at 31 March 2022	**8.23**	**2,524.91**	**315.71**	**-**	**1,178.82**	**35.07**	**4,062.74**

See accompanying notes to the Standalone Financial Statements (Note 1-52)

In terms of our report attached

For Deloitte Haskins & Sells LLP
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Chartered Accountants

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Partner

Place :Chennai
Date : 01 July 2022

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Rahul Sinnarkar
Company Secretary
Place : Mumbai
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Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)
Notes forming part of Standalone Financial Statements for the year ended 31 March 2022
(All amounts are in Million Indian Rupees unless otherwise stated)

Note No.	Particulars
1	**Corporate information** Syrma SGS Technology Limited (Formerly known as Syrma Technology Private Limited till 13 September 2021, the “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. 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. The name of the Company has been changed from Syrma Technology Private Limited to Syrma SGS Technology Limited with effect from 14 September 2021. 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.
2	**Summary of Significant accounting policies**
2.1	**Statement of Compliance** The standalone 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.
2.2	**Basis of preparation and presentation**
(a)	**Accounting Convention and Assumptions** These standalone 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 Company 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 standalone financial statements, a reasonable expectation that the Company 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 Standalone Financial Statements.
(b)	**Basis of presentation** The Standalone Balance sheet, the Standalone Statement of Profit and Loss, and the Standalone 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 Standalone Statement of Cash Flows has been presented as per the requirements of Ind AS 7 - Statement of Cash Flows. The standalone financial statements are presented in Indian rupees (INR), the functional currency of the Company. Items included in the standalone financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the ‘functional currency’). Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0” in the relevant notes in these standalone financial statements.

(c) 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 Company'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 Company 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 Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company 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 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 Company 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 Company.
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 assets outstanding at each Balance Sheet date are disclosed as Capital Advance 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	30 Years
Plant and Equipment	
- Plant and Machinery	15 Years
- Stencils	3 Years
Electrical equipment	20 Years
Furniture and Fittings	10 Years
Office and Other Equipment	5 Years
Computer & other peripherals	3 Years to 6 Years
Vehicles	8 Years

Based on technical assessment made by technical expert and management estimate, the Company 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.
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).
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.

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.

2.4 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 Company 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

2.5 Impairment of PPE & Intangible Assets

At the end of each reporting period, the Company 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 Company 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 Company 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 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 Statement of profit and loss.

2.6 Leases

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

At inception of a Lease Contract, the Company 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 Company 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 Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Company has the right to direct the use of the asset. The Company 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 Company has the right to direct the use of the asset if either:

a) the Company has the right to operate the asset; or
b) the Company 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 Company 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 Company 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 Company's incremental borrowing rate. Generally, the Company 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 Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The Company 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 Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company 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 Company 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 Company 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 Company recognises the lease payments associated with these leases as an expense over the lease term.

2.7 Inventories

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.

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.

2.8 Cash & Cash Equivalents

(a) Cash and cash equivalents (for purposes of Cash Flow Statement)

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.

(b) Cash flow statement

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 Company are segregated based on the available information.

2.9 Foreign currency transactions and translations

(a) Initial recognition

In preparing the standalone 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 or an average rate if the average rate approximates the actual rate at the date of the transaction.

(b) Measurement at the reporting date

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.10 Revenue recognition

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 Company is expected to be entitled to in exchange for those goods or services.

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 Company 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.

(a) Sale of Products

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 Company 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.

Advance from customers and Deferred revenue is recognized under other current liabilities which is released to revenue on satisfaction of performance obligation.

(b) Rendering of services:

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.

(c) Tooling Charges

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.

2.11 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 Company 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.

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

Superannuation fund:
The Company contributes a specified percentage of eligible employees' salary to a superannuation fund administered by trustees and managed by the insurer. The Company 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 Company contributes a specified percentage of the eligible employees salary to the National Pension Scheme of the Central Government. The Company 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 Company 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 Company'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 Company 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 Company 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 Company 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 profit or loss in the period in which they arise.

(e) Employee Share Based Payments

Employees of the Company 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 Company'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 Company'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.

2.13 Provisions

Provisions are recognised, when the Company 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.

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).

2.14 Product Warranty Cost

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.

The estimates used for accounting of warranty liability / recoveries are reviewed periodically and revisions are made as required.

2.15 Contingent liability

Contingent liability is disclosed for

(a) 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

(b) 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.

2.16 Taxes on Income

The income tax expense represents the sum of the tax currently payable and deferred tax.

(a) Current tax

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.

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.

(b) Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the standalone 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.

Deferred tax liabilities are recognised for taxable temporary differences arising on investment in associates, except where the Company 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.

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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company 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 Company intends to settle its current tax assets and liabilities on a net basis.

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 Company 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 Company. 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.

(c) Current tax and deferred tax for the year:

Current and deferred tax are recognised in 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.

2.17 Financial Instruments

Financial assets and financial liabilities are recognized when the Company 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 Company 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 Company 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 standalone 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

(ii) Financial liabilities and equity instruments:

Classification as equity or financial liability

Equity and Debt instruments issued by the Company 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 Company 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 Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company 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 Company has not retained control of the financial asset.

If the Company 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 Company derecognizes financial liabilities when, and only when, the Company’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 Company 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 Company 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 Company 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.

2.18 Equity Investments in Subsidiaries/Associate

Investment in subsidiaries/associate are carried at cost in the standalone financial statements.

2.19 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 year attributable to equity shareholders by the weighted average number of equity shares outstanding during the 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 year 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.

2.20 Segment reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company'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 Company. 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 Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

2.21 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.

2.22 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 Company 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.

Export Benefits

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

2.23 Related Party Transactions

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 year in which such transactions occur and adjustments if any, to the amounts accounted are recognised in the year of final determination.

There are common costs incurred by the entity having significant influence / Other Related Parties on behalf of various entities including the Company. The cost of such common costs are accounted to the extent debited separately by the said related parties.

2.24 Use of estimates and judgements

In preparing these standalone 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.

The areas involving critical estimates or judgments are :

a. Estimation of useful life of tangible and intangible asset. (Refer Note 2.3, 2.4)
b. Impairment of trade receivables: Expected credit loss. (Refer Note 2.17 (b))
c. Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources. (Refer Note 2.13, 2.14 and 2.15)

d. Measurement of defined benefit obligation: key actuarial assumptions.(Refer Note 2.12)
e. Estimation of income tax (current and deferred) – (Refer Note 2.16)

2.25 Insurance claims

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.

2.26 Recent Pronouncements

(a) Standards issued/amended but not yet effective

On March 23, 2022, Ministry of Corporate Affairs amended the Rules applicable from April 1, 2022, as summarised below:

a. Ind AS 103 – Reference to Conceptual Framework

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.

b. Ind AS 16 – Proceeds before intended use

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.

c. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

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

d. Ind AS 109 – Annual Improvements to Ind AS (2021)

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.

e. Ind AS 116 – Annual Improvements to Ind AS (2021)

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.

The Company does not expect any of the aforesaid amendments to have any significant impact in its standalone financial statements.

(b) Code on Social Security

The Indian Parliament has approved the Code on Social Security, 2020 which may impact the employee benefit expenses of the Company. 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 Company will give appropriate impact in the financial statements once the code becomes effective and related rules to determine the financial impact are notified.

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

3 Property, Plant and Equipment

Particulars	Land	Buildings on Leasehold land	Plant and Equipment	Furniture and fittings	Office equipments	Computers & other peripherals	Electrical Installation	Vehicles	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
Reclassifications (Refer Note 3.3)	(14.57)	14.63	(7.10)	1.31	(1.44)	0.94	6.23	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-	-
As at 31 March 2021	**-**	**119.19**	**670.99**	**22.98**	**8.28**	**20.79**	**65.04**	**5.47**	**912.74**
Additions	331.50	2.71	79.32	2.29	1.32	16.16	8.25	1.36	442.91
Disposals / Discarded	-	-	0.32	-	-	-	-	-	0.32
As at 31 March 2022	**331.50**	**121.90**	**749.99**	**25.27**	**9.60**	**36.95**	**73.29**	**6.83**	**1,355.33**
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**
Depreciation expense for the year	-	5.82	85.63	2.76	1.83	5.53	3.95	0.96	106.48
Elimination on disposal	-	-	0.08	-	-	-	-	-	0.08
As at 31 March 2022	**-**	**21.63**	**203.95**	**8.22**	**5.63**	**15.15**	**10.69**	**2.98**	**268.25**
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	**331.50**	**100.27**	**546.04**	**17.05**	**3.97**	**21.80**	**62.60**	**3.85**	**1,087.08**

3.1 Refer Note 18.2 and 21.1 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 is additional depreciation charge of Rs. 12.39 Million for the year ended 31 March 2021.
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.

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

4 Right-Of-Use (ROU) Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Land	13.42	8.25
Building	31.68	41.33
Total	**45.10**	**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**
Additions	6.93	1.89	8.82
Disposals / Discarded	-	-	**-**
As at 31 March 2022	**18.00**	**65.48**	**83.48**
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 31 March 2021	**2.82**	**22.26**	**25.08**
Depreciation expense for the year	1.76	11.54	13.30
Elimination on disposal	-	-	-
As at 31 March 2022	**4.58**	**33.80**	**38.38**
Net carrying value			
As at 31 March 2021	**8.25**	**41.33**	**49.58**
As at 31 March 2022	**13.42**	**31.68**	**45.10**

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

5 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**
Additions	5.73	-	5.73
Disposals / Discarded	-	-	-
As at 31 March 2022	**19.11**	**30.59**	**49.70**
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 / adjustments of assets	-	-	-
As at 31 March 2021	**6.22**	**24.53**	**30.75**
Amortisation expense for the year	5.09	6.06	11.15
Elimination on disposal	-	-	-
As at 31 March 2022	**11.31**	**30.59**	**41.90**
Net carrying value			
As at 31 March 2021	**7.16**	**6.06**	**13.22**
As at 31 March 2022	**7.80**	**-**	**7.80**

6 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	106.48	92.86
(b) Amortisation of Intangible Assets	11.15	15.34
(c) Depreciation on ROU Assets	13.30	12.54
Total	**130.93**	**120.74**

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

7 Non-Current Investments

	Particulars	As at 31 March 2022	As at 31 March 2021
(a)	**Investment Carried at Cost**		
	Unquoted Equity Shares - Subsidiary/Associate		
	SGS Tekniks Manufacturing Private Limited (Refer Note 47) 1,612,785 (Previous year - 322,557) Equity Shares of Rs. 10 Each, fully paid up	3,658.82	887.41
	Perfect ID India Private Limited (Refer Note 47) 1,690,913 Equity Shares of Rs. 10 Each, fully paid up	339.23	-
	Syrma Technology Inc. 20,000 Shares of $0.0001 Each, fully paid up	15.40	-
(b)	**Investment Carried at Fair value through Other Comprehensive Income**		
	Unquoted Equity Shares		
	Inotech FEG Gmbh 4,127 Shares of €10 Each, fully paid up	21.22	-
(c)	**Investment Carried at Fair value through Profit & Loss**		
	Unquoted - Compulsorily Convertible Preference Shares (CCPS)		
	Airth Research Private Limited 783 CCPS of Rs 10 Each, fully paid up	10.01	-
	Total	**4,044.68**	**887.41**

Particulars	As at 31 March 2022	As at 31 March 2021
Aggregate book value of unquoted investments	4,044.68	887.41

8 Other Financial Assets (Non-current)

	Particulars	As at 31 March 2022	As at 31 March 2021
(a)	Security Deposits measured at amortised cost	37.17	24.64
(b)	Other Bank Deposits		
	- Under Lien*	-	101.13
	- Margin Money	-	3.74
	Total	**37.17**	**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 Company. As on 31 March 2022, the loan has been repaid. Refer Note 18.

9 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. 243.20 Million as at 31 March 2021)	-	9.78
Total	**-**	**9.78**

10 Other Non-Current Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Capital Advances	141.11	111.52
Total	**141.11**	**111.52**

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

11 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	423.40	293.25
	- Materials-in-Transit	193.50	239.38
		616.90	**532.63**
(b)	Work-in-Progress	450.25	201.31
(c)	Finished Goods (other than those acquired for trading)	60.37	26.16
(d)	Stock-in-trade	1.05	0.90
(e)	Stores and Spare Parts (including packing materials)	19.36	9.75
	Total	**1,147.93**	**770.75**

11.1 The 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)	4,487.42	2,889.30

11.2 The mode of valuation of inventories has been stated in Note 2.7

11.3 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**

11.4 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	-	76.00

12 Trade Receivables

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Considered good – unsecured (Refer Note 12.2)	1,740.50	1,301.27
Gross receivables	**1,740.50**	**1,301.27**
Allowance for expected credit loss	(22.55)	(22.55)
Net receivables	**1,717.95**	**1,278.72**
The above amount of trade receivables also includes amount receivable from its related parties (Refer Note 39.3)	14.66	24.55

12.1 Movement in Expected Credit Loss (ECL) Allowance

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	22.55	22.77
Add: Additional Provision / (Reversal) of ECL allowance	0.74	9.18
Less: Utilization of ECL allowance	(0.74)	(9.40)
Balance at end of the year	**22.55**	**22.55**

12.2 The Trade Receivables, include certain customers having more than 10% of the total outstanding trade receivable 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.

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

12.3 The Company 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.

12.4 The Company 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 - Rs. 169.84 Million).

12.5 The Company 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
Infinx 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 Company 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.

12.6 Refer Note 46(IV) for trade receivables ageing.

13.1 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	1.01	1.00
(b)	Balances with Banks		
	- In Current Accounts	13.01	39.18
	- In EEFC Accounts	14.08	71.05
	- In Deposit Accounts	60.24	168.40
	Total	**88.34**	**279.63**

13.2 Other Bank Balances

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with Banks - Margin Money	23.70	22.43
Total	**23.70**	**22.43**

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

14 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	50.16	46.55
(d)	Advances to employees	2.12	2.05
(e)	Other Benefits Receivable from State Government	2.61	1.55
(f)	Recoverable from Subsidiary (Refer Note 39.3)	3.66	-
	Total	**64.73**	**54.65**

15 Other Current Assets

	Particulars	As at 31 March 2022	As at 31 March 2021
(a)	Balances Receivable from Government Authorities	132.35	74.74
(b)	Advance to Suppliers	119.34	133.80
(c)	Other Advances (Refer Note 15.1 & 15.2)	80.62	23.86
(d)	Prepaid expenses	10.04	9.59
	Total	**342.35**	**241.99**

15.1 The Company has given supplier advances to the following parties in which there is a common Director. (Refer Note 39.3)

Particulars	As at 31 March 2022	As at 31 March 2021
Infinx Services Private Limited	-	23.29
Memory Electronics Private Limited	-	0.09
Reliable Consultancy Services Pvt. Limited	0.57	-
Total	**0.57**	**23.38**

15.2 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 sucessful completion of IPO.

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

16 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	200,000,000	2,000.00	5,550,000	55.50
	Preference Shares of Rs. 100/- each	1,200,000	120.00	1,200,000	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:

16.1 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 17.5)	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 17.5)	(104,002)	(10.40)	-	-
Shares outstanding as at the end of the year	**-**	**-**	**104,002**	**10.40**

* During the year ended 31 March 2022, Company issued Equity hares 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 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 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.

16.2 Details of Shares held by 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 w.e.f 21st October, 2021

16.3 Details of Shares held by each shareholder holding more than 5% shares in the 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%

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

16.4 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	-	0.00%	0.00%
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.

16.5 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 the 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 2063 shares.

b) During the FY 21-22, the members at 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. Aggregate number of shares allotted as fully paid up by way of bonus shares is 136,255,300 shares of Rs 10 each.

16.6 Disclosure of Rights

(a) Equity Shares

The 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 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.

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

17 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	1,178.82	850.24
(e)	CCPS treated as Equity Financial Instruments (Refer Note 17.5)	-	10.40
(f)	Employee Stock Option Reserve	35.07	-
	Total	**4,062.74**	**2,374.23**

	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	850.24	645.08
	Profit for the year	306.07	286.15
	Other Comprehensive Income for the year, net of Income tax	0.81	(0.18)
	Transfer from Special Reserve - SEZ Reinvestment Reserve	21.70	51.83
	Transfer to Special Reserve - SEZ Reinvestment Reserve	-	(132.64)
	Closing Balance	**1,178.82**	**850.24**
(e)	**CCPS treated as Equity Financial Instruments (Refer Note 16.6 (b) & 17.5)**		
	Opening Balance	10.40	-
	Issue / Conversion of Preference Shares during the year	(10.40)	10.40
	Closing Balance	**-**	**10.40**
(f)	**Employee Stock Option Reserve**		
	Opening balance	-	-
	Employee stock compensation expense	35.07	-
	Closing balance	**35.07**	**-**
	Total	**4,062.74**	**2,374.23**

Notes: Nature and purpose of other reserves

17.1 Capital Reserve

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

17.2 Securities Premium

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

17.3 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.

17.4 Surplus in Statement of Profit and Loss

Surplus in Statement of Profit and Loss represents Company'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.

17.5 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 Compulsorily Convertible Preference Shares 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.

17.6 Employee Stock Option Reserve

Employee Stock Option Reserve relates to the share options granted by the Company to its employees under its stock option plan. Refer Note 37 for further details.

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

18 Borrowings (Non-Current)

Particulars	As at 31 March 2022	As at 31 March 2021
Term Loans from Banks (Secured) (Refer Notes 18.1 & 18.2)	34.78	244.98
Total	**34.78**	**244.98**

18.1 Terms of Secured Loan from Banks:

As at 31 March 2022

Particulars	Interest Rate	No. of Installments Outstanding	Repayment Terms	Amount outstanding as at 31 March 2022
(i) Term loan from RBL:				
Loan 3 (EUR) (Refer Note 18.2 below)	3.85%	10 quarters	Principal Quarterly & Interest Monthly	58.29
Total				**58.29**
Less: Current Maturities of Long-Term Borrowings (Refer Note 21)				23.51
Long Term Borrowings from Bank				**34.78**

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	Principal Quarterly & Interest Monthly	6.97
Loan 2 (USD)	3.30%	1 quarter		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 (Refer Note 21)				73.77
Long Term Borrowings from Bank				**244.98**

18.2 Security

As at 31 March 2022

Term Loan from RBL:

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

As at 31 March 2021

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 -

(a) 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.
(b) Exclusive charge by way of equitable mortgage of Flat no. 1, Merry Niketan, Mount Mary Road, Bandra Owned by Sandeep Tandon.
(c) Personal Guarantee by Mr. Manoharlal Tandon, Mr. Sandeep Tandon & Ms. Veena Kumari Tandon.
(d) Corporate Guarantee by Tancom Electronics Private Limited.

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.

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

18.3 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 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.

18.4 Reconciliation of change in Liabilities arising from financing activities:

a) For the year ended 31 March 2022

Particulars	As at 1 April 2021	Cash flow (net)	Exchange difference	Others^	New lease	As at 31 March 2022
Non current borrowings*	318.75	(260.39)	(1.73)	1.66	-	58.29
Current borrowings	242.46	1,029.28	(4.11)	-	-	1,267.63
Lease liability	52.40	(16.56)	-	5.29	8.42	49.55

b) For the year ended 31 March 2021

Particulars	As at 1 April 2021	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.

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

19 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**

20 Provisions (Non-Current)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits (Refer Note 36)		
- Provision for Gratuity	21.22	19.48
- Provision for Compensated Absences	14.79	12.41
Total	**36.01**	**31.89**

21 Borrowings (Current)

	Particulars	As at 31 March 2022	As at 31 March 2021
(a)	Working Capital Facilities from Banks - Secured (Refer Notes 21.1)	770.93	242.46
(b)	Current Maturities of Long-term Borrowings (Refer Note 18.1)	23.51	73.77
(c)	Term Loan from Bank - Secured	496.70	-
	Total	**1,291.14**	**316.23**

21.1 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 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 Company.

(d) First pari-passu charge on moveable fixed assets, present and future, of the Company located at Chennai, Manesar, Hyderabad & Hosur.

21.2 Refer Note 46 (VI) for the Comparison of Quarterly returns furnished to Banks with books of account.

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

22 Trade Payables

	Particulars	As at 31 March 2022	As at 31 March 2021
(a)	Total outstanding dues of micro enterprises and small enterprises (Refer Note 22.3)	15.79	11.12
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,467.22	1,137.30
	Total	**1,483.01**	**1,148.42**

22.1 Trade payables are non-interest bearing and are normally settled as per due dates.

22.2 Refer Note 46(V) for trade payables ageing.

22.3 Disclosures Required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	15.79	11.12
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1.86	1.76
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	0.16	1.66
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	1.86	1.76
(vi)	The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.16	1.66

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management and relied by the auditors.

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

23 Other Financial Liabilities (Current)

	Particulars	As at 31 March 2022	As at 31 March 2021
(a)	Payable towards procurement of capital assets	159.58	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	**159.72**	**9.15**

24 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)	Advance from Customers	312.02	117.80
(c)	Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, GST, etc.)	23.21	12.66
	Total	**582.38**	**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.

25 Provisions (Current)

	Particulars	As at 31 March 2022	As at 31 March 2021
(a)	Provision for Warranty (Refer Note 43)	0.91	1.42
(b)	Provision for Employee Benefits (Refer Note 36)		
	- Provision for Gratuity	12.45	8.07
	- Provision for Compensated Absences	3.50	2.98
(c)	Provision for Contingencies (Refer Note 43)	16.00	16.00
	Total	**32.86**	**28.47**

26 Current tax liabilities (net)

	Particulars	As at 31 March 2022	As at 31 March 2021
	Provision for Tax (Net of Advance Tax of Rs. 380.04 Million as at 31 March 2022)	13.34	-
	Total	**13.34**	**-**

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

27 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	6,351.93	4,233.72
	- Traded goods	25.46	41.59
(b)	Sale of Services	23.00	18.16
(c)	Other Operating Revenues		
	- Export Incentive	3.61	41.19
	- Tooling Charges	37.52	32.63
	- Sale of Scrap	21.08	12.41
	- Income from Outsourcing Services	-	3.33
	Total Other Operating Revenues	**62.21**	**89.56**
	Total	**6,462.60**	**4,383.03**

27.1 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	6,462.60	4,383.03
Adjustment for:		
- Discounts and rebates	-	-
- Refund liability	-	-
Revenue recognised	**6,462.60**	**4,383.03**

27.2 Disaggregation of Revenue information

The table below presents disaggregated revenues from contracts with customers (including export incentives) which is recognised based on goods transferred at a point of time by geography and offerings of the Company.
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	2,923.18	1,313.32
Rest of the world	3,539.42	3,069.71
Total Revenue from Operations	**6,462.60**	**4,383.03**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue by Segment		
Electronic Manufacturing Services	6,414.14	4,323.28
Others	48.46	59.75
Total Revenue from Operations	**6,462.60**	**4,383.03**

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

27.3 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	6,435.99	4,323.68
Products / services transferred over a period of time	23.00	18.16
Total revenue from contracts with customers	**6,458.99**	**4,341.84**

Note: The aforesaid excludes export incentives recognised under Revenue from Operations

27.4 Contract balances

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Receivables, which are included in 'Trade receivables'*	1,740.50	1,301.27
Advance from customers, which are included in 'Other current liabilities'	312.02	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

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

28 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	7.31	8.29
	- Security deposits	1.71	0.91
	Total Interest Income	**9.02**	**9.20**
(b)	Net gain on account of sale of current investments (Mutual funds)	2.45	**-**
(c)	Foreign Exchange Gain (net)	59.07	48.90
(d)	Insurance / Other Claims	0.64	0.04
(e)	Mark-to-Market (MTM) gain on financial instrument	3.23	-
(f)	Liabilities No Longer Required Written back	6.25	1.94
(g)	Miscellaneous Income	1.79	1.69
	Total	**82.45**	**61.77**

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

29 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
Add: Purchases	4,734.35	2,869.79
	5,266.99	**3,296.57**
Less: Closing Stock (Refer Note 11)	616.90	532.64
Consumption of Raw Materials	**4,650.09**	**2,763.93**

30 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**

31 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 11)		
- Finished Goods	60.37	26.16
- Work-in-progress	450.25	201.31
- Stock-in-trade	1.05	0.90
Sub-total (A)	**511.67**	**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
Sub-total (B)	**228.37**	**247.23**
Net (Increase) / Decrease (B) - (A)	**(283.30)**	**18.86**

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

32 Employee Benefits Expense

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a)	Salaries, wages and bonus	300.58	234.65
(b)	Contribution to provident and other funds (net) (Refer Note 36)	25.34	18.94
(c)	Gratuity expense (Refer Note 36)	7.79	6.10
(d)	Compensated absences expense	4.75	4.91
(e)	Remuneration to Executive Directors	30.43	24.00
(f)	Staff welfare expenses	32.03	15.21
(g)	Employee stock compensation expense (Refer Note 37)	35.07	-
		435.99	**303.81**
	Less: Recovery of Salaries from Related Parties (Refer Note 39.2)	(3.55)	(17.46)
	Total	**432.44**	**286.35**

33 Finance Costs

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a)	Interest on borrowings	20.57	19.99
(b)	Interest on lease liability	5.29	6.04
(c)	Interest on Unsecured Loan	-	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	-	0.34
(g)	Interest on delayed payments to micro enterprises and small enterprises (Refer Note 22.3)	0.16	1.66
	Total	**37.77**	**45.24**

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

34 Other Expenses

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a)	Consumption of stores and spares	99.79	68.42
(b)	Stipend to Apprentices	98.28	47.29
(c)	Insurance	17.58	11.15
(d)	Power and fuel	47.19	39.93
(e)	Contract wages	306.68	295.15
(f)	Job Work Charges	140.63	69.82
(g)	Freight outward and clearing	19.94	13.72
(h)	Rent	7.58	5.30
(i)	Repairs and maintenance		
	- Plant and machinery	19.06	13.63
	- Buildings	11.44	8.80
	- Others	26.19	17.71
(j)	Advertising and sales promotion	82.48	77.44
(k)	Provision for Warranty (Refer Note 43)	0.11	0.10
(l)	Travelling and conveyance	19.31	8.27
(m)	Allowance for ECL	0.74	9.18
(n)	Bad debts Written Off	0.74	9.40
	Less: Utilization of Allowance for ECL	(0.74)	(9.40)
	Net Bad debts written off	-	-
(o)	Communication costs	4.93	3.63
(p)	Printing and stationery	4.10	2.58
(q)	Legal and professional fees	112.57	79.95
(r)	Payments to auditor (Refer Note 34.1)	3.63	5.60
(s)	Loss on sale / discard of Property, Plant and Equipment (net)	0.24	-
(t)	Security charges	12.99	6.93
(u)	Director Sitting Fees	0.53	-
(u)	Commission to non-executive directors	0.49	-
(v)	Bank charges	14.33	14.80
(w)	Corporate Social Responsibility (Refer Note 34.2)	8.15	6.71
(x)	Rates and Taxes	33.49	4.49
(y)	Mark-to-Market (MTM) (gain) / loss on financial instrument	-	8.74
(z)	Miscellaneous expenses	2.47	2.43
		1,094.92	**821.77**
	Less: Claims for reimbursement with State Government	(9.12)	(3.34)
	Less: Freight charges reimbursed by customers	(8.47)	(10.20)
	Total	**1,077.33**	**808.23**

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

34.1 Payment to Statutory auditors

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Payments to auditors comprises:		
- For Statutory Audit	3.30	3.30
- For Certification and Other Services	0.20	2.25
- Reimbursement of Expenses	0.13	0.05
Total	**3.63**	**5.60**

The aforesaid excludes amount of Rs. 17 Millions paid to the auditors during the year ended 31 March 2022 in connection with the proposed Initial public offer (IPO) of the Company accounted as part of Prepaid expenses under Note 15 - Other Current Assets and proposed to be adjusted with Securities Premium upon completion of the IPO.

34.2 Corporate social responsibility (CSR) expenditure

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a)	Amount required to be spent by the Company during the year	7.94	6.08
(b)	Amount of expenditure incurred	8.15	6.71
(c)	Shortfall / (Excess) paid at the end of the year	(0.21)	(0.63)
(d)	Total of previous years shortfall	-	0.63
(e)	Reason for shortfall	NA	NA
(f)	Nature of CSR activities		
	- Protection of national heritage, art and culture including restoration of buildings	3.50	-
	- Promoting Education	4.50	3.50
	- Preventive health care w.r.t Covid-19	0.10	3.00
	- Prime Minister's National Relief Fund	0.05	0.21
(g)	Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure	NA	NA
(h)	Provisions w.r.t CSR Expenditure pursuant to contractual obligation	NA	NA

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

35 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 Company not Acknowledged as Debt		
- Erstwhile customer (Refer Note (ii) below)	56.17	56.17
- Karnataka VAT related matters	14.02	14.02
(b) Commitments		
- Capital Commitments (Refer Note (iii) below)	547.98	125.30
- Investments Commitment	278.54	-

Notes:

(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 Company or the Claimants, as the case may be and therefore, cannot be predicted accurately.

(ii) The Company has filed Special Leave Petition (SLP) before Honorable Supreme Court of India against the Madras High Court Judgment relating to direction to the 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 Company, the Management expects a favorable decision in respect of the above. Further, petition against the Company before National Company Law Tribunal, Mumbai Bench, for initiation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code has been withdrawn.

(iii) Capital Commitments represents the estimated amounts of contracts remaining to be executed on capital account, net of advances and not provided for.

(iv) The 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)

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

36 Employee Benefits

36.1 Defined Contribution Plan

Company'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	22.02	16.52
Employer's Contributions to Employee State Insurance	0.59	0.45
Employer's Contribution to National Pension Fund	0.67	-
Employer's Contribution to Superannuation Fund	2.06	1.73
Total	**25.34**	**18.70**

36.2 Defined Benefit Plans

The Company operates a gratuity plan covering qualifying employees. 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. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

These plans typically expose the Company 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	5.86	4.62
- Interest expense on Defined Benefit Obligation	2.14	1.77
- Interest income on plan assets	(0.21)	(0.29)
Components of defined benefit costs recognised in Statement of Profit and Loss (A)	**7.79**	**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	1.70	0.80
Actuarial (gain) / loss arising from experience adjustments	(1.62)	(0.70)
Actuarial (gain) / loss arising from demographic adjustments	(1.47)	(0.05)
Components of defined benefit costs recognised in Other Comprehensive Income (B)	**(1.24)**	**0.25**
Total (A) + (B)	**6.55**	**6.35**

(i) The current service cost and interest expense (net) for the relevant year 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.

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

(b) The amount included in the Balance Sheet arising from the entity'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	36.19	31.54
Fair value of plan assets	2.52	3.99
(Surplus) / Deficit	33.67	27.55
Current portion of the above	12.45	8.07
Non current portion of the above	21.22	19.48

(c) Movement in the present value of the defined benefit obligation are as follows :

Particulars	As at 31 March 2022	As at 31 March 2021
Gratuity:		
Present value of defined benefit obligation at the beginning of the year	31.54	25.89
Expenses Recognised in the Statement of Profit and Loss:		
- Current Service Cost	5.86	5.13
- Interest Expense / (Income)	2.14	1.77
Recognised in Other Comprehensive Income:		
Remeasurement (gains) / losses	(1.64)	0.30
Benefit payments	(1.71)	(1.55)
Present value of defined benefit obligation at the end of the year	**36.19**	**31.54**

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

Particulars	As at 31 March 2022	As at 31 March 2021
Gratuity:		
Fair value of plan assets at the beginning of the year	3.99	4.59
Income Recognised in Statement of Profit and Loss Account:		
- Expected return on plan assets	0.21	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	(1.71)	(1.55)
Fair Value of Plan assets at the end of the year	**2.52**	**3.99**

The actual return on Plan Assets as furnished by Insurer is Rs. 0.07 Million and Rs. 0.09 Million for the year ended 31 March 2022 and 31 March 2021 respectively.

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

(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% - 7.47%	6.55% - 7.08%
Expected rate of salary increase	8.00%	2.5% - 8%
Expected return on plan assets	6.55% - 7.08%	6.55% - 7.08%
Attrition Rate	6% - 23%	10.63%-13.33%
Mortality tables*	Indian Assured Life (2012-14) Ultimate	India 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.

(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	1.92	2.22
Decrease by 100 bps	(2.16)	(2.56)
The sensitivity analysis below have been determined based on exposure to the interest		
Increase by 100 bps	(1.83)	(2.39)
Decrease by 100 bps	1.71	2.10
(iii) Attrition rate		
Increase by 100 bps	0.28	0.37
Decrease by 100 bps	(0.31)	(0.40)
(iv) Mortality rate		
Increase by 10%	0.01	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	As at 31 March 2020	As at 31 March 2019
Projected Benefit Obligation	36.19	31.54	25.89	24.91
Fair Value of Plan Assets	2.52	3.99	4.59	4.41
Deficit / (Surplus)	33.67	27.55	21.30	20.50
Experience Adjustments on Plan Liabilities - (Gains) / losses	(1.64)	0.30	(4.84)	6.65
Experience Adjustments on Plan Assets - Gains / (losses)	(0.15)	(0.20)	(0.21)	(0.14)

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

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

(i) Funding Arrangements and Funding Policy
The Company 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 Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

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

Year Ending	Amount
As at 31 March 2022	7.05
As at 31 March 2021	8.08

(iii) The weighted average duration of the defined benefit obligation during the respective year end is as follows:.

Year Ending	Amount
As at 31 March 2022	5.89 years - 13.30 years
As at 31 March 2021	6.52 years- 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	4.84	4.96
Year 2	4.57	1.39
Year 3	2.09	3.65
Year 4	2.65	1.13
Year 5	1.98	1.95
Next 5 year pay-outs (6-10 years)	16.76	12.86
Pay - outs above ten years	26.17	36.42
Total	**59.06**	**62.36**

36.3 Compensated Absences

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

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current portion	14.79	12.41
Current portion	3.50	2.98
Total	**18.29**	**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% - 7.47%	6.55% - 7.08%
Expected rate of salary increase	8.00%	2.5% - 8%
Attrition Rate	6% - 23%	10.63%-13.33%
Mortality tables	Indian Assured Life (2012-14) Ultimate	India Assured Life (2012-14) Ultimate

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

37 Share-based payments

37.1 Details of the employee share option plan of the Company

On 19 October 2021, the shareholders of the Company have approved the Syrma SGS Employee Stock Option Scheme ("Scheme 1") which forms part of the Syrma SGS Stock Option Plan. Under Scheme 1, the 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 of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

On 19 October 2021, the shareholders of the Company have approved the Syrma SGS Employee Stock Option Scheme ("Scheme 2") which forms part of the Syrma SGS Stock Option Plan. Under Scheme 2, the 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 of the Company subject to certain vesting conditions. The plan is administered by the 'Nomination and Remuneration Committee' constituted by the Board of Directors of the Company.

Each employee share option converts into one equity share of the 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 option, 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 only for the year / as at year ended 31 March, 2022.

Option Series	Grant Date	Number of options granted (Pre-Bonus)	Number of options (Post-Bonus)	Exercise price in Rs.	Vesting period	Fair value of the Option*	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

*Represent cost recorded by the Company based on fair Valuation Report.

37.2 Vesting schedule

The Company has issued stock options on its own shares to specified employees of the Company and its subsidiary i.e, SGS Tekniks Manufacturing Private Limited. The 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%**

37.3 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 as at end of year	**780,326**	10.00	**1,629,433**	10.00

37.4 Fair value of share options granted in the year

The weighted average fair value of the share options granted (Post Bonus) as at 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

37.5 Expense recognised in the statement of Profit and Loss

Employee stock compensation expense under employee benefit expense (Refer Note 32)	35.07

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

38 Segment Reporting

38.1 Business Segment

The Chief Operating Decision Maker evaluates the performance of the Company 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	6,414.14	48.46	6,462.60
Segment Results before depreciation	562.30	2.90	565.20
Less: Depreciation and Amortisation	130.38	0.55	130.93
Segment Results after depreciation	**431.92**	**2.35**	**434.27**
Less: Unallocated expenses**	-	-	37.77
Add: Other Income^	-	-	82.45
Profit before Tax			**478.95**
Segment Assets	5,034.43	68.15	5,102.58
Unallocated Assets*			4,044.68
Total Assets			**9,147.26**
Segment Liabilities	2,334.96	8.57	2,343.53
Unallocated Liabilities#	-	-	1,364.82
Capital Employed***	-	-	5,438.91
Total Liabilities			**9,147.26**
Other disclosures			
Addition to Non-current assets $	847.76	0.20	**847.96**

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 and Amortisation	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*			897.19
Total Assets			**4,600.08**
Segment Liabilities	1,641.62	13.12	1,654.74
Unallocated Liabilities#			563.63
Capital Employed***			2,381.71
Total Liabilities			**4,600.08**
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(Investments in subsidiary/ associate) and Income tax asset (net).
# Unallocated Liabilities represent Deferred Tax Liability, Borrowings and Current tax liabilities.
*** Capital employed represents Total equity
$ Additions to non-current assets represents additions to PPE, Intangible assets, CWIP and Intangible assets under development

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

38.2 Geographical Information

The Company'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	2,923.18	1,313.32
USA	1,236.85	953.26
Germany	1,228.90	1,411.31
Rest of the world	1,073.67	705.14
Total*	**6,462.60**	**4,383.03**

Information about product revenue are as given in Note 27.
* Represents Revenue from operations as per Note 27.

Non-Current Assets by Geographic Market**

Particulars	As at 31 March 2022	As at 31 March 2021
India	1,680.41	925.21

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

38.3 Information about major customers:

Revenue from operations include revenue from major customers contributing individually to more than 10% of the Company's total revenue from operations as given below.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
No of customers	2	2
Amount	1,702.79	1,402.94

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

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

39 Disclosure in respect of Related Parties

39.1 Names of Related Parties and Nature of Relationship

Description of Relationship	Name of the Related Party
Holding Company upto 21 October 2021 and Entity with significant influence over Company w.e.f 22 October, 2021	Tancom Electronics Private Limited
Subsidiary	SGS Tekniks Manufacturing Private Limited (w.e.f. 17 September, 2021)* Perfect ID India Private Ltd (w.e.f. 22 October, 2021) Syrma Technology Inc. (w.e.f 4 March 2022)
Associate	SGS Tekniks Manufacturing Private Limited (w.e.f. 05 November 2020 upto 16 September, 2021)
Fellow Subsidiaries upto 21 October, 2021 and Entities controlled by entity having significant influence over the 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) TIS International (USA) Inc Titus Trading and Agencies Limited Advance Power Devices Pvt. Ltd.(Amalgamated into Reliable Consultancy Services Pvt Limited)** Advance Motors Technology Private Limited Syrma Tech Singapore Pte Ltd
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.
* SGS Tekniks Manufacturing Private Limited was an associate upto 16 September, 2021. Also refer Note 47.
** 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.

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

39.2 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 Pvt.Ltd	-	3.43
	TIS International (USA) Inc	2.94	0.47
Expenses			
Purchase of Goods and Services (Also refer Note f)	TIS International (USA) Inc	36.61	36.70
	Memory Electronics Pvt. Ltd	-	0.03
	Tandon Holdings Limited	26.53	-
Interest on Unsecured Loan	Advance Power Devices Pvt. Ltd	-	0.04
	Tancom Electronics Pvt Ltd	-	0.24
	Tassel Trading LLP	-	1.04
	Titus Trading & Agencies Ltd	-	0.16
	Ms. Veena Kumari Tandon	-	3.65
Remuneration to Executive Directors and KMP (Refer Note (a) and (b) below)			
(a) Salary	Mr. Sandeep Tandon	24.00	24.00
	Mr. Jasbir Singh Gujral	6.43	-
	Mr. Sreeram Srinivasan	5.25	-
	Mr. Bijay Kumar Agrawal	3.41	-
	Mr. Rahul Nitin Sinnarkar	0.65	-
(b) Contribution to Provident Fund	Mr. Sandeep Tandon	2.88	2.76
	Mr. Jasbir Singh Gujral	0.77	-
	Mr. Sreeram Srinivasan	0.30	-
	Mr. Bijay Kumar Agrawal	0.18	-
	Mr. Rahul Nitin Sinnarkar	0.04	-
(c) Perquisite	Mr. Sandeep Tandon	5.15	4.80
	Mr. Jasbir Singh Gujral	0.16	-
	Mr. Bijay Kumar Agrawal	0.18	-
Remuneration to Non-executive Directors (Refer Note (c) below)			
(a) Sitting Fees Paid	Mr. Hetal Madhukant Gandhi	0.19	-
	Mr. Anil Govindan Nair	0.15	-
	Mr. Bharat Anand	0.09	-
	Ms. Smita Amit Jatia	0.10	-
Other transactions (Refer Note (d) below)			
Dividend Paid on Redeemable Preference Shares	Tandon Holdings Limited	-	0.71
	Reliable Consultancy Services Pvt Limited	-	1.05
Issue of equity share (Including securities premium)	Ms. Veena Kumari Tandon	-	210.53
Redemption of preference share	Reliable Consultancy Services Pvt Limited	-	11.80
	Advance Motors Technology Private Limited	-	3.20
	Tandon Holdings Limited	-	30.00
Recovery of expenses (Including capital expenditure excluding taxes wherever applicable)	Infinx Services Private Limited	3.55	13.97
	SGS Tekniks Manufacturing Private Limited	9.10	-
Reimbursement of Expenses	Infinx Services Private Limited	0.05	-
	SGS Tekniks Manufacturing Private Limited	25.45	-
Loans repaid during the year	Advance Power Devices Pvt. Ltd.	-	0.89
	Mr. Sandeep Tandon	-	0.48
	Tassel Trading LLP	-	22.06
	Titus Trading and Agencies Ltd	-	9.10
	Ms. Veena Kumari Tandon	-	81.80
	Tancom Electronics Pvt Ltd	-	11.06

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

39.3 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			
Non-Current Investments	SGS Tekniks Manufacturing Private Limited	3,658.82	887.41
	Perfect ID India Private Ltd	339.23	-
	Syrma Technology Inc	15.40	-
Security Deposit (Refer Note e below)	Reliable Consultancy Services Pvt. Limited	10.00	10.00
Trade Receivable/Other Receivables	Infinx Services Private Limited	3.72	6.12
	SGS Tekniks Manufacturing Private Limited	3.66	-
	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	-
	Tandon Holdings Limited	-	0.47
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			
Interest payable on Unsecured Loans	Advance Power Devices 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	TIS International (USA) Inc	7.08	6.90
	Reliable Consultancy Services Pvt Limited	-	0.93
	Tancom Electronics Private Limited	0.00	-
	Tandon Holdings Limited	2.15	-
	Infinx Services Private Limited	0.00	1.52
	SGS Tekniks Manufacturing Private Limited	25.45	-

Notes:

(a) During the year ended 31 March 2022, the Company has granted stock options to the following -

S. No.	Name of the KMP	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 Company 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 ended 31 March 2022, the Company has issued the Bonus shares to the following -

S.no	Name of the Related Party	Number 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 18.2 for guarantees provided by related parties in connection with loans availed by the Company during the year ended 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 Company.

40 Leases

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

(b) The Company has taken Land and Buildings on leases having lease terms of more than 1 year to 10 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 :

Particulars	As at 31 March 2022	As at 31 March 2021
Current	13.27	10.78
Non-current	36.28	41.62
Total	**49.55**	**52.40**

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

Particulars	As at 31 March 2022	As at 31 March 2021
Not Later than One Year	17.85	15.77
Later than one year but not later than Five Years	43.46	45.07
Later than Five Years	-	6.01
Total	**61.31**	**66.85**

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

Particulars	As at 31 March 2022	As at 31 March 2021
Interest on lease liabilities	5.29	6.04
Expenses relating to short term leases	7.58	5.30
Depreciation on right-of-use assets	13.30	12.54
Total	**26.17**	**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	16.56	15.17

41 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)	306.07	286.15
Net profit attributable to equity shareholders for calculation of diluted EPS (Rs in million)	306.07	286.15
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 16.1)	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	10.00
Earning per share		
Basic (In Rs.)	2.69	3.32
Diluted (In Rs.)	2.67	3.32

Note :
Dilutive component of stock options outstanding as at 31 March 2022, is computed after factoring the impact of issue of Bonus shares. **(Refer Note 17)**

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

42 Taxation

42.1 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	178.91	96.33
Adjustments in respect of prior year	-	3.78
Total	**178.91**	**100.11**
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	(6.03)	(22.90)
Total	**(6.03)**	**(22.90)**
Total tax expense recognised in Statement of profit and loss	**172.88**	**77.21**

42.2 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 36)	0.43	(0.07)
	0.43	**(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	0.43	(0.07)
Items that will be reclassified to Statement of profit and loss	-	

42.3 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	478.95		363.36	
Income Tax expense using the Company's Tax rate(Refer Note (i))	-	167.36	-	105.81
Tax Effect of :				
Benefit under section 10AA of Income Tax Act (Refer Note (iii))	-		132.64	(38.62)
Effect of expenses that are not deductible in determining taxable profit	6.74	2.36	8.37	2.44
Effect of change in tax rate ((Refer Note (ii))	-	-	NA	10.93
Others	9.04	3.16	(11.47)	(3.35)
		172.88		**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 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.

(iii) Until year ended 31 March 2021, since certain divisions of the Company are in a Special Economic Zone (SEZ) , the Company has availed the deduction under Section 10AA of the Income Tax Act, wherein the Company is eligible for a deduction of 100% of export profits in 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.

42.4 Following is the analysis of the deferred tax (asset) / liabilities presented in the Balance sheet.

(a) As at 31 March 2022

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	76.20	(4.92)	-	-	71.28
Effective Interest Rate on borrowings	0.75	(0.58)	-	-	0.17
Deferred Tax Liabilities (A)	**76.95**	**(5.50)**	**-**	**-**	**71.45**
Tax effect of items constituting deferred tax assets:					
Employee Benefits	26.64	5.61	(0.43)	-	31.83
Provision for Contingencies	5.59	-	-	-	5.59
Lease liability net of Right-of-use assets	2.64	(2.05)	-	-	0.59
Expected Credit Loss	7.88	-	-	-	7.88
Mark-to-Market Loss on financial instrument	3.05	(3.05)	-	-	-
Deferred Tax Assets (B)	**45.80**	**0.51**	**(0.43)**	**-**	**45.89**
MAT credit entitlement **(C)**	28.73	-	-	(28.73)	-
Net Deferred Tax Liabilities / (Assets) (A-B-C)	**2.42**	**(6.01)**	**0.43**	**28.73**	**25.56**

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

(b) As at 31 March 2021

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**

42.5 International Transactions

The Company has entered into international transactions with its Associated Enterprises. The Management is of the opinion that the Company 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 financial statements, particularly on the amount of tax expense for the year ended 31 March 2022 and 31 March 2021.

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

43 Provisions

The Company 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 Company's accounting policy (Refer Note 2.14) 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.

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

44 Financial Instruments

44.1 Capital Management

The Company 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 Company 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*	1,325.92	561.21
Cash and Cash equivalents**	(112.04)	(406.93)
Net Debt	**1,213.88**	**154.28**
Total Equity#	5,438.91	2,381.71
Net Debt to equity ratio (In times)	**0.22**	**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 and reserves of the Company that are managed as capital.

44.2 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 subsidiaries	4013.45	-	-	-	4,013.45
- Investment in CCPS	-	-	10.01	-	10.01
- Investment in Equity shares	-	-	-	21.22	21.22
- Security Deposits	-	37.17	-	-	37.17
	4,013.45	**37.17**	**10.01**	**21.22**	**4,081.85**
Current Financial Asset					
- Trade receivables	-	1,717.95	-	-	1,717.95
- Cash and Cash equivalents	-	88.34	-	-	88.34
- Other Bank Balances	-	23.70	-	-	23.70
- Other Financial Asset	-	64.73	-	-	64.73
	-	**1,894.72**	-	-	**1,894.72**
Total	**4,013.45**	**1,931.89**	**10.01**	**21.22**	**5,976.57**

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	-	34.78	-	-	34.78
- Lease Liabilities	-	36.28	-	-	36.28
	-	**71.06**	**-**	**-**	**71.06**
Current Financial Liability					
- Borrowings	-	1,291.14	-	-	1,291.14
- Trade payables	-	1,483.01	-	-	1,483.01
- Lease liabilities	-	13.27	-	-	13.27
- Other financial liabilities	-	159.72	-	-	159.72
	-	**2,947.14**	-	-	**2,947.14**
Total	-	**3,018.20**	**-**	**-**	**3,018.20**

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

As at 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 Associates	887.41		-	-	**887.41**
- Security Deposits	-	24.64	-	-	**24.64**
- Other bank deposits	-	104.87	-	-	**104.87**
	887.41	**129.51**	-	-	**1,016.92**
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	**887.41**	**1,764.94**	-	-	**2,652.35**

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**

44.3 Financial Risk Management Framework:

The Company'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 Company. These risks include market risk (including currency risk, interest rate risk and other price risk) and credit risk.

The Company has not offset financial assets and financial liabilities.

44.4 Market Risk:

The Company's activities are exposed to finance risk, interest risk & Credit risk. However, the Company 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 Company's exposure to market risks or the manner in which these risks are being managed and measured.

44.5 Foreign Currency Risk Management:

The Company 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 Company.

The Company 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 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	0.12	9.06
	EUR	0.06	5.02
Receivables	USD	11.50	871.07
	EUR	1.36	114.49

B. Outstanding liabilities

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Long-term Borrowings (Including current maturities of Long term	EUR	0.70	58.78
Short-term Borrowings	USD	7.76	588.48
Payables (including Payables on purchase of fixed assets)	USD	11.74	890.16
	EUR	0.36	30.47
	GBP	0.00	0.21
	JPY	0.29	0.18

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	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)

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

44.6 Foreign Currency sensitivity analysis :

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

The following table details the Company'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 year 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	As at 31 March 2022		As at 31 March 2021	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(19.49)	19.49	(1.93)	1.93
EUR	0.90	(0.90)	(0.30)	0.30
GBP	(0.01)	0.01	(0.02)	0.02
JPY	(0.01)	0.01	0.00	0.00

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

44.7 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 Company.

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 Company's profit after tax would have changed by the following:

Impact on Profit / (Loss) and Equity

Particulars	As at 31 March 2022		As at 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

44.8 Liquidity Risk Management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company 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 Company. The Company invests its surplus funds in bank fixed deposits and mutual funds.

Liquidity and Interest Risk Tables :

The following table detail the Company'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 Company 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 Company may be required to pay.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total contractual cash flows	Carrying Amount
As at 31 March 2022					
Borrowings	1,292.79	36.15	-	1,328.94	1,325.92
Lease Liabilities	17.85	43.46	-	61.31	49.55
Trade Payables	1,483.01	-	-	1,483.01	1,483.01
Other financial Liabilities	159.72	-	-	159.72	159.72
Total	**2,953.37**	**79.61**	**-**	**3,032.98**	**3,018.20**
As at 31 March 2021					
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 amount 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 determined at the end of the reporting period.

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

44.9 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company'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.

44.10 Commodity risk

Fluctuation in commodity price affects directly and indirectly the price of raw material and components used by the Company. The key raw material for the Company are Printed Circuit Boards (PCB), Integrated Crircuits (IC) and Transistors. The Company 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 Company keeps on negotiating with its customers to recover through price hike of the finished products.

44.11 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 the 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 Company 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 Company'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 period. The own non-performance risk as at 31 March 2022 and 31 March 2021 was assessed to be insignificant.

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

	Amount			
Particulars	**As at 31 March 2022**	**As at 31 March 2021**	**Fair value hierarchy**	**Valuation technique(s) and key input(s)**
Derivative contracts entered to mitigate foreign currency risk	-	8.74	Level II	The fair value is calculated based on mark to market confirmation received from lender bank at the period end.

(ii) Financial Assets that are measured at fair value through OCI/Profit and loss

	Amount			
Particulars	**As at 31 March 2022**	**As at 31 March 2021**	**Fair value hierarchy**	**Valuation technique(s) and key input(s)**
Investment in CCPS - FVTPL	10.01	-	Level III	The fair value is calculated based on the inputs for the assets that are not based on observable market data
Investment in Equity Shares - FVOCI	21.22	-	Level III	The fair value is calculated based on the inputs for the assets that are not based on observable market data

There are no transfer between Level 1, Level 2 and Level 3.

(iii) Financial Assets that are not measured at fair value:

	Amount	
Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Investment in associate *	-	887.41
Investment in subsidiaries ^	4,013.45	-

* The aforesaid value represents the cost, as carried in books as per the accounting policy of the Company and excludes the share of post acquisition profit including Other Comprehensive Income of the associate accounted under equity method in the Consolidated Financial Statements of the Company amounting to Rs. 34.04 Million for the year ended 31 March 2021. Refer Note 7.
^ The aforesaid value represents the cost, as carried in books as per the accounting policy of the Company. Refer Note 7.

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

45 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	3,385.00	2,648.17
Current Liabilities	3,575.72	1,890.66
Ratio (In times)	**0.95**	**1.40**
% Change from previous year	**(32.41)%**	

Reason for change more than 25%:

The Company has taken a bridge loan for payment to capital creditors in connection with the proposed expansion/capital expenditure through proposed IPO of the Company. The said loan is proposed to be repaid from IPO proceeds and hence will have no implication on liquidity.

(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*	1,325.92	561.21
Total equity	5,438.91	2,381.71
Ratio (In times)	**0.24**	**0.24**
% Change from previous year	**3.46 %**	

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

(2) Company 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*	58.29	318.75
Average equity**	3,910.31	1699.38
Ratio (In times)	**0.01**	**0.19**
% Change from previous year	**(92.05)%**	

*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 Company 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.

(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)	306.07	286.15
Add: Non cash operating expenses and finance cost		
- Depreciation and amortisation (B)	130.93	120.74
- Finance cost (C)	37.77	45.24
- Other Non-cash operating expenses (D)	25.83	6.80
Total Non cash operating expenses and finance cost (Pre-tax) (E=B+C+D)	**194.53**	**172.78**
Total Non cash operating expenses and finance cost (Post-tax) (F = E* (1-Tax rate))	126.56	122.47
Earnings available for debt services (G = A+F)	**432.63**	**408.62**
Expected interest outflow on long term borrowings * (H)	1.65	8.47
Lease payments for next one year (I)	17.85	15.77
Principal repayments * (J)	520.21	73.77
Total Interest and principal repayments (K =H + I+J)	**539.70**	**98.01**
Ratio (In times) (L = G/ K)	**0.80**	**4.17**
% Change from previous year	**(80.77)%**	

* Expected interest outflow on long term borrowings and principal repayments represent the expected outflows until 31 March 2023 / 31 March 2022 (one year from the Balance Sheet date)

Reason for change more than 25%:

The 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 availment 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.

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

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

I. Ratio Analysis and its elements (cont.)

(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	306.07	286.15
Average equity*	3,910.31	1,699.38
Ratio (in %)	**7.83%**	**16.84%**
% Change from previous year	**(53.52)%**	

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

Reason for change more than 25%:
Fresh issue of equity shares at premium which has resulted in an increase in average equity. The profit after tax has not increased significantly on account of the effective tax rate for the year ended 31 March 2022 being higher when compared to the year ended 31 March 2021 due to the expiry of the tax exemption available under Section 10AA of the Income Tax Act,1961 to the operations of one of the units located in Special Economic Zone (SEZ) as well as the applicable rate of tax for FY 2021-22 being higher as prescribed under Income Tax Act.

(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*	4,487.42	2,889.30
Average Inventory**	959.34	726.50
Ratio (In times)	**4.68**	**3.98**
% Change from previous year	**17.62 %**	

*Cost of materials 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.

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

Particulars	As at 31 March 2022	As at 31 March 2021
Credit Sales (Net)*	6,611.61	4,425.76
Average Trade Receivables#	1,305.98	1,104.80
Ratio (In times)	**5.06**	**4.01**
% Change from previous year	**26.38 %**	

*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.
Reason for change more than 25%:

The Company has been able to negotiate better terms with its customers resulting in a reduction of average credit period and an improvement in the debtors Turnover Ratio.

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

Particulars	As at 31 March 2022	As at 31 March 2021
Credit Purchases (Net)*	6,008.27	3,809.61
Average Trade Payables#	1,297.98	1,112.44
Ratio (In times)	**4.63**	**3.42**
% Change from previous year	**35.17 %**	

*Credit purchases includes purchases of raw-material, stock-in-trade and all other expenses including GST Input credit availed 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%:
The Company has increased its working capital limit and the consequent short-term borrowing which has been utilised for payment to creditors in a quicker manner thereby reducing the average credit period and increasing the turnover ratio.

(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)**	6,545.05	4,444.80
Current Assets **(B)**	3,385.00	2,648.17
Current Liabilities **(C)**	3,575.72	1,890.66
Working Capital **(D = B-C)**	(190.72)	757.51
Ratio (In times) (E = A/D)	**(34.32)**	**5.87**
% Change from previous year	**(684.86)%**	

*Sales represents Total Income
Reason for change more than 25%:
The Company's working capital is temporarily negative on account of availment of bridge loan for payment to capital creditors in connection with the proposed expansion/capital expenditure through proposed IPO of the Company. The said loan is proposed to be repaid from IPO proceeds.

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

45 Additional regulatory information as required by Schedule III to the Companies Act, 2013 (cont.)
I. Ratio Analysis and its elements (cont.)

(2) Company 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)**	6,545.05	4,444.80
Current Assets **(B)**	3,385.00	2,648.17
Current Liabilities **(C)****	2,308.09	1,648.20
Working Capital **(D = B-C)**	1,076.91	999.97
Ratio (In times) (E = A/D)	**6.08**	**4.44**
% Change from previous year	**36.73 %**	

*Sales represents Total Income
**Current Liabilities excludes Short term borrowings , includes current maturities of long-term borrowing
Reason for change more than 25%:
The Turnover of the Company has increased during the current year due to the Company's thrust to enter new areas as well as establish a significant presence in all segments of the industry. The Company was able to maintain the working capital requirement (excluding short term borrowings) around the same level resulting in an improved sales to working capital ratio.

(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	306.07	286.15
Sales#	6,545.05	4,444.80
Ratio (in %)	**4.68%**	**6.44%**
% Change from previous year	**(27.36)%**	

#Sales represents Total Income

Reason for change more than 25%:
The Turnover of the Company has increased during the current year due to the Company's thrust to enter new areas as well as establish a significant presence in all segments of the industry. Supply chain and logistics related challenges impacted cost in the short term and coupled with a not too favourable product mix there was a decline in the Profit before tax ratio to sales. Further, the effective tax rate for the year ended 31 March 2022 is higher when compared to the year ended 31 March 2021 due to the expiry of the tax exemption available under Section 10AA of the Income Tax Act,1961 to the operations of one of the units located in Special Economic Zone (SEZ) as well as the applicable rate of tax for FY 2021-22 being higher as prescribed under Income Tax Act.

(2) Company 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	478.95	363.36
Sales#	6,545.05	4,444.80
Ratio (in %)	**7.32%**	**8.17%**
% Change from previous year	**(10.49)%**	

#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)	478.95	363.36
Finance Costs (B)	37.77	45.24
EBIT (C) = (A)+(B)	**516.72**	**408.60**
Capital Employed #	**2,810.00**	**2,097.11**
Ratio (In %)	**18.39%**	**19.48%**
% Change from previous year	**(5.62)%**	

#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)

(2) Company 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)	478.95	363.36
Finance Costs (B)	37.77	45.24
EBIT (C) = (A)+(B)	**516.72**	**408.60**
Average Capital Employed #	**2,453.56**	**1,995.10**
Ratio (In %)	**21.06%**	**20.48%**
% Change from previous year	**2.83 %**	

#Average Capital employed represents the average of Opening and Closing Capital Employed.

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

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

I. Ratio Analysis and its elements (cont.)

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

The Company believes that Return on equity (ROE) 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	306.07	286.15
Average equity*	3,910.31	1,699.38
Ratio (in %)	**7.83%**	**16.84%**
% Change from previous year	**(53.52)%**	

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

Reason for change more than 25%:

Fresh issue of equity shares at premium which has resulted in an increase in average equity. The profit after tax has not increased significantly on account of the effective tax rate for the year ended 31 March 2022 being higher when compared to the year ended 31 March 2021 due to the expiry of the tax exemption available under Section 10AA of the Income Tax Act,1961 to the operations of one of the units located in Special Economic Zone (SEZ) as well as the applicable rate of tax for FY 2021-22 being higher as prescribed under Income Tax Act.

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

46 Additional regulatory information as required by Schedule III to the Companies Act, 2013 - Others

I. 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.

II 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	94.70	-
Others	10.92	-
Total	**390.63**	**-**

(i) Ageing schedule as at 31 March 2022:

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.

III. 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	8.69	-	-	-	8.69

(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	8.69	-	-	-	8.69

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

IV 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	404.29	29.42	45.52	8.56	54.57	1,198.14	1,740.50
(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. 179.21 Million for the year ended 31 March 2022 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.

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

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

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	1.47	-	0.03	0.07	14.22	15.79
(ii) Others	571.05	12.70	13.05	75.23	795.19	1,467.22
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

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	-	-	-	-	-	-

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

The Company 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 (Refer Note 3) (B)	Difference (C= B - A) [Refer Note (v)]	As per Quarterly Return (D)	As per Books (Refer Note 4) (E)	Difference (F = E - D) [Refer Note (v)]
30-Jun-21	628.68	859.45	(230.77)	1,202.03	1,361.79	(159.76)
30-Sep-21	793.00	792.01	0.99	1,606.89	1,824.72	(217.83)
31-Dec-21	1,000.78	1,000.20	0.58	1,270.58	1,557.20	(286.62)
31-Mar-22	950.35	1,147.93	(197.58)	1,412.33	1,740.50	(328.17)

For the year ended 31 March 2021

Quarter Ended	Inventory			Receivables		
	As per Quarterly Return (A)	As per Books (Refer Note 3) (B)	Difference (C= B - A)	As per Quarterly Return (D)	As per Books (Refer Note 4) (E)	Difference (F = E - D)
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 accounts disclosed above excludes goods in transit, inventory of certain divisions of the Company and allowance for obsolete and non-moving inventory except for quarter ended March 2022.

(iv) Gross receivables (without factoring expected credit losses) excludes receivables of certain division of the Company except for quarter ended March 2022.

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

VII. Other Statutory Information

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

(b) The Company did not have any transactions with Companies struck off.

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

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

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

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

(f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(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 Company 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 Company has not been declared willful defaulter by any bank or financial Institution or other lender.

(i) The Company 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 Company has complied with 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 Company has utilised the borrowing amount taken from financial institutions for the purpose as stated in the sanction letter.

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

47 The Company had initially acquired 322,557 shares of SGS Tekniks Manufacturing Private Limited ("SGS" or "SGS Tekinks") constituting 20% of the share capital of SGS vide Shareholders' agreement dated 23rd October 2020 between the Company, promoters of Company, SGS Tekniks and erstwhile promoters of SGS Tekniks by paying a consideration amounting to Rs. 887.41 Million. Subsequently, vide Shareholders' agreement dated 16 September 2021 between the Company, SGS Tekniks and erstwhile promoters of SGS Tekniks. , the Company has acquired the balance 1,290,228 shares constituting 80% of the share capital of SGS Tekniks by paying consideration of Rs 2,771.41 Millions. Pursuant to this SGS has become a wholly owned subsidiary of the Company.

The 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.

The disclosures as required by Ind AS 103 are provided in the Consolidated financial statements for the year ended 31 March 2022.

48 Foreign Exchange Management Act, 1999

The 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.

49 COVID-19

The outbreak of the Covid-19 pandemic and the consequent lock down has impacted the regular business operations of the Company. The Company 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 financial statements. Based on such assessment, the Company believes no additional adjustments is required as at 31 March 2022 to the carrying value of trade receivables, inventories, property, plant and equipment and other financial assets. Further, the Company has also assessed its liquidity position and based on the cash flows available on balance sheet and unutilized credit lines with banks, the Company 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 financial statements and the Company will continue to monitor any material changes to future economic conditions.

50 Previous year comparatives

Previous year figures have been reclassified to conform to the current year classification/presentation.

51 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 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").

52 Approval of Financial Statements

In connection with the preparation of the standalone 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 Company 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 Company 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 standalone financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these 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