

## INDEPENDENT AUDITOR'S REPORT

### To The Members of Syrma Technology Private Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Syrma Technology Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss, and the Cash Flow Statement 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 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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the 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 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 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 financial statements.

#### Information Other than the 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 director's report, but does not include the financial statements and our auditor's report thereon.

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

Based on the work we have performed on other information that we have obtained prior to the date of auditors report we conclude that we have nothing to report in this regard.



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 financial statements that give a true and fair view of the financial position, financial performance including cash flows of the Company in accordance with the Accounting Standards 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 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

#### **Other Matters**

Due to the COVID-19 related lock down, Management carried out the physical verification of inventories subsequent to the year end. Consequently, we have performed alternate procedures to audit the existence of Inventories as per the guidance provided in SA 501 "Audit Evidence – Specific Considerations for Selected Items" and as per specific guidance i.e. Physical Inventory Verification, Key Audit Considerations amid COVID-19 issued by The Institute of Chartered Accountants of India and have obtained sufficient appropriate audit evidence.

Our report is not modified in respect of this matter.

#### **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 so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.



- 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 financial statements -;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("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)



**Geetha Suryanarayanan**

Partner

(Membership No. 29519)

UDIN: 20029519AAAADX5031

Place: Chennai

Date: 1 October 2020



**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT  
(Referred to in paragraph 1f 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 Technology Private Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the 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 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.

**Meaning of Internal Financial Controls Over Financial Reporting**

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





**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, 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, 2020, 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)



**Geetha Suryanarayanan**

Partner

(Membership No. 29519)

UDIN: 20029519AAAADX5031

Place: Chennai  
Date: 1 October 2020



**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)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. Material discrepancies noticed on physical verification during the year have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it to the appropriate authorities except for certain delays in remittance of Tax deducted at source.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable except for Tax Deducted at Sources of Rs.45,898 which has been subsequently remitted as mentioned below:

Name of the Statue	Nature of the due	Amount of tax unpaid (Rs.)	Period to which the amount relates	Due Date	Amount paid subsequently	Date of Payment
Income Tax Act, 1961	Tax Deducted at Source	3,775	March 2019	30-Apr-19	3,775	15-Sep-20
		100	May 2019	7-Jun-19	100	31-Aug-20
		6,436	June 2019	7-Jul-19	6,436	31-Aug-20
		20,587	July 2019	7-Aug-19	20,000	22-Jul-20
					587	31-Aug-20
		15,000	August 2019	7-Sep-19	15,000	17-Aug-20



- (c) The dues outstanding in respect of Income-tax, Sales Tax, Service Tax, Customs Duty and Value Added Tax as on March 31, 2020 on account of disputes are given below:

<b>Nature of Statute</b>	<b>Forum where dispute is pending</b>	<b>Period to which the amount relates to Assessment years</b>	<b>Amount involved (Rs.)</b>	<b>Amount unpaid (Rs.)</b>
Value Added Tax (VAT)	Assistant Commissioner of Commercial Taxes, Bengaluru	2006-07	5,928,177	5,928,177
Value Added Tax (VAT)	Assistant Commissioner of Commercial Taxes, Bengaluru	2007-08	8,090,058	8,090,058

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of Section 197 of the Companies Act, 2013 relating to managerial remuneration do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) The Company is a private company and, hence, the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company. In our opinion and according to the information and explanations given to us, the company is in compliance with Section 188 of the Companies Act, 2013 where applicable. In our opinion and according to the information and explanation given to us, the Company has disclosed the details of related party transactions in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has made private placement of preference shares during the year under review.

In respect of the above issue, we further report that:

- (a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
- (b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.






**Deloitte  
Haskins & Sells LLP**

- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



**Geetha Suryanarayanan**

Partner

(Membership No. 29519)

UDIN: 20029519AAAADX5031

Place: Chennai  
Date: 1 October 2020



**Syrma Technology Private Limited**  
**Balance Sheet as at 31 March 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share Capital	3	52,020,630	97,020,630
(b) Reserves and Surplus	4	1,029,181,049	575,916,659
		<b>1,081,201,679</b>	<b>672,937,289</b>
<b>2. Non-Current Liabilities</b>			
(a) Long-term Borrowings	5	197,561,268	300,932,925
(b) Deferred Tax Liability	41.2	61,877,490	54,681,095
(c) Long-term Provisions	6	24,906,959	25,801,187
		<b>284,345,717</b>	<b>381,415,207</b>
<b>3. Current Liabilities</b>			
(a) Short-term borrowings	7	531,397,769	483,472,307
(b) Trade payables	8		
- Total outstanding dues of micro enterprises and small enterprises		2,683,212	4,713,181
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,066,383,723	907,317,798
(c) Other Current Liabilities	9	471,954,496	397,947,123
(d) Short-term Provisions	10	49,384,586	13,292,895
		<b>2,121,803,786</b>	<b>1,806,743,304</b>
<b>Total</b>		<b>3,487,351,182</b>	<b>2,861,095,800</b>
<b>II. ASSETS</b>			
<b>1. Non-current Assets</b>			
(a) Property, Plant and Equipment			
- Tangible assets	11	779,145,546	752,385,023
(b) Intangible Assets	12	23,518,947	32,539,436
(c) Capital Work in progress		4,263,202	4,560,700
(d) Long-term Loans and Advances	13	147,939,587	34,042,008
		<b>954,867,282</b>	<b>823,527,167</b>
<b>2. Current Assets</b>			
(a) Inventories	14	682,245,343	636,785,844
(b) Trade Receivables	15	1,186,356,504	1,009,494,439
(c) Cash and Bank Balances	16	359,835,169	152,571,711
(d) Short-term Loans and Advances	17	302,840,189	233,031,534
(e) Other Current Assets	18	1,206,695	5,685,105
		<b>2,532,483,900</b>	<b>2,037,568,633</b>
<b>Total</b>		<b>3,487,351,182</b>	<b>2,861,095,800</b>


See accompanying notes forming part of the financial statements


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

  
**Geetha Suryanarayanan**  
 Partner


Place : Chennai  
 Date : 1 October 2020

For and on behalf of the Board of Directors of  
**Syrma Technology Private Limited**

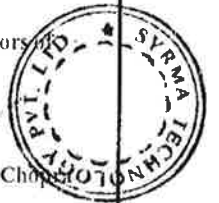
  
**Sandeep Tandon**  
 Director  
 DIN: 00054553

  
**Vikram Chopra**  
 Director  
 DIN: 00311827

Place: Mumbai  
 Date: 1 October 2020

  
**Narendra K Nagori**  
 Company Secretary

Place: Mumbai  
 Date: 1 October 2020



**Syrma Technology Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

Particulars	Note No.	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>I. Revenue</b>			
(a) Revenue from operations	19	3,970,750,122	3,539,966,895
(b) Other income	20	77,233,486	33,257,205
<b>Total revenue (I)</b>		<b>4,047,983,608</b>	<b>3,573,224,100</b>
<b>II. Expenses</b>			
(a) Cost of materials consumed	21a	2,218,462,006	1,985,299,631
(b) Purchases of Stock-in-Trade (Net)	21b	26,917,416	348,850,708
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	27,639,508	(144,824,086)
(d) Employee benefits expense	23	258,879,713	251,290,742
(e) Finance costs	24	66,640,565	49,626,658
(f) Depreciation and amortization expense	25	84,447,327	86,168,397
(g) Other expenses	26	766,530,740	711,718,987
<b>Total expenses (II)</b>		<b>3,449,517,275</b>	<b>3,288,131,037</b>
<b>III. Profit Before exceptional items and tax (I)-(II)</b>		<b>598,466,333</b>	<b>285,093,063</b>
<b>IV. Exceptional Items</b>	26A	55,991,649	-
<b>V. Profit before tax (III)-(IV)</b>		<b>542,474,684</b>	<b>285,093,063</b>
<b>VI. Tax expense:</b>	41		
-Current tax		96,528,377	60,843,421
-Tax pertaining to previous years		1,549,608	1,563,135
-MAT Credit Entitlement (including previous years of Rs.10,396.396)		(17,353,557)	(18,686,920)
-Deferred tax		80,724,428	43,719,636
<b>Tax (Credit)/Expense</b>		<b>87,920,818</b>	<b>68,153,115</b>
<b>VII. Profit for the year after Tax (V) - (VI)</b>		<b>454,553,866</b>	<b>216,939,948</b>
<b>VIII. Preference Share Dividend &amp; Tax</b>		1,289,476	-
<b>IX. Profit for year after Tax and Appropriation (VII) - (VIII)</b>		<b>453,264,390</b>	<b>216,939,948</b>
<b>X. Earnings Per Share (of Rs. 10 each)</b>	36		
- Basic and Diluted (In Rs.)		645.62	309.00

See accompanying notes forming part of the financial statements

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

*Geetha Suryanarayanan*  
Geetha Suryanarayanan  
Partner

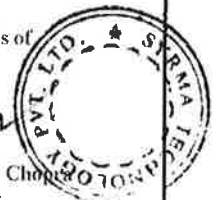
Place: Chennai  
Date: 1 October 2020

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

*Sandeep Tandon*  
Sandeep Tandon  
Director  
DIN: 0054553  
Place: Mumbai  
Date: 1 October 2020

*Vikram Chopra*  
Vikram Chopra  
Director  
DIN: 00311827  
Place: Mumbai  
Date: 1 October 2020

*Narendra K. Nagori*  
Narendra K. Nagori  
Company Secretary  
Place: Mumbai  
Date: 1 October 2020



**Syrma Technology Private Limited**  
**Cash flow statement for the year ended 31 March 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Profit before tax	542,474,684	285,093,063
<b>Adjustments:</b>		
Depreciation and Amortisation Expense	84,447,327	86,168,397
Finance cost	66,640,565	49,626,658
Interest Income on Deposits with Banks	(3,158,360)	(6,988,348)
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	(1,270,212)	828,943
Liabilities no longer required written back	(7,561,921)	-
Realized Foreign exchange (gain)/loss	(21,437,138)	(22,825,289)
<b>Operating Profit before Changes in Working Capital / Other Changes</b>	<b>660,134,945</b>	<b>391,903,424</b>
<b>Adjustments for movements in working capital :</b>		
Increase/(decrease) in long-term provisions	(894,228)	19,054,883
Increase/(decrease) in trade payables	138,906,603	323,799,476
Increase/(decrease) in other current liabilities	173,963,448	3,331,420
Increase/(decrease) in short-term provisions	12,824,463	6,369,562
Decrease/(increase) in long term assets	(3,935,382)	15,352,392
Decrease/(increase) in inventories	(45,459,499)	(181,748,290)
Decrease/(increase) in trade receivables	(123,949,165)	(233,348,463)
Decrease/(increase) in short-term loans and advances	(52,455,098)	(115,547,197)
<b>Cash generated from Operations</b>	<b>759,136,087</b>	<b>229,167,207</b>
Less: Direct taxes paid (net of refund)	(65,794,827)	(79,118,180)
<b>Net cash flow from operating activities (A)</b>	<b>693,341,260</b>	<b>150,049,027</b>
<b>Cash flows from investing activities</b>		
Capital Expenditure on Property, Plant and Equipment and Capital Work In Progress	(295,635,373)	(294,739,297)
Proceeds from sale of Property, Plant and Equipment	5,138,999	1,177,786
Interest received	7,636,770	2,340,966
<b>Net cash flow (Used in) investing activities (B)</b>	<b>(282,859,604)</b>	<b>(291,220,545)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of Preference Share Capital	45,000,000	30,000,000
Redemption of Preference Share Capital	(90,000,000)	(30,000,000)
Finance Costs Paid	(78,561,377)	(49,626,658)
Long Term Borrowings Taken	52,483,031	-
Long Term Borrowings Repaid	(70,731,778)	9,738,364
Short Term Borrowings Taken (Net)	10,031,280	154,773,791
Unsecured Loan taken from Related Party	67,250,000	141,056,866
Unsecured Loan repaid to Related Party	(172,212,139)	(95,693,310)
(Increase)/Decrease in Deposits	38,925,367	(23,923,984)
Dividend Paid including Dividend Distribution Tax	(1,289,476)	-
<b>Net Cash Flow From Financing Activities (C)</b>	<b>(199,105,092)</b>	<b>136,325,069</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>211,376,564</b>	<b>(4,846,449)</b>
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	34,812,261	22,608,315
Cash and cash equivalents at the beginning of the year	61,488,951	43,727,085
<b>Cash and Cash Equivalents as at the End of the Year (Refer Note 16)</b>	<b>307,677,776</b>	<b>61,488,951</b>
<b>Note:</b>		
(i) The reconciliation to the Cash and Bank Balances as given in Note 16 is as follows:		
Cash and Bank Balances as per Note 16	359,835,169	152,571,711
Less:		
- Margin Money deposit	52,157,393	91,082,760
<b>Cash and Cash Equivalents as at the End of the Year</b>	<b>307,677,776</b>	<b>61,488,951</b>

See accompanying notes forming part of the financial statements

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

Geetha Suryanarayanan  
 Partner

Place : Chennai  
 Date : 1 October 2020

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

Sandeep Jandon  
 Director  
 DIN: 00054553

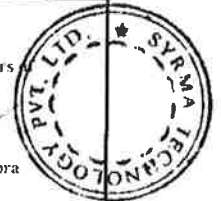
Place : Mumbai  
 Date : 1 October 2020

Vikram Chopra  
 Director  
 DIN: 00311827

Place : Mumbai  
 Date : 1 October 2020

Narendra K Nagori  
 Company Secretary

Place : Mumbai  
 Date : 1 October 2020



**1 Corporate information**

Syrra Technology Private Limited (the "Company" or "STPL") was incorporated on 23rd August 2004 as a subsidiary of Tancon Electronics Private Limited, Mumbai and is in the business of manufacturing of Printed Circuit Boards, Radio Frequency Identification Tags, etc.

**Basis of preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2017. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**2 Summary of significant accounting policies**

**a. Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of financial statements and the reported amounts of revenues and expenses during the period reported. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results could differ from those estimates; a revision to accounting estimates is recognized prospectively in the current and future periods.

**b. 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 (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.

**c. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

**d. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Sale of Goods**

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer in accordance with the terms of agreement with the customers.

**Income from Services**

Income from services is recognised as and when services are rendered as per terms of the contract.

**Interest income**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**e. Government grants, subsidies and export incentives**

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidies will be received.





f. Property, Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price, taxes, duties, freight and incidental expenses related to the acquisition and installation of the asset and net of CENVAT / GST Input Credit.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Revenue expenses incurred in connection with projects under implementation insofar as such expenses relate to the period prior to the commencement of commercial production / capitalization are treated as part of Pre-operative Expenses, under Capital Work in Progress, until capitalization.

Property, plant and equipment under installation or under construction as at the Balance Sheet date are shown as capital work in progress.

**Capital work in progress**

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

g. Depreciation and Amortisation

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful life of the asset as specified by Schedule II of Companies Act, 2013, other than the assets stated below. The useful life, residual value and depreciation method are reviewed at each financial year end. If the expectations differ from previous estimates, the changes are accounted prospectively as change in accounting estimate.

<u>Asset category</u>	<u>Useful life estimated by the management (in years)</u>
Electrical Equipments	20 years

Depreciation/Amortisation is also accelerated on fixed assets, based on their condition, usability etc. as per the technical estimates of the Management, where necessary.

Intangible Assets/Software is amortized using the straight-line method over its estimated useful life of 5-10 years.

h. Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the weighted average cost basis method. The Cost of finished goods and work-in-progress comprise raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience of the Company.

i. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. Borrowing cost capitalisation ceases when such qualifying asset is substantially ready for its intended use.

**Foreign currency translation**

**(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the SBI Telegraphic Transfer (TT) buy/sell rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction, and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**(iii) Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting monetary items of company at rates different from those at which they are initially recorded during the year, or reported previous financial statement, are recognized as income or an expense in the year in which they arise.



j. Retirement and other employee benefits

Defined contribution plans:

Contribution towards provident fund and Employee State Insurance scheme for employees is made to the regulatory authorities, and the Company's contribution to the fund is charged to revenue, as and when the services are rendered by the employees. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans:

The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Compensated absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid/incurred as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Other employee benefits:

Other employee benefits are estimated and accounted for based on the terms of the employment contract.

k. Segment reporting

The Company identifies primary segments 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.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

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".

l. Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

m. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) that is 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 extraordinary items, if any) 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 earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.



**n. Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

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.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

**o. Impairment of Asset**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of an asset's or cash generating unit's net selling price and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows from continuing use that are largely independent of those from other assets or group of assets. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

**o. Provisions and Contingencies**

**Provisions:** Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

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

**p. Goods & Service Tax Credit**

Goods and Service Tax ("GST") input credit are accounted for in the books in the period in which the underlying goods purchased or service received is accounted and when there is reasonable certainty in availing / utilizing the credits.

**q. 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 arises. The estimates used for accounting of warranty claims are reviewed periodically and revisions are made as required.

**r. Operating Cycle**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation 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.



**Syrra Technology Private Limited**  
**Notes forming part of the Financial Statements for the Year Ended 31 March 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

Particulars	As at	As at
	31 March 2020	31 March 2019
<b>3 Share Capital</b>		
<b>Authorized</b>		
55,50,000 (Previous year - 55,50,000) Equity Shares of Rs. 10/- each	55,500,000	55,500,000
12,00,000 (Previous year - 12,00,000) Preference Shares of Rs. 100/- each	120,000,000	120,000,000
	175,500,000	175,500,000
<b>Issued, subscribed and fully paid-up</b>		
7,02,063 (Previous year - 7,02,063) Equity Shares of Rs. 10/- each fully paid up	7,020,630	7,020,630
4,50,000 (Previous year - 9,00,000) Preference Shares of Rs. 100/- each fully paid up	45,000,000	90,000,000
<b>Total</b>	<b>52,020,630</b>	<b>97,020,630</b>

**3.1 Reconciliation of Shares and Amount Outstanding at the Beginning and at the End of the Year**

Particulars	As at 31 March 2020		31 March 2019	
	No. of shares	Amount (in Rs.)	No. of shares	Amount (in Rs.)
<b>Equity Shares:</b>				
At the beginning of the year	702,063	7,020,630	702,063	7,020,630
Add: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>702,063</b>	<b>7,020,630</b>	<b>702,063</b>	<b>7,020,630</b>
<b>Preference Shares:</b>				
At the beginning of the year	900,000	90,000,000	750,000	75,000,000
Add: Issued during the year	450,000	45,000,000	150,000	15,000,000
Less: Redemption during the year	900,000	90,000,000	-	-
<b>Outstanding at the end of the year</b>	<b>450,000</b>	<b>45,000,000</b>	<b>900,000</b>	<b>90,000,000</b>

**3.2 Terms/rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. Dividend if proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

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

**3.3 Terms/rights attached to preference shares**

The Company has two classes of preference shares issued:

1. The 0.1% Cumulative Redeemable and 1% Cumulative Redeemable preference shares are Non-Convertible 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-audit for the period ended 31 March, 2019-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 company.

2. The 7% Cumulative Convertible Redeemable Preference shares numbering 1,50,000 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. Syrra Services And Solutions Private Limited, (First Transferor Company), and 3G Wireless Communications Private Limited, (Second Transferor Company) with Syrra 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.

3. During the year the company issued 4,50,000 1% Redeemable Non-Convertible Cumulative Preference Shares of Rs. 100/- each amounting to Rs. 45,00,00,000 on the same terms as stated above. The said Preference shares were redeemed during the year itself by exercising its option for early redemption.

4. During the year the company redeemed 4,50,000 0.1% Redeemable Non-Convertible Cumulative Preference Shares of Rs. 100/- each amounting to Rs. 45,000,000 by exercising its option for early redemption.

**3.4 Shares held by Holding Company and/ or their subsidiaries/ associates**

Particulars	As at 31 March 2020		31 March 2019	
	No. of shares	Amount (in Rs.)	No. of shares	Amount (in Rs.)
<b>Equity Shares:</b>				
1) Tancom Electronics Private Limited (Holding Co)	697,925	6,979,250	697,925	6,979,250
2) Veena Kumari Tandon	-	-	-	-
(in capacity of partner of Tancom Electronics, A Partnership Firm)	-	-	2,100	21,000
3) Memory Electronics Private Limited	-	-	949	9,490
4) Eastern Peripherals Private Limited	-	-	975	9,750
5) Veena Kumari Tandon (Individual)	4,138	41,380	114	1,140
<b>Total</b>	<b>702,063</b>	<b>7,020,630</b>	<b>702,063</b>	<b>7,020,630</b>
<b>Preference Shares:</b>				
1) Sandeep Tandon	-	-	450,000	45,000,000
2) Reliable Consultancy Services Private Limited	118,000	11,800,000	118,000	11,800,000
3) Advance Motors Technology Private Limited	32,000	3,200,000	32,000	3,200,000
4) Tandon Holdings Limited	300,000	30,000,000	300,000	30,000,000
<b>Total</b>	<b>450,000</b>	<b>45,000,000</b>	<b>900,000</b>	<b>90,000,000</b>





**Symta Technology Private Limited**  
Notes forming part of the Financial Statements for the Year Ended 31 March 2020  
*(All amounts are in Indian rupees unless otherwise stated)*

**3.5 Details of shareholders holding more than 5% shares in the Company**

Particulars	As at 31 March 2020		31 March 2019	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of Rs.10/- each fully paid				
Timon Electronics Private Limited (Holding Co)	697,925	99%	697,925	99%
<b>7% Cumulative Convertible Redeemable Preference Shares Rs. 100 Fully Paid</b>				
Reliable Consultancy Services Private Limited	118,000	79%	118,000	79%
Advance Motors Technology Private Limited	32,000	21%	32,000	21%
<b>0.1% Cumulative Redeemable Non Convertible Preference Shares Rs. 100 Fully Paid</b>				
Sandeep Tandon	-	-	450,000	100%
<b>1% Cumulative Redeemable Non Convertible Preference Shares Rs. 100 Fully Paid</b>				
Tandon Holdings Limited	30,000	100%	-	-

3.6 The aggregate number of equity shares allotted as fully paid up for consideration other than cash pursuant to amalgamation of Symta Services and Solutions Private Limited (SSSPL) and 3G Wireless Communication Private Limited (3G) in immediately preceding five years ended March 31, 2020 are 2,063 shares (previous period of five years ended March 31, 2019 are 2,063 shares)

3.7 The aggregate number of preference shares allotted as fully paid up for consideration other than cash pursuant to amalgamation of 3G Wireless Communication Private Limited (3G) in immediately preceding five years ended March 31, 2020 are 1,50,000 shares (previous period of five years ended March 31, 2019 are 1,50,000 shares)

Particulars	As at 31 March 2020	As at 31 March 2019
<b>4 Reserves and Surplus</b>		
<b>4.1 Capital Reserve (out of Amalgamation)</b>		
Opening Balance	8,229,370	8,229,370
Addition during the year	-	-
Closing Balance	8,229,370	8,229,370
<b>4.2 Securities Premium Account</b>	100,120,000	100,120,000
<b>4.3 Special Reserve- SEZ Reinvestment Reserve Account</b>		
Opening Balance	105,500,000	16,507,000
Add: Addition for the Year (Refer Note below)	227,715,579	105,500,000
Less: Utilisation/Reversal during the year	(76,622,788)	(16,507,000)
Closing Balance	256,592,791	105,500,000
<b>4.4 Surplus in the Statement of Profit and Loss</b>		
Opening Balance	362,067,289	234,120,341
Add: Profit for the year	454,553,866	216,939,948
Add: Transfer from Special Reserve - SEZ Reinvestment Reserve Account	76,622,788	16,507,000
Less: Transfer to Special Reserve - SEZ Reinvestment Reserve Account (Refer Note Below)	(227,715,579)	(105,500,000)
Less: Dividend for Preference shares	(1,071,370)	-
Less: Distribution tax on Preference shares	(218,106)	-
Closing Balance	664,238,888	362,067,289
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>1,029,181,049</b>	<b>575,916,659</b>

**Note:**

The Special Economic Zone 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.





Syrma Technology Private Limited					
Notes forming part of the Financial Statements for the Year Ended 31 March 2020					
(All amounts are in Indian rupees unless otherwise stated)					
Particulars		As at 31 March 2020	As at 31 March 2019		
<b>5 Long Term Borrowings</b>					
5.1 Term loans from Banks - Secured		72,181,338	70,590,856		
5.2 Unsecured Loans from Related Parties (Refer Note 27)		125,379,930	230,342,069		
<b>Total</b>		<b>197,561,268</b>	<b>300,932,925</b>		
<b>5.1 Details of Term Loan from Banks - Secured</b>					
Original Tenor & Interest Rate	No. of Installments outstanding as at 31 March 2020	Repayment Tenure	Loan amount as at 31 March 2020	Loan amount as at 31 March 2019	
(i) Term loan from SBI: Term Loan INR A/c No. 35596280090 - 60 Months & 10.55% PCNRB Loan USD A/c No. 34301491541 - 60 Months & 5.64%	13	Principal & Interest Monthly	2,551,553	4,856,060 5,075,575	
(ii) Term loan from RBL: USD A/c No. 809001008370 - 42M & 5.07% USD A/c No. 809001700359 - 27M & 5.46% EUR A/c No. 809001974705 - 59M & 3.85% INR A/c No. 909000040941 - 42M & 10.85% INR A/c No. 909000047605 - 42M & 10.50%	3 3 16 3 5	Principal Quarterly & Interest Monthly	21,457,257 14,176,746 94,669,876 963,750 2,851,097	45,947,244 30,357,209 51,037,725 2,248,750 5,131,975	
Less: Current Maturities of Long-Term Borrowings (Refer Note 9)			136,670,279	144,654,538	
Long Term Borrowings from Bank			64,488,941	74,063,682	
			<b>72,181,338</b>	<b>70,590,856</b>	
<p><b>Collateral Security of the Company for Term Loan availed from banks:</b>  Equitable Mortgage (EM) over leasehold rights over factory land and EM over factory building situated at Plot B-27, SF No164/part, Phase II, Zone-B, MEPZ-SEZ, Tambaram, Chennai-600045 of consisting 4900 sq.m. Land (1 acre) and super structure of 5971 sq. m (64271 sq.ft) of building in two storeys belonging to Syrma Technology Private Limited  Hypothecation over the unencumbered machinery and other movable assets belonging to the company.  Equitable Mortgage over flat No 1166, 16th floor tower No.1 Estancia, Valluvar village, Chengalpeta taluk, Kancheepuram Dist, measuring 1815 sq.ft with UDS of 550  Hypothecation of machinery purchased / proposed to be purchased under the term loans</p>					
Particulars		As at 31 March 2020	As at 31 March 2019		
<b>6 Long-term Provisions</b>					
Provision for employee benefits - Provision for Gratuity (Refer Note 40.4) - Provision for Compensated Absences		14,492,451 10,414,508	15,872,787 9,928,400		
<b>Total</b>		<b>24,906,959</b>	<b>25,801,187</b>		
Particulars		As at 31 March 2020	As at 31 March 2019		
<b>7 Short-Term Borrowings</b>					
From Banks - Secured		531,397,769	483,472,307		
<b>Total</b>		<b>531,397,769</b>	<b>483,472,307</b>		
7.1	Type	Interest Rate	Repayment Terms	Loan amount as at 31 March 2020	Loan amount as at 31 March 2019
	Cash Credit from SBI	9.55%	On Demand	24,402,340	19,092,532
	SLC loan from SBI	13.85%	6 months	49,600,000	48,650,311
	PCFC loan from SBI	3.44%	6 months	148,786,881	177,381,827
	PCFC loan from DBS	2.86%	120 days	118,108,548	118,454,656
	PCFC loan from Citibank	2.88%	120 days	190,500,000	119,892,981
<b>Total</b>				<b>531,397,769</b>	<b>483,472,307</b>
<p>Note: The details of security provided against working capital facilities is as follows  - Extension of first charge on the Stock, Book debt and Movable assets of the company</p>					
Particulars		As at 31 March 2020	As at 31 March 2019		
<b>8 Trade Payables</b>					
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 39)		2,683,212	4,713,181		
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 34)		1,066,383,723	907,317,798		
<b>Total</b>		<b>1,069,066,935</b>	<b>912,030,979</b>		



**Syrrna Technology Private Limited**  
**Notes forming part of the Financial Statements for the Year Ended 31 March 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

Particulars	As at	As at
	31 March 2020	31 March 2019
<b>9 Other Current Liabilities</b>		
Current maturities of long-term borrowings (Refer Note 5.1)	64,488,941	74,063,682
Interest Accrued and Due on Unsecured Loan (Refer Note 27)	15,010,767	26,931,579
Deferred Revenue (Refer Note (a) below)	212,275,673	145,291,828
Advance from Customers	160,226,262	54,600,608
Payable towards purchase of Property Plant & Equipment	4,324,637	75,223,238
Statutory dues payable	15,628,216	21,836,188
<b>Total</b>	<b>471,954,496</b>	<b>397,947,123</b>

Note:  
(a) Deferred Revenue represents tooling charges received in advance from one of the customers which is being recognised as Tooling Income on the basis of number of units sold to the customer during the respective years

Particulars	As at	As at
	31 March 2020	31 March 2019
<b>10 Short Term Provisions</b>		
<b>Provision for Employee Benefits</b>		
-Provision for Compensated Absences	1,729,535	1,075,345
-Provision for Gratuity (Refer Note 40.4)	6,806,653	4,627,233
	<b>8,536,188</b>	<b>5,702,578</b>
<b>Other Provisions</b>		
-Provision for Income Tax [Net of Advance Tax/TDS - Rs. 178,796,832]	23,267,228	-
-Provision for Warranty (Refer Note 38a)	1,581,170	1,590,317
-Provision for Contingency (Refer Note 38b)	16,000,000	6,000,000
	<b>40,848,398</b>	<b>7,590,317</b>
<b>Total</b>	<b>49,384,586</b>	<b>13,292,895</b>



Syrma Technology Private Limited Notes to financial statements for the year ended 31 March 2020 (All amounts are in Indian rupees unless otherwise stated)										
11. Tangible assets										
Description	Land	Building on Leasehold land	Plant and Machinery	Office Equipment	Computers & other peripherals	Furniture and fixtures	Electrical Installation	Vehicles	Total	
<b>Gross Block</b>										
At 1 April 2018	17,927,100	82,823,262	455,535,935	15,068,441	19,860,882	17,451,722	16,726,448	19,532,734	642,926,524	
Additions	-	45,538,059	205,295,266	2,102,672	6,060,138	11,834,101	45,252,072	-	316,082,308	
Disposals	-	-	3,189,151	-	2,722,299	290,000	64,330	-	6,265,780	
At 31 March 2019	17,927,100	128,361,321	655,642,050	17,171,113	23,198,721	28,995,823	61,914,190	19,532,734	952,743,052	
At 1 April 2019	17,927,100	128,361,321	655,642,050	17,171,113	23,198,721	28,995,823	61,914,190	19,532,734	952,743,052	
Additions	-	5,985,213	83,788,266	2,044,974	3,977,280	1,374,001	2,499,602	-	99,669,336	
Disposals	3,364,100	-	-	-	-	-	-	8,111,994	11,476,094	
At 31 March 2020	14,563,000	134,346,534	739,430,316	19,216,087	27,176,001	30,369,824	64,413,792	11,420,740	1,040,936,294	
<b>Depreciation &amp; Amortisation</b>										
At 1 April 2018	-	23,622,487	73,946,019	9,089,643	14,100,616	9,154,248	4,594,784	12,298,241	146,806,038	
Charge for the year	-	6,635,488	40,538,032	1,553,112	3,479,670	2,070,486	2,291,018	1,223,231	57,811,037	
Deletions	-	-	1,331,186	-	2,722,299	201,502	4,064	-	4,259,051	
At 31 March 2019	-	30,257,975	113,172,865	10,642,755	14,857,987	11,023,232	6,881,738	13,521,472	200,358,024	
At 1 April 2019	-	30,257,975	113,172,865	10,642,755	14,857,987	11,023,232	6,881,738	13,521,472	200,358,024	
Charge for the year	-	6,739,188	49,434,340	1,963,722	4,303,675	2,387,651	3,148,908	1,060,547	69,040,031	
Deletions	-	-	-	-	-	-	-	7,607,307	7,607,307	
At 31 March 2020	-	36,997,163	162,607,205	12,608,477	19,161,662	13,410,883	10,030,646	6,974,712	261,790,748	
<b>Net Block</b>										
At 31 March 2019	17,927,100	98,103,346	542,469,185	6,528,358	8,340,734	17,972,591	55,032,452	6,011,262	752,385,028	
At 31 March 2020	14,563,000	97,349,371	576,823,111	6,607,610	8,014,339	16,958,941	54,383,146	4,446,028	779,145,546	



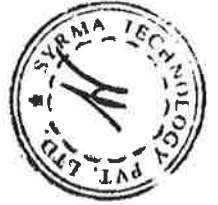
Syrma Technology Private Limited  
Notes to financial statements for the year ended 31 March 2020  
(All amounts are in Indian rupees unless otherwise stated)

12. Intangible assets

Description	Computer software	Intangible- Others	Total
<b>Gross Block</b>			
At 1 April 2018	19,973,181	73,422,826	93,396,007
Additions	386,742	-	386,742
Deletions	-	-	-
<b>At 31 March 2019</b>	<b>20,359,923</b>	<b>73,422,826</b>	<b>93,782,749</b>
At 1 April 2019	20,359,923	73,422,826	93,782,749
Additions	6,386,808	-	6,386,808
Deletions	-	-	-
<b>At 31 March 2020</b>	<b>26,746,731</b>	<b>73,422,826</b>	<b>100,169,557</b>
<b>Depreciation &amp; Amortisation</b>			
At 1 April 2018	14,530,247	18,355,707	32,885,954
Charge for the year	3,883,084	24,474,276	28,357,360
Deletions	-	-	-
<b>At 31 March 2019</b>	<b>18,413,331</b>	<b>42,829,983</b>	<b>61,243,314</b>
At 1 April 2019	18,413,331	42,829,983	61,243,314
Charge for the year	3,119,869	12,287,427	15,407,296
Deletions	-	-	-
<b>At 31 March 2020</b>	<b>21,533,200</b>	<b>55,117,410</b>	<b>76,650,610</b>
<b>Net Block</b>			
At 31 March 2019	1,946,592	30,592,843	32,539,435
At 31 March 2020	5,213,531	18,305,416	23,518,947

Depreciation/Amortisation pertaining to Current year

Particulars	2019-20	2018-19
Depreciation/Amortisation pertaining to Current year	84,447,327	86,168,397
<b>Total</b>	<b>84,447,327</b>	<b>86,168,397</b>



**Syrma Technology Private Limited**  
**Notes forming part of the Financial Statements for the Year Ended 31 March 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

Particulars	As at 31 March 2020	As at 31 March 2019
<b>13 Long-term Loans and Advances</b>		
Security Deposits	25,428,205	21,908,049
Capital Advances	122,096,156	3,118,030
Advance tax (Net of provision for tax of Rs. 74,712,292)	-	9,015,929
Balance with Government Authorities	415,226	-
<b>Total</b>	<b>147,939,587</b>	<b>34,042,008</b>

Particulars	As at 31 March 2020	As at 31 March 2019
<b>14 Inventories (Net and valued at lower of cost or net realisable value)</b>		
Raw materials and components (including goods in transit of Rs. 120,711,710 (March 31, 2019 - Rs. 74,415,791))	428,111,838	356,710,068
Packing Materials	6,910,811	5,213,575
Work-in-progress (Refer Note below)	186,130,616	151,287,712
Finished goods	61,092,078	123,574,489
<b>Total</b>	<b>682,245,343</b>	<b>636,785,844</b>

The Work-in-progress comprises of:

Particulars	As at 31 March 2020	As at 31 March 2019
Chip	57,552,415	45,941,236
Core & Wire	28,425,208	34,651,436
PCB, ICs & Other Passive components	100,152,992	70,695,040
<b>Total</b>	<b>186,130,616</b>	<b>151,287,712</b>

Particulars	As at 31 March 2020	As at 31 March 2019
<b>15 Trade Receivables (Unsecured)</b>		
- Outstanding for a period exceeding six months from the date they are due for payment (Refer Note 34 and 15a) Considered good	193,547,373	171,893,644
- Other receivables (Refer Note 34 and 15a) Considered good	992,809,131	837,600,795
	992,809,131	837,600,795
<b>Total</b>	<b>1,186,356,504</b>	<b>1,009,494,439</b>

Note:

(a) 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 certain receivables of few customers. Based on the terms of the arrangement, the amounts received from the India Factoring and Financing Solutions Private Limited has been derecognized. The amount of such factored receivables as at March 31, 2020 included above is Rs.193,238,189 (USD 26,77,776) (March 31, 2019 - Rs. 127,813,396 (USD 18,31,901)).

Particulars	As at 31 March 2020	As at 31 March 2019
<b>16 Cash and Bank Balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks:		
- In current accounts	88,055,914	15,230,179
- In Exchange Earners' Foreign Currency Account	218,477,548	45,652,940
Cash on hand	1,144,314	605,832
	307,677,776	61,488,951
<b>Other bank balances</b>		
- Margin Money deposit	52,157,393	91,082,760
	52,157,393	91,082,760
<b>Total</b>	<b>359,835,169</b>	<b>152,571,711</b>





**Syrma Technology Private Limited**  
**Notes forming part of the Financial Statements for the Year Ended 31 March 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

Particulars	As at 31 March 2020	As at 31 March 2019
<b>17 Short-term Loans and Advances (Unsecured)</b>		
<b>Unsecured and Considered good</b>		
Supplier advances	147,791,196	92,928,732
MAT Credit Entitlement	62,128,932	44,775,375
Prepaid expenses	9,198,046	1,318,233
Other accrued receivables (Refer Note (a) below)	32,098,850	59,607,393
Advances to employees	10,642	10,642
Balance with Government authorities		
- Goods and Service Tax Receivable	50,221,022	33,732,845
- Others	1,391,502	658,314
<b>Total</b>	<b>302,840,189</b>	<b>233,031,534</b>
<b>Note:</b>		
(a) The above balance represents claims submitted/to be submitted under the MEIS Scheme and amounts recoverable on account of Board Apprenticeship Scheme. The Management is confident of recovering the same.		
Particulars	As at 31 March 2020	As at 31 March 2019
<b>18 Other Current Assets</b>		
Interest Accrued on deposits	1,206,695	5,685,105
<b>Total</b>	<b>1,206,695</b>	<b>5,685,105</b>



**Syrma Technology Private Limited**  
**Notes forming part of the Financial Statements for the Year Ended 31 March 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>19 Revenue from operations</b>		
<b>Sale of products</b>		
-Finished Goods	3,595,362,719	2,902,765,894
-Traded Goods	69,453,004	374,021,503
	<b>3,664,815,723</b>	<b>3,276,787,397</b>
<b>Sale of services</b>		
-Income from Outsourcing Services	4,655,500	3,149,035
	<b>4,655,500</b>	<b>3,149,035</b>
<b>Other operating revenue</b>		
-Scrap sales	6,410,761	13,157,958
-Tooling Charges (Refer Note 9(a))	216,180,094	155,576,177
-Service Charges	19,356,062	25,354,704
-Merchandise exporters Incentive Scheme	59,331,982	65,941,624
	<b>301,278,899</b>	<b>260,030,463</b>
<b>Total</b>	<b>3,970,750,122</b>	<b>3,539,966,895</b>

Class of Goods	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Coils, Coils Sub-Assemblies and Tags	2,411,328,917	1,904,682,772
PCB Assembly	1,077,918,876	1,046,626,704
Memory Modules	-	2,930,553
Memory Chips	14,944,994	247,082,221
Others	160,622,936	75,465,147
<b>Total</b>	<b>3,664,815,723</b>	<b>3,276,787,397</b>

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>20 Other Income</b>		
Interest income on fixed deposits	3,158,360	6,988,348
<b>Other non-operating income</b>		
Foreign Exchange Gain (net)	57,088,763	16,494,728
Profit on Sale of Property, Plant & Equipment	1,270,212	-
Liabilities no longer required written back	7,561,921	-
Miscellaneous income	8,154,230	9,774,129
<b>Total</b>	<b>77,233,486</b>	<b>33,257,205</b>

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>21a Cost of raw material and components consumed</b>		
Raw Materials Consumed (including Packing Material)		
Inventory as at the beginning of the year	361,923,643	324,999,439
Add: Purchases	2,291,561,012	2,022,223,835
Less: inventory as at the end of the year	435,022,649	361,923,643
<b>Cost of raw material and components consumed</b>	<b>2,218,462,006</b>	<b>1,985,299,631</b>
<b>Total Raw material and components consumed</b>	<b>2,218,462,006</b>	<b>1,985,299,631</b>

**Note:**

The consumption figures shown above are after making the required adjustment on account of physical counts, unserviceable item etc., and effects of certain estimates and assumptions made by the Management.

**Raw Material Consumed**

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Chip	1,165,974,575	880,815,510
Core & Wire	139,595,615	155,379,818
PCB, ICs & Other Passive components	804,536,099	898,222,945
Telecom Equipments	-	19,318,579
Memory Modules	-	3,478,352
Others	108,355,717	28,084,427
<b>Total</b>	<b>2,218,462,006</b>	<b>1,985,299,631</b>



Syrrna Technology Private Limited		
Notes forming part of the Financial Statements for the Year Ended 31 March 2020		
(All amounts are in Indian rupees unless otherwise stated)		
Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>21b</b> Purchases of Stock-in-Trade (Net)	26,917,416	348,850,708
<b>Total</b>	<b>26,917,416</b>	<b>348,850,708</b>
Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>22</b> Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Inventories at the end of the year		
Work-in-progress	186,130,616	151,287,713
Finished goods	61,092,078	123,574,489
	<b>247,222,694</b>	<b>274,862,202</b>
Inventories at the beginning of the year		
Work-in-progress	151,287,713	92,716,196
Finished goods	123,574,489	37,321,919
	<b>274,862,202</b>	<b>130,038,115</b>
<b>Total</b>	<b>27,639,508</b>	<b>-144,824,087</b>
Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>23</b> Employee Benefits Expense		
Salaries, wages and bonus	227,655,473	196,761,635
Remuneration to Directors	25,100,296	23,100,296
Contribution to provident and other funds (Refer Note 40)	17,083,480	14,183,353
Gratuity expense (Refer Note 40.4)	1,166,443	11,675,206
Staff welfare expenses	13,276,876	12,620,656
	<b>284,282,568</b>	<b>258,341,146</b>
Less: Recovery of Salaries from Group Companies (Refer Note 27)	(25,402,855)	(7,050,404)
<b>Total</b>	<b>258,879,713</b>	<b>251,290,742</b>
Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>24</b> Finance Costs		
Interest on borrowings		
- Term Loan	7,664,017	6,862,953
- Cash credit	21,014,720	21,919,402
- Others	-	19,756
Interest on Unsecured Loan	17,762,408	13,390,265
Factoring Charges	16,506,548	7,359,248
Interest on delayed payment of Statutory dues	3,672,000	-
Interest on delayed payments to micro enterprises and small enterprises (Refer Note 39)	20,872	75,034
<b>Total</b>	<b>66,640,565</b>	<b>49,626,658</b>
Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>25</b> Depreciation and Amortisation Expense		
Depreciation on tangible assets (Refer note 11)	69,040,031	57,811,037
Amortisation of intangible assets (Refer note 12)	15,407,296	28,357,360
<b>Total</b>	<b>84,447,327</b>	<b>86,168,397</b>



**Syrma Technology Private Limited**  
**Notes forming part of the Financial Statements for the Year Ended 31 March 2020**  
*(All amounts are in Indian rupees unless otherwise stated)*

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>26 Other Expenses</b>		
Consumption of stores and spares	54,681,942	25,097,144
Stipend to BOAT Apprentices	27,407,055	30,094,380
Insurance	9,293,931	5,665,969
Power and fuel	51,479,514	36,170,822
Labour Charges - Manufacturing	305,841,945	280,641,579
Sub-contracting charges	69,780,460	31,395,155
Freight outward & clearing	9,709,704	11,347,842
Rent	18,084,331	14,956,245
Repairs and maintenance		
- Plant and machinery	10,360,211	7,965,513
- Buildings	9,633,276	8,601,350
- Others	10,885,286	12,962,930
Advertising and sales promotion	83,757,598	122,838,043
Provision for warranty (net) (Refer Note 38a)	26,927	1,164,054
Provision for Contingency (Refer Note 38b)	10,000,000	6,000,000
Travelling and conveyance	20,458,570	21,649,830
Bad Receivables Written Off	-	15,375,621
Communication costs	3,997,436	6,055,882
Printing and stationery	3,846,204	3,603,506
Legal and professional fees	41,095,821	47,191,155
Payments to auditor (Refer Note 26.1 below)	2,500,000	2,600,000
Loss on Sale / Discard of Property, Plant and Equipment (Net)	-	828,943
Security charges	5,124,953	3,239,987
Bank charges	16,573,091	22,779,482
Corporate Social Responsibility (Refer Note 42)	2,000,000	1,000,000
Rates and Taxes	3,472,605	5,622,567
Miscellaneous expenses	2,284,044	5,683,675
	<b>772,294,904</b>	<b>730,531,674</b>
Less: Apprenticeship Trainee Claims Made	(1,774,668)	(17,002,337)
Less: Freight charges reimbursed by Customer	(3,989,496)	(1,810,350)
<b>Total</b>	<b>766,530,740</b>	<b>711,718,987</b>
<b>26.1 Payments to the auditor as (excluding taxes)</b>		
(a) For Statutory Audit	2,500,000	2,500,000
(b) For Other Services	-	100,000
<b>Total</b>	<b>2,500,000</b>	<b>2,600,000</b>
Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>26A Exceptional Items</b>		
Bad Receivables Written Off (Refer Note Below)	55,991,649	-
<b>Total</b>	<b>55,991,649</b>	<b>-</b>
<p><b>Note:</b>  During the current year, based on the settlement agreement entered with one of the customers on account of incorrect remittance of money (viz. spoofing of e-mail) at their end, the Company has waived an amount of Rs. 55,991,649 receivable from the customer and accordingly the same has been written off by the Company and shown as Exceptional Item.</p>		



Syrma Technology Private Limited  
 Notes to financial statements for the year ended 31 March 2020  
 (All amounts are in Indian rupees unless otherwise stated)

27 Related party disclosure

A. List of related parties and nature of relationship

Relationship	Name of the Party
(i) Where control exists Ultimate holding company Holding company	Tancom Electronics Private Limited
(ii) Other related parties with whom transactions have taken place during the year:	
Fellow subsidiaries	Advance Power Devices Pvt Ltd Archsone Properties (India) Private Limited Ballast Trading Co. Pvt Ltd Delta Computer Prints Pvt Ltd Dhunvi Medicare Private Limited Eastern Peripherals Pvt. Ltd. Ebony Sales and Services Private Limited Golden Computer Pvt Ltd Hybrid Agricultural Limited Infinx Services Pvt Ltd JT Holdings Private Limited M L Tandon HUF Media Electronics Limited Memory Electronics Pvt. Ltd Reliable Consultancy Services Pvt Ltd Reliable Fashions India Private Limited Sandeep Tandon, HUF Syrma Tech Singapore Pte Ltd Tancom Electronics (Firm) Tancom Electronics Pvt. Ltd. Tandon Holdings Ltd. Tandon Magnetics (India) Pvt Ltd Tandon Technology Services & Solutions Pvt. Ltd. Tassel Trading Company Pvt.Ltd. Terrastoro Private Limited TIS International Inc Titus Trading and Agencies Ltd. Tranquil Trading Co. Ltd Vedacom India Pvt Ltd Welltime Gold and Investments Pvt Ltd Whiteboard Capital Advisors LLP Ebony Electronics Private Limited Radical Plastics Private Limited
Key Managerial Personnel	Mr. Sandeep Tandon Mr. Vikram Chopra
Relatives of Key Managerial Personnel	Mrs. V. K. Tandon Mr. Sudeep Tandon Mr. Armaan Tandon Mr. Ishaan Tandon Mr. Jaideep Tandon Mr. Manohar Lal Tandon

Note: Related party relationship are as identified by the management and relied upon by the auditors.





**Syrma Technology Private Limited**  
**Notes to financial statements for the year ended 31 March 2020**  
 (All amounts are in Indian rupees unless otherwise stated)

**B. Transactions During the year along with the Closing balances**

Particulars	Name of the Related Party	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>Income</b>			
Income from Outsourcing Services	Infix Services Pvt.Ltd	4,655,140	3,149,035
Income from Sale of Goods	TIS International Inc	4,261,538	9,977,410
Recovery of Expenses - Salary	Infix Services Pvt.Ltd Syrma Tech Singapore Pte Ltd	17,455,329 7,947,526	- 7,050,404
<b>Expenses</b>			
Interest on Unsecured Loan	Advance Power Devices Pvt. Ltd. Ballast Trading Company Pvt. Ltd Delta Computer Prints Pvt Ltd Golden Computer Pvt Ltd Hybrid Agricultural Ltd. Ornis Trading Co Pvt Ltd Rein Trading Co Pvt Ltd Tancom Electronics Pvt Ltd Tassel Trading Co. Pvt Ltd Titus Trading & Agencies Ltd Tandon Holdings Limited Veena Kumari Tandon	339,635 791,172 1,558,307 124,077 807,916 893,626 869,967 456,097 3,680,686 769,463 2,423,614 1,964,071	394,650 975,600 1,543,636 56,811 282,316 227,836 230,932 454,851 6,744,726 632,195 1,856,712 -
Advertising and sales promotion	TIS International Inc	62,041,155	97,866,407
Purchase of Goods	Mentory Electronics Pvt. Ltd TIS International Inc	- 2,474,698	25,253,439 -
Rent	Tancom Electronics Reliable Consultancy Services Pvt Limited	- 4,800,000	79,200 4,800,000
Remuneration to KMP	Sandeep Tandon Vikram Chopra	22,000,000 3,100,296	20,000,000 3,100,296
Perquisite to KMP*	Sandeep Tandon	4,800,000	4,800,000
Reimbursement of Expenses	Syrma Tech Singapore Pte Ltd	1,391,906	-
Repairs & Maintenance	Infix Services Private Limited	143,541	86,023
Loan availed during the year	Veena Kumari Tandon	67,250,000	-
Loans repaid during the year	Advance Power Devices Pvt. Ltd. Ballast Trading Company Pvt Ltd Delta Computer Prints Pvt. Ltd. Golden Computers Ltd. Hybrid Agriculture Ltd Ornis Trading Co. Pvt Ltd Rine Trading Co. Pvt. Ltd. Sandeep Tandon Tandon Holdings Ltd Tassel Trading Co. Pvt Ltd Tassel Trading Company Pvt Ltd	3,500,000 10,840,000 17,500,000 1,700,000 2,750,000 13,200,000 12,800,000 27,300,000 30,000,000 42,622,139 10,000,000	- - - - - - - - - - -
Others	Vedacom India Pvt Ltd Tancom Electronics Pvt. Ltd.	- -	2,564 4,783



**Syrma Technology Private Limited**  
**Notes to financial statements for the year ended 31 March 2020**  
 (All amounts are in Indian rupees unless otherwise stated)

**B. Transactions During the year along with the Closing balances**

Particulars	Name of the Related Party	As at 31 March 2020	As at 31 March 2019
<b>Assets at Year End</b>			
Security Deposit	Reliable Consultancy Services Pvt Limited	10,000,000	10,000,000
Trade Receivable (Refer Note b below)	Infinx Services Private Limited	23,537,718	2,449,762
	TIS International Inc	24,715,663	16,735,741
	Syrma Tech Singapore Pte Ltd	2,789,141	2,122,222
Short Term Loans & Advances	Reliable Consultancy Services Pvt Limited	1,061,306	1,061,306
	Tancom Electronics Pvt. Ltd.	4,783	4,783
	Memory Electronics Private Limited	120,720	101,250
<b>Liabilities at Year End</b>			
Unsecured Loans	Advance Power Devices Pvt. Ltd.	865,000	4,385,000
	Ballast Trading Company Pvt Ltd	-	10,840,000
	Delta Computer Prints Pvt. Ltd.	-	17,500,000
	Golden Computers Ltd.	-	1,700,000
	Hybrid Agriculture Ltd	-	2,750,000
	Ornis Trading Co. Pvt Ltd	-	13,200,000
	Rine Trading Co. Pvt. Ltd.	-	12,800,000
	Sandeep Tandon	475,023	27,775,023
	Tancom Electronics Pvt Ltd	11,063,895	11,063,895
	Tandon Holdings Ltd	-	30,000,000
	Tassel Trading Co. Pvt Ltd	22,056,012	64,678,151
	Tassel Trading Company Pvt Ltd	-	10,000,000
	Titus Trading & Agencies Ltd	9,100,000	9,100,000
	Veena Kumari Tandon	81,800,000	14,550,000
Interest payable on Unsecured Loans	Advance Power Devices Pvt. Ltd.	305,671	970,185
	Ballast Trading Company Pvt Ltd	712,055	3,402,201
	Delta Computer Prints Pvt. Ltd.	1,402,476	2,709,572
	Golden Computers Ltd.	111,669	51,130
	Hybrid Agriculture Ltd	727,124	1,038,649
	Ornis Trading Co. Pvt Ltd	804,263	205,052
	Rine Trading Co. Pvt. Ltd.	782,970	198,839
	Tancom Electronics Pvt Ltd	410,487	1,836,902
	Tandon Holdings Ltd	2,181,253	1,671,041
	Tassel Trading Co. Pvt Ltd	4,500,436	9,877,861
	Tassel Trading Company Pvt Ltd	612,182	4,050,000
	Titus Trading & Agencies Ltd	692,517	850,086
	Veena Kumari Tandon	1,767,664	-
	Tranquil Trading	-	67,753
	Vedcom India	-	2,308
Trade Payable	TIS International Inc	8,722,008	19,107,810
	Memory Electronics	-	33,324
	Tancom Electronics	-	150,210

\* Represents certain perquisite provided to the KMP's in accordance with terms of employment.

**Notes:**

- The Holding Company / certain other Group Companies (together referred to as "Group Companies"), 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.
- Trade Receivable as at 31 March 2020 includes an amount of Rs. 18,162,990 which is outstanding for a period of more than one year.
- Actuarial valuation based provision with respect to gratuity and compensated absences have not been included as part of remuneration to key management personnel since these are computed for the Company as a whole.



**Syrra Technology Private Limited**  
 Notes to financial statements for the year ended 31 March 2020  
 (All amounts are in Indian rupees unless otherwise stated)

**28 Segment Reporting**

**Primary Segment**

The Company has identified business segment as its primary segment. In accordance with Accounting Standard 17 - Segment Reporting, the Company has determined its business segment as "manufacturing of Information Technology Products, BPO Income and Trading". Since the entire Company's business is from manufacturing of information technology, outsourcing service fee and trading activity, there are no other primary reportable segments. Accordingly, the amounts appearing in these financial statements relate to this primary business segment.

Reportable Segments	Manufacture of Information Technology Products			BPO (Outsourcing Service Fees Received)			Trading			Total	
	2019-20 (Rs)	2018-19 (Rs)	2019-20 (Rs)	2018-19 (Rs)	2019-20 (Rs)	2018-19 (Rs)	2019-20 (Rs)	2018-19 (Rs)	2019-20 (Rs)	2018-19 (Rs)	
Revenue	3,973,875,104	3,196,053,562	4,655,500	3,149,035	69,455,004	374,021,503	4,047,983,608	3,573,224,100			
Segment Results Net Profit/(Loss)	309,999,963	282,101,701	2,342,318	835,833	30,132,403	2,155,509	542,474,684	285,093,063			
Segment Assets	2,957,756,164	2,575,126,578	186,091	200,497	94,379,345	81,405,909	3,052,521,600	2,654,752,784			
Unallocated Assets*	-	-	-	-	-	-	433,029,582	206,563,016			
Total Assets							3,487,351,182	2,861,095,800			
Segment Liabilities	2,296,507,072	2,080,256,055	-	-	39,228,755	32,092,978	2,335,785,825	2,112,329,053			
Unallocated Liabilities#	-	-	-	-	-	-	1,151,615,357	748,766,767			
Total Liabilities							3,487,351,182	2,861,095,800			

\* Unallocated assets represent MAT credit entitlement, Advance tax and Cash and Bank

# Unallocated Liabilities represent Deferred Tax Liability and Provision for Income tax

**Secondary Segment**

The details of geographical segments, which are secondary segments, as per the aforesaid Standard are as follows:

Particulars	Year	Within India			Outside India			Total
		(Rs)	(Rs)		(Rs)	(Rs)		
			USA	Germany		Rest of the World		
Revenue by Geographical market	2019-20	941,526,536	619,056,375	848,015,184	1,639,605,695	4,047,983,608		
	2018-19	954,889,508	444,142,183	605,242,555	1,570,949,855	3,573,224,100		
Carrying amount of Segment Assets	2019-20	2,365,311,333	211,894,020	282,008,561	650,137,268	3,487,351,182		
	2018-19	1,940,006,689	148,466,917	284,955,111	487,667,084	2,861,095,800		
Additions to Property, Plant and Equipment including intangible assets	2019-20	106,056,144	-	-	-	106,056,144		
	2018-19	316,469,050	-	-	-	316,469,050		



29 Particulars of derivative instruments and unhedged foreign currency exposure as at the balance sheet date

A. The Company is exposed to various risks, most of which relate to change in exchange rates. The Company does not use any derivative instruments to hedge its Foreign Currency Exposures.

B. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Currency	As at 31 March 2020		As at 31 March 2019	
		Amount in FCY	Amount in Rs.	Amount in FCY	Amount in Rs.
		Trade Payables	EUR	116,893	9,465,670
	USD	8,720,094	624,653,604	9,245,682	661,290,181
	GBP	15,636	1,487,408	18,825	1,775,612
	JPY	-	-	70,880,267	43,689,641
	HKD	3,800	37,830	2,800	28,280
	SGD	800	42,840	800	42,840
	THB	-	-	9,643	19,262
	CNY	7,450	83,428	-	-
Advance paid to Suppliers	EUR	33,760	2,564,844	5,109	8,323,889
	USD	2,491,176	167,237,133	1,035,159	661,290,181
	GBP	2,574	236,674	3,028	1,775,612
	JPY	-	-	47,720	43,689,641
	AUD	-	-	1,800	96,330
	THB	96,402	251,599	100,493	254,992
	AUD	1,800	93,330	-	-
	CAD	46,424	2,257,419	-	-
Trade Receivables	EUR	793,077	61,947,095	903,744	71,208,170
	USD	14,761,140	1,038,300,250	13,732,284	956,058,843
	GBP	1,811	160,712	-	-
Advance Received from customer	EUR	35,296	2,847,785	20,894	1,685,676
	USD	1,892,747	133,739,943	1,467,067	97,307,020
	CAD	-	-	7,322	470,227
Borrowings	EUR	1,119,162	94,669,876	645,884	51,037,725
	USD	6,470,203	493,029,431	7,108,673	497,109,491

30 Consumption of imported and indigenous raw materials and components

Particulars	2019-20		2018-19	
	Rs.	%	Rs.	%
Raw materials				
Imported	1,559,356,944	70.2%	1,474,084,975	74%
Indigenous	636,920,442	28.7%	491,361,658	25%
Stores and spare parts				
Imported	15,751,080	0.7%	14,889,747	1%
Indigenous	6,433,540	0.2%	4,963,249	0%
<b>Total</b>	<b>2,218,462,006</b>	<b>100%</b>	<b>1,988,299,629</b>	<b>100%</b>

31 CIF value of Imports (on accrual basis)

Particulars	2019-20	2018-19
Raw materials and components	1,596,479,429	1,372,667,523
Trading Goods	18,436,066	368,850,708
<b>Total</b>	<b>1,614,915,495</b>	<b>1,741,518,231</b>

32 Expenditure in foreign currency (on accrual basis)

Particulars	2019-20	2018-19
Foreign travel expenses	1,517,047	1,497,156
Consumption of stores and spares	904,612	-
Factoring charges	12,581,280	6,805,640
Commission	13,139,422	14,313,845
Bank Charges	4,024,887	952,644
Repairs & Maintenance	7,020,234	1,447,791
Legal & Professional Fees	2,775,575	660,625
Sales & Marketing Expenses	68,337,935	98,206,502
Freight	107,605	253,516
Processing Charges	493,808	244,769
<b>Total</b>	<b>110,902,405</b>	<b>124,382,488</b>

33 Earnings in foreign currency (on accrual basis)

Particulars	2019-20	2018-19
Revenue from exports on FOB Basis & service income	3,452,836,741	3,022,639,988
<b>Total</b>	<b>3,452,836,741</b>	<b>3,022,639,988</b>

34 Foreign Exchange Management Act, 1999

The Company 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 approval/ratification from the designated authority (AD Bank or Reserve Bank of India as the case may be) and does not estimate any outflow of cash on account of the same.



35 Operating Lease Commitments

The Company has operating lease for premises. These lease arrangements range for a period between 3 to 5 years which include both cancellable and non-cancellable leases. These lease arrangements are renewable for further period on mutually agreeable terms and also include escalation clauses.

Particulars	2019-20	2018-19
With respect to all operating leases:		
Lease payments recognised in the statement of Profit and Loss during the year (Refer note 26)	18,084,331	14,956,245
Future minimum lease payments		
- not later than one year	10,257,664	-
- later than one year and not later than five years	2,042,256	-
- later than five years	-	-

36 Earnings Per Share

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<u>Basic Earnings Per Share</u>		
Profit after Tax & Preference Dividend	453,264,390	216,939,948
Weighted Average Number of Equity Shares (Nos)	702,063	702,063
Face value per equity share - in Rs	10	10
Earnings Per Share (Basic) and (Diluted)- in Rs.	645.62	309.00

37 Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent Liabilities

Particulars	Nature of Dues	Forum where Dispute is pending	Assessment year	Amount in Rs.	Remarks
Karnataka VAT	Value Added Tax, 2005	Assistant Commissioner of Commercial Taxes, Bangalore	2006-07	5,928,177	C forms submitted and waiting for final order
Karnataka VAT	Value Added Tax, 2005	Assistant Commissioner of Commercial Taxes, Bangalore	2007-08	8,090,058	C forms submitted and waiting for final order
Claims against the Company not acknowledged as debt				56,169,651	Refer Note below
Provident Fund (PF)	The Provident Fund, 1952	PF Commissioner	Period 2009-2012	310,421	The Company's appeal was dismissed and amount was paid. Subsequently, the Company had filed revival of appeal with CGP.

Note:

The Company has filed Special Leave Petition before Honourable 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, which is pending hearing. 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 is pending hearing.

Based on the assessment carried out by the Company, the Management expects a favourable decision in respect of the above.

(b) Commitments:

- Letter of Credit facility from Bank Rs.8,94,24,288/- (Previous year Rs.15,24,47,515/-)
- Bank guarantees obtained from scheduled banks - Rs.6,33,03,881/- (Previous year Rs.8,21,31,534/-)
- Bank Guarantee issued by State Bank of India Seepz Branch for Rs. Nil (Previous year Rs.40,63,025/-)
- Bank Guarantee issued by State Bank of Travancore Rs.13,41,475/- (Previous year Rs.44,71,020/-)

(c) Capital Commitments:

The estimated amount of contracts remaining to be executed on capital account, net of advances and not provided as at 31 March 2020 is Rs. 12,35,27,210 (As at Previous Year Rs. Nil)





**38 Details of Provision**

**38a - Provision for Warranty**

The Company has made provision for contractual warranty obligations based on its assessment of the amount it estimates to incur to meet such obligations. The details of the same are given below:

Particulars	2019-20	2018-19
Balances as at the beginning of the year	1,590,317	999,093
Provision made during the year	26,927	1,164,054
Provision Utilized during the year	36,074	572,830
Provision reversed during the year	-	-
Balances as at the end of the year	1,581,170	1,590,317

**38b - Provision for Contingency**

Details of provision for contingencies are given below:

Particulars	2019-20	2018-19
Balances as at the beginning of the year	6,000,000	-
Provision made during the year	10,000,000	6,000,000
Provision Utilized during the year	-	-
Provision reversed during the year	-	-
Balances as at the end of the year	16,000,000	6,000,000

Note: Provision for contingencies represents the estimated provision made for probable liabilities relating to certain other matters. Whilst the provision is considered short term in nature, the actual outflow with regard to the said matters depends on the exhaustion of the remedies available under the law and, hence, the company is not able to reasonably ascertain the timing of the outflow. No recoveries are expected in respect of the same.

**39 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	2019-20	2018-19
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2,683,212	4,713,181
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	20,872	75,034
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(iv) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(v) The amount of interest due and payable for the year	-	-
(vi) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

**40 Employee Benefits**

**40.1 Provident Fund**

The Company makes Provident Fund contributions for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 1,03,09,905 (Previous Year - Rs. 91,35,686) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable by the Company are at rates specified in the rules of the schemes.

**40.2 Employee State Insurance (ESI)**

The Company makes ESI contributions for qualifying employees commencing from the current financial year. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 2,85,791 (Previous Year - Rs. 5,55,980) for ESI contributions in the Statement of Profit and Loss.

**40.3 Compensated Absences**

The Key Assumptions, as provided by an independent Actuary, used in the computation of provision for compensated absences are as given below:

Particulars	2019-2020	2018-2019
Discount Rate	6.83%	7.62% - 7.75%
Future Salary Increase	2.50% - 7.41%	11.00% - 36.65%
Attrition rate fixed by enterprise	5.71% - 9.76%	9.88% - 19.05%



40.4 Gratuity

The Company operates a gratuity plan through the Life Insurance Corporation of India (LIC) viz, "Syrma Technology Private Limited Employees Gratuity Scheme" and 3G Wireless Private Limited Employee GGCA Scheme. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

i) Change in Benefit Obligations:

Particulars	2019-2020	2018-2019
Present value of obligation at the beginning of the year	24,910,439	13,911,724
Current service cost	4,406,054	4,191,924
Interest Cost	1,911,972	995,276
Past service cost	-	-
Actuarial (gain)/loss on obligation	(5,059,583)	6,697,786
Benefits paid	(276,059)	(916,270)
Present value of obligation as at the end of the year	25,892,823	24,910,440

ii) Change in Plan Assets:

Particulars	2019-2020	2018-2019
Balance as at the beginning of the year	4,191,034	4,947,690
Expected return on plan assets	118,914	122,920
Mortality Changes and Taxes	-	-
Benefits paid	(276,059)	(916,270)
Contribution	367,360	169,220
Actuarial gains	(251,431)	(132,526)
Fair value of plan assets as at the end of the year	4,149,818	4,191,034

iii) Actual return on Plan Assets

Assets and Liabilities recognized under Balance sheet

Particulars	2019-2020	2018-2019
Present Value of Defined Benefit obligation	25,892,823	24,910,440
Less: Fair Value of plan assets	4,149,818	4,191,034
Amount recognised as Liability	21,743,005	20,719,406
Recognised under:		
Short-Term Provisions	6,806,653	4,627,233
Long-Term Provisions	14,936,352	16,092,173
Total	21,799,104	20,800,020

iv) Net benefit expense

Particulars	2019-2020	2018-2019
Current service cost	4,406,054	4,191,924
Interest cost on benefit obligation	1,911,972	995,276
Past service cost	-	-
Expected return on plan assets	(343,430)	(342,306)
Net actuarial (gain)/loss recognised in the year	(4,808,152)	6,830,311
Net benefit expense	1,166,444	11,675,205

The principal assumptions used in determining gratuity benefit obligation for the Company's plan is shown below

Particulars	2019-2020	2018-2019
Discount rate	6.83% - 6.83%	7.75% - 7.62%
Expected Return on Plan Assets	7.73% - 7.62%	7.31% - 7.88%
Salary escalation rate	7.40% - 2.50%	11% - 36.63%
Attrition rate fixed by enterprise	9.73% - 5.71%	9.88% - 19.05%

The estimates of future salary increases and rate of attrition considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as

(v) Experience Adjustments\*

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018	For the year ended 31 March 2017
Projected Benefit Obligation	25,892,824	24,910,441	13,941,724	9,033,093
Fair Value of Plan assets	4,593,720	4,410,420	4,947,690	4,551,965
Surplus / (Deficit)	(21,299,104)	(11,507,292)	(8,342,712)	(4,481,128)
Experience adjustments on Plan Liabilities - (Gains) / Losses	380,353	256,860	-492,857	2,000,872
Experience adjustments on Plan Assets - (Gains) / Losses	251,431	114,035	129,656	147,901

\* Disclosures have been made to the extent information available with the Management.



**Syrma Technology Private Limited**  
**Notes to financial statements for the year ended 31 March 2020**  
 (All amounts are in Indian rupees unless otherwise stated)

**40.4 Gratuity (Syrma)**

The Company operates a gratuity plan through the Life Insurance Corporation of India (LIC) viz., "Syrma Technology Private Limited Employees Gratuity Scheme". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

**i) Change in Benefit Obligations:**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Present value of obligation at the beginning of the year	18,840,876	12,198,362
Current service cost	4,270,489	3,725,172
Interest Cost	1,449,471	862,197
Past service cost	-	-
Actuarial (gain)/loss on obligation	(221,337)	2,862,336
Benefits paid	(276,059)	(807,191)
<b>Present value of obligation as at the end of the year</b>	<b>24,063,440</b>	<b>18,840,876</b>

**ii) Change in Plan Assets:**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance as at the beginning of the year	2,937,220	3,529,989
Expected return on plan assets	231,172	232,613
Mortality Charges and Taxes	-	-
Benefits paid	(276,059)	(807,191)
Contributions	367,360	111,465
Actuarial gains	(240,967)	(129,656)
<b>Fair value of plan assets as at the end of the year</b>	<b>3,018,726</b>	<b>2,937,220</b>

**iii) Actual return on Plan Assets**

(9,795) 102,957

**Assets and Liabilities recognized under Balance sheet**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Present Value of Defined Benefit obligation	24,063,440	18,840,876
Less: Fair Value of plan assets	3,018,726	2,937,220
<b>Amount recognised as Liability</b>	<b>21,044,714</b>	<b>15,903,656</b>
Recognised under:		
Short-Term provisions	21,044,714	15,903,656
<b>Total</b>	<b>21,044,714</b>	<b>15,903,656</b>

**iv) Net benefit expense**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	4,270,489	3,725,172
Interest cost on benefit obligation	1,449,471	862,197
Past service cost	-	-
Expected return on plan assets	(231,172)	(232,613)
Net actuarial (gain)/loss recognised in the year	19,631	2,991,992
<b>Net benefit expense</b>	<b>5,508,419</b>	<b>7,346,748</b>

**(v) Major Category of Plan Assets as a % of total Plan Assets**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Funds managed by insurer (LIC)	3,018,726	2,937,220

The principal assumptions used in determining gratuity benefit obligation for the Company's plan is shown below:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Discount rate	6.83%	7.73%
Expected Return on Plan Assets	7.75%	7.31%
Salary escalation rate	7.40%	11%
Attrition rate fixed by enterprise	9.76%	9.88%

The estimates of future salary increases and rate of attrition considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as

**(vi) Experience Adjustments**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018	For the year ended 31 March 2017
Projected Benefit Obligation	24,063,441	18,840,877	12,198,362	9,033,093
Fair Value of Plan assets	3,018,726	2,937,220	3,529,989	4,551,965
Surplus / (Deficit)	(21,044,715)	(15,903,656)	(8,668,373)	(4,481,128)
Experience adjustments on Plan Liabilities - (Gains) / Losses	456,697	1,58,490	-492,857	2,060,872
Experience adjustments on Plan Assets - (Gains) / Losses	240,967	85,326	129,656	147,901





**Gratuity (3G)**

The Company operates a gratuity plan through the Life Insurance Corporation of India (LIC) viz. "3G Wireless Private Limited Employee GGA Scheme". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time

**i) Change in Benefit Obligations:**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Present value of obligation at the beginning of the year	6,069,563	1,743,362
Current service cost	135,565	466,752
Interest Cost	462,501	133,079
Past service cost	-	-
Actuarial (gain)/loss on obligation	(4,838,247)	3,835,449
Benefits paid	-	(109,079)
<b>Present value of obligation as at the end of the year</b>	<b>1,829,382</b>	<b>6,069,563</b>

**ii) Change in Plan Assets:**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance as at the beginning of the year	1,253,814	1,417,701
Expected return on plan assets	(112,258)	(109,693)
Mortality Charges and Taxes	-	-
Benefits paid	-	(109,079)
Contributions	-	57,755
Actuarial gains	(10,464)	(2,870)
<b>Fair value of plan assets as at the end of the year</b>	<b>1,131,092</b>	<b>1,253,814</b>

iii) Actual return on Plan Assets (122,722) (112,565)

**Assets and Liabilities recognized under Balance sheet**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Present Value of Defined Benefit obligation	1,829,382	6,069,563
Less: Fair Value of plan assets	1,131,092	1,253,814
<b>Amount recognized as Liability</b>	<b>698,290</b>	<b>4,815,749</b>
Recognised under:		
Short-Term provisions	698,290	4,815,749
<b>Total</b>	<b>698,290</b>	<b>4,815,749</b>

**iv) Net benefit expense**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	135,565	466,752
Interest cost on benefit obligation	462,501	133,079
Past service cost	-	-
Expected return on plan assets	(112,258)	(109,693)
Net actuarial (gain)/loss recognized in the year	(4,827,783)	3,838,319
<b>Net benefit expense</b>	<b>(4,341,975)</b>	<b>4,328,457</b>

**(v) Major Category of Plan Assets as a % of total Plan Assets**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Funds managed by insurer (LIC)	1,498,588	1,359,894

The principal assumptions used in determining gratuity benefit obligation for the Company's plan is shown below:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Discount rate	6.83%	7.62%
Expected Return on Plan Assets	7.62%	7.85%
Salary escalation rate	2.50%	3.7%
Attrition rate fixed by enterprise	8.71%	19.05%

The estimates of future salary increases and rate of attrition considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as

**(vi) Experience Adjustments**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2018
Projected Benefit Obligation	1,829,383	6,069,564	1,743,362
Fair Value of Plan assets	1,574,994	1,423,200	1,417,701
Surplus / (Deficit)	(254,389)	4,596,364	325,661
Experience adjustments on Plan Liabilities - (Gains) / Losses	-76,344	98,370	-
Experience adjustments on Plan Assets - (Gains) / Losses	10,464	2,870	-



**41 Taxation**

**41.1 Current Tax**

Provision for Income Tax for the year ended 31 March 2020 has been computed based on the provisions of Income Tax Act, 1961 taking into account various deductions/exemptions proposed to be claimed by the Company in the Return of Income

**41.2 Deferred tax**

The composition of deferred tax is as follows:

Timing Difference on account of:	2019-20	2018-19
<b>Deferred tax liability</b>		
On differences in depreciation in block of Plant, Property and Equipment as per tax books and financial books	68,260,187	65,644,036
<b>Gross deferred tax liabilities</b>	<b>68,260,187</b>	<b>65,644,036</b>
<b>Deferred tax asset</b>		
Expenditure allowed on payment basis for Income tax purpose	6,382,697	10,962,940
<b>Gross deferred tax assets</b>	<b>6,382,697</b>	<b>10,962,941</b>
<b>Net balance</b>	<b>61,877,490</b>	<b>54,681,095</b>

**41.3 Minimum Alternate Tax**

MAT Credit Provision for Income Tax for the current year has been calculated in accordance with the provisions of the Income Tax Act, 1961. Taking into consideration the future profitability and the taxable position in the subsequent years, the Company had recognized "MAT Credit Entitlement" to the extent of Rs 17,353,557 (including previous years of Rs 10,396,396) during the year ended 31 March 2020 (PY Rs. 1,86,86,920) in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternate Tax under Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India and the same has been utilized during the year.

**41.4 International Transactions**

The Company has entered into international transactions with related parties. 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 aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and the provision for taxation.

**42 CSR Expenditure:**

During the year, the Company incurred an aggregate amount of Rs. 20,00,000 (Previous Year Rs. 10,00,000) towards Corporate Social Responsibility expenses in compliance with Section 135 of the Companies Act, 2013 read with relevant schedules and rules made thereunder. The details of the CSR spend are given below:

(a) Gross amount required to be spent by the Company during the year amounts to Rs. 26,34,830 (Previous Year Rs. 9,95,000)

(b) Amount spent by the company during the year on

Particulars	Nature of Activity	For the year ended 31 March 2020	For the year ended 31 March 2019
Amount spent during the year by the company	School construction - Saratan Dharma Sabha (Previous Year School Construction)	2,000,000	1,000,000
Gross amount required to be spent by the company u/s 135 of the companies act		2,634,830	995,000
Excess / (Shortfall) in amount spent		(634,830)	5,000





43 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 upto the date of approval of these financial statements. Based on such assessment, the Company believes no additional adjustments is required as at 31 March 2020 to the carrying value of trade receivables, inventories, property, plant & equipment, deferred tax asset 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.

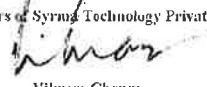
44 Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

45 Approval of Financial Statements

In connection with the preparation of the financial statements for the year ended 31 March 2020, 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 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 in its meeting held on 1 October 2020 in accordance with the provisions of Companies Act, 2013.

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

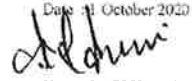
  
Sandeep Tandon  
Director  
DIN: 00054353

  
Vikram Chopra  
Director  
DIN: 00311827



Place: Mumbai  
Date: 1 October 2020

Place: Mumbai  
Date: 1 October 2020

  
Narendra K Nagori  
Company Secretary  
Place: Mumbai  
Date: 1 October 2020

