

(All amounts in INR thousand, unless otherwise stated)

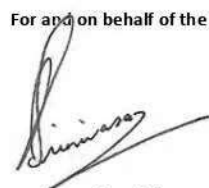
	Note	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,555	3,803
Intangible assets	3	669	1,263
Intangible assets under development	3	1,391	1,391
Right-of-use assets	4	3,632	6,278
Financial assets			
i. Investments		-	-
ii. Other financial assets	5	3,528	2,968
Other non-current assets	6	144	357
<b>Total non-current assets</b>		<b>11,919</b>	<b>16,060</b>
<b>Current assets</b>			
Financial assets			
i. Trade receivables	7	7,568	6,571
ii. Cash and cash Equivalents	8	4,100	5,473
iii. Other financial assets	5	243	132
Current tax assets (net)	9	11,065	6,127
Other current assets	10	2,239	1,146
<b>Total current assets</b>		<b>25,215</b>	<b>19,449</b>
<b>Total assets</b>		<b>37,134</b>	<b>35,508</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	100	100
<b>Other equity</b>			
Reserves and surplus	12	(185,867)	(118,849)
<b>Total equity</b>		<b>(185,767)</b>	<b>(118,749)</b>
<b>Liabilities</b>			
<b>Non current liabilities</b>			
Financial Liabilities			
Lease Liability		962	3,569
Employee benefit obligations	14	17,252	11,464
<b>Total non-current liabilities</b>		<b>18,214</b>	<b>15,033</b>
<b>Current liabilities</b>			
Financial Liabilities			
i. Borrowings	13	165,600	109,600
ii. Lease Liability		3,067	3,109
iii. Trade payables	15		
Total outstanding dues of micro enterprises and small enterprises		2,449	1,397
Total outstanding dues of creditors other than micro enterprises and small enterprises		8,469	6,169
iv. Other financial liabilities	16	19,648	13,890
Employee benefit obligations	14	659	565
Other current liabilities	17	4,795	4,494
<b>Total current liabilities</b>		<b>204,686</b>	<b>139,224</b>
<b>Total liabilities</b>		<b>222,901</b>	<b>154,257</b>
<b>Total equity and liabilities</b>		<b>37,134</b>	<b>35,508</b>

Summary of Significant accounting policies

2

The accompanying notes are an integral part of financial statements

For and on behalf of the Board



Parthasarathy Srinivasan  
Director  
DIN No.01039931




Vivek Avasthi  
Director  
DIN No.00033876

As per our report attached  
For R K Khanna and Co.  
Chartered Accountants  
FRN : 000033N

Vipin Bali  
Partner  
M. No. 083436



Place: New Delhi  
Date: 06th May 2022



Vimal Manchanda  
COO  
AAQPM2309G



Nitil Singh  
CFO  
ATGPB7133G

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**  
**CIN: U72900DL2018PLC339891**  
**Statement of Profit and Loss for the year ended March 31st, 2022**

(All amounts in INR thousand, unless otherwise stated)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Revenue</b>			
Revenue from operations	18	129,779	89,016
Other income	19	673	251
<b>Total income</b>		<b>130,452</b>	<b>89,267</b>
<b>Expenses</b>			
Purchase of Stock in Trade		13,277	5,574
(Increase)/Decrease of stock in trade	20	-	-
Project expenses	21	10,235	3,815
Finance costs	22	14,130	9,552
Employee benefits expense	23	141,177	109,170
Depreciation and amortisation expense	24	5,157	4,576
Other expenses	25	13,050	8,848
<b>Total expenses</b>		<b>197,026</b>	<b>141,536</b>
<b>Profit / (loss) before tax</b>		<b>(66,574)</b>	<b>(52,269)</b>
<b>Tax expenses</b>			
-Current tax		-	-
-Deferred tax expense/ (credit)		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Profit / (loss) for the period</b>		<b>(66,574)</b>	<b>(52,269)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Gain/(Loss) on Remeasurements of post-employment benefit obligations		(445)	12
Deferred tax on remeasurements of post-employment benefit obligations		-	-
<b>Other comprehensive income for the period, net of tax</b>		<b>(445)</b>	<b>12</b>
<b>Total comprehensive income for the period</b>		<b>(67,019)</b>	<b>(52,258)</b>
<b>Earnings / (loss) per share:</b>	27		
Nominal value per share: INR 10			
Basic (in INR)		(6,657)	(5,227)

**Summary of significant accounting policies**

2

The accompanying notes are an integral part of financial statements

For and on behalf of the Board



**Parthasarathy Srinivasan**  
**Director**  
**DIN No.01039931**



**Vivek Avasthi**  
**Director**  
**DIN No.00033876**

As per our report attached  
For R K Khanna and Co.  
Chartered Accountants  
FRN : 000033N



**Vipin Bali**  
**Partner**  
**M.No.083436**



**Vimal Manchanda**  
**COO**  
**AAQPM2309G**



**Nitil Singh**  
**CFO**  
**ATGPB7133G**

Place: New Delhi  
Date: 06th May 2022

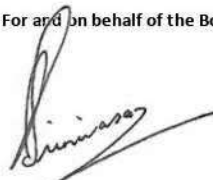
(All amounts in INR thousand, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flow from operating activities:</b>		
Net profit / (loss) before tax	(66,574)	(52,269)
<u>Adjustments for</u>		
Interest cost	14,130	9,552
Depreciation	5,157	4,576
Provision for employee benefit obligations	5,343	4,211
Provision for Doubtful Debts	61	-
Interest income	(672)	(251)
<b>Operating profit / (loss) before working capital changes</b>	<b>(42,555)</b>	<b>(34,182)</b>
<b>Change in working Capital:</b>		
Decrease / (increase) in other receivables	(1,502)	2,299
Decrease / (increase) in other financial assets	191	45
Decrease / (increase) in trade recoverable	(997)	(2,053)
Increase / (decrease) in trade payables	3,352	(3,220)
Increase / (decrease) in other payables	376	2,673
Increase / (decrease) in other current liabilities	396	1,321
<b>Cash generated from operations</b>	<b>(40,739)</b>	<b>(33,116)</b>
Less : Taxes paid	(11,065)	(6,127)
Add : Refund received	6,127	164
Add: Interest on income tax refund	370	10
<b>Net cash generated from operations</b>	<b>(45,308)</b>	<b>(39,069)</b>
<b>B. Cash flow from Investing activities:</b>		
Payments for property, plant and equipment	(175)	(3,422)
<b>Net cash used in investing activities</b>	<b>(175)</b>	<b>(3,422)</b>
<b>C. Cash flow from financing activities:</b>		
Interest paid	(8,196)	(3,621)
Finance cost on lease liability	(551)	(691)
Repayment of lease liability	(3,142)	(2,540)
Proceeds from short term borrowings from related parties	56,000	52,600
Proceeds from share allotment	-	-
<b>Net cash used in financing activities</b>	<b>44,111</b>	<b>45,748</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,372)</b>	<b>3,257</b>
<b>Net Cash and Cash equivalents at the beginning of the year</b>	<b>5,473</b>	<b>2,214</b>
<b>Cash and cash equivalents as at period closing</b>	<b>4,100</b>	<b>5,473</b>
<b>Cash and cash equivalents comprise of the following (refer note 8)</b>		
Balances with banks	4,100	5,473
<b>Cash and cash equivalents as per Balance Sheet</b>	<b>4,100</b>	<b>5,473</b>

Notes:

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- Figures in brackets indicate Cash Outflow.


For and on behalf of the Board



Parthasarathy Srinivasan  
Director  
DIN No.01039931



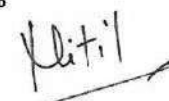
Vivek Avasthi  
Director  
DIN No.00033876



Vimal Manchanda  
COO  
AAQPM2309G

As per our report of attached  
For R K Khanna and Co.  
Chartered Accountants  
FRN : 000033N

Vipin Bali  
Partner  
M. No. 083436

Nitil Singh  
CFO  
ATGPB7133G

Place: New Delhi  
Date: 06th May 2022

As at 31st March, 2022

As at 31st March, 2021

As at 31st March, 2022

As at 31st March, 2022														
Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings								
Balance at the beginning of the current reporting period	-	-	-	-	-	(118,849)	-	-	-	-	-	-	-	(118,849)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	(118,849)	-	-	-	-	-	-	-	(118,849)
Total Comprehensive Income for the current year	-	-	-	-	-	(67,019)	-	-	-	-	-	-	-	(67,019)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	(66,574)	-	-	-	-	-	-	(66,574)
Any other change (Ind AS - OCI Movements - Net Defined Benefit Plans)	-	-	-	-	-	-	(445)	-	-	-	-	-	-	(445)
Change in fair value of equity instruments designated irrevocably as FVTOCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	-	-	-	(185,867)	-	-	-	-	-	-	(185,867)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Debit instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings							
Balance at the beginning of the current reporting period	-	-	-	-	-	(66,592)	-	-	-	-	-	-	(66,592)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	(66,592)	-	-	-	-	-	-	(66,592)
<b>Total Comprehensive Income for the current year</b>	-	-	-	-	-	<b>(52,258)</b>	-	-	-	-	-	-	<b>(52,258)</b>
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (Ind AS - OCI Movements - Net Defined Benefit Plans)	-	-	-	-	-	(52,269)	-	-	-	-	-	-	(52,269)
Change in fair value of equity instruments designated irrevocably as FVTOCI	-	-	-	-	-	12	-	-	-	-	-	-	12
<b>Balance at the end of the current reporting period</b>	-	-	-	-	-	<b>(118,849)</b>	-	-	-	-	-	-	<b>(118,849)</b>

## Summary of significant accounting policies

2

The above statement of changes in equity should be read in conjunction with the accompanying notes

For and on behalf of the Board



Parthasarathy Srinivasan  
Director  
DIN No.01039931



Vivek Avasthi  
Director  
DIN No.00033876

As per our report attached  
For R K Khanna and Co.  
Chartered Accountants  
FRN : 000033N



Vijay Bati  
Partner  
M. No. 083436



Virral Manchanda  
COO  
AAOPW2309G



Nitil Singh  
CFO  
ATOPB7133G

Place: New Delhi  
Date: 06th May 2022

**1 Corporate Information**

The Company was incorporated on October 1st, 2018 as a wholly owned subsidiary of Mothersonsumi Infotech and Designs Limited, a company incorporated in India. The address of its registered office is 2nd floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road, Delhi 110044. The company is engaged in the business of computer programming, system design, system development, computer aided designs, data compilation, statistical analysis, software applications, software packages, computer peripherals, data publishing, processing systems and other industrial automation system & gadgets for health care sector and to distribute, export, import, deal in aforesaid computer software and hardware and other related products in and outside India and offer support services, multimedia, internet, networking and all allied fields and activities in Information and Technologies and all kinds of Internet based solutions.

**2.1 Significant accounting policies****(a) Basis of preparation****Compliance with Ind AS**

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

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

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- Defined benefit pension plans – plan assets measured at fair value

The financial statements are presented in INR thousand, except when otherwise indicated.

**Statement of compliance**

Certified that there has been due compliance with all the laws, orders, regulations and other legal requirements of the central, state and other government and local authorities concerning the business affairs of the company.

**(b) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Officer “COO” of the Company. The COO is responsible for allocating resources and assessing performance of the operating segments. The Company has monthly review and forecasting procedure in place and COO reviews the operations of the

**(c) Current versus non-current classification**

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
  - Held primarily for the purpose of trading
  - Expected to be realised within twelve months after the reporting period, or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current

A liability is current when:

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

The Company classifies all other liabilities as non-current.☐

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

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

**(d) Foreign currencies****(i) Functional and presentation currency**

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

**(ii) Transactions and balances**

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

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

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

**(e) Revenue recognition**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Sale of goods:**

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

**Sale of services:**

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

**Interest Income**

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

**Duty drawback and export incentives:**

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

**(f) Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income. When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

**(g) Income tax**

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

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

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

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



**(h) Leases**

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

**As a Lessee**

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

**ii) Right-of-use assets**

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

Asset type	Years
Vehicles	1-5 Years
Building	1-3 Years

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

**ii) Lease Liabilities**

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

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

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

**iii) Short-term leases and leases of low-value assets**

The company applies the short-term lease recognition exemption to its short-term leases of vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**As a Lessor**

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

**(i) Impairment of non-financial assets**

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

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

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

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

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



**(j) Cash and cash equivalents**

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

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

**(k) Trade receivables**

Trade receivables are the amount due from customers for goods or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value plus transaction cost. Trade receivables are measured at amortized cost using effective interest method less any necessary write downs.

**(l) Inventory****Raw materials and stores, work in progress and finished goods**

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

Cost of raw material and traded goods comprise cost of purchase and is determined after rebate and discounts. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any names or losses on qualifying cash flow hedges relating to purchase of raw material but excludes borrowing costs. Costs are determined on weighted average cost basis.

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.

**(m) Financial instruments**

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

**Financial assets****Initial recognition and measurement**

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

**Subsequent measurement**

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

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

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

**Debt instrument at FVTOCI**

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

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

**Equity investments**

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

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**Derecognition**

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

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

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

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

**Notes to the financial statements for the year ended March 31st, 2022****Impairment of financial assets**

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions.
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

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

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

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

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

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

**Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated Ind AS as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings and other payables.

**Off setting of financial instruments**

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

**(n) Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

**(o) Property, Plant and equipment**

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

**Depreciation methods and useful lives**

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

Assets	Useful life
Leasehold Land	Over the period of lease or useful life, whichever is
Freehold Land	Nil
Leasehold improvements in rented premises	5 years
Building Factory	30 years
Plant & machinery	9.67 Years
Plant & machinery (Secondhand)	4 years
Plant & machinery (Racks Stands & Trolleys)	1 year
Furniture & fixtures	6 years
Electrical installations	10 Years
Office equipment	5 years
Computers	3 years
Vehicles	4 years
Technical knowhow fees	4 years
Software	3 years

\*Useful life of these assets are lower than the life prescribed under Schedule II to the Companies Act, 2013 and those has been determined based on an assessment performed by the management of expected usage of these assets. The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(p) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions costs) and the redemption amount is recognised in the profit or loss over the period of borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services or amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are reclassified as current liabilities unless the company has an unconditional right to defer settlement of a liability for at least 12 months after the reporting period.

**(q) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of the time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are the assets that necessarily take a substantial period of time to get ready for the intended use or sale.

Other borrowings costs are expensed in the period in which they are incurred

**(r) Provisions and contingent liabilities****Provisions**

Provisions for legal claims, product warranties and make good obligations are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

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

**Contingent Liabilities**

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

**(s) Employee benefits****Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**Provident Fund**

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The company recognizes contribution payable to the provident fund scheme as expenditure in the statement of profit and loss, when an employee renders the related service.

**Gratuity**

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme whereas others are not funded.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience

adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in income.

**Compensated Absences**

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

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss in the period in which they arise. Past-service costs are recognised immediately in income.

**(t) Earnings per share****(i) Basic earnings per share**

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

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

**(ii) Diluted earnings per share**

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

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

**2.2 Critical estimates and judgements**

The presentation of a financial statements require the use of accounting estimates, which by definition, will seldom equal the actual results. Management also needs to exercise judgements in applying the company's accounting policies.

This note provides an overview of all the areas that are involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have financial impact on the company and that are believed to be reasonable under the circumstances.



**2.3 Significant accounting judgements, estimates and assumptions**

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

**Judgements**

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

**Estimates and adjustments**

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

**(i) Useful life of property, plant and equipment**

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

**(ii) Defined benefit plans**

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

Further details about gratuity obligations are given in Note 14

**(iii) Taxes**

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

(All amounts in INR thousand, unless otherwise stated)

Particulars	Property, Plant and Equipment						Intangible Assets (Software)	Intangible Assets Under Development (CWIP)
	Leasehold improvements in rented premises	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Total		
<b>For the year ended 31st March 2021</b>								
Gross carrying amount						-		
Opening gross amount as at April 01, 2020	1,849	-	21	1,119	913	3,901	-	1,260
Addition	55	300	-	-	1,135	1,490	1,800	1,932
Disposal	-	-	-	-	-	-	-	(1,800)
<b>Closing gross carrying amount as at March 31, 2021</b>	<b>1,904</b>	<b>300</b>	<b>21</b>	<b>1,119</b>	<b>2,048</b>	<b>5,391</b>	<b>1,800</b>	<b>1,391</b>
Accumulated depreciation						-		
Opening accumulated depreciation as at April 01, 2020	247	-	2	170	200	619	-	-
Depreciation charge during the year	371	8	3	224	362	969	537	-
Disposals	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation as at March 31, 2021</b>	<b>619</b>	<b>8</b>	<b>6</b>	<b>394</b>	<b>561</b>	<b>1,588</b>	<b>537</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>1,286</b>	<b>292</b>	<b>15</b>	<b>725</b>	<b>1,486</b>	<b>3,803</b>	<b>1,263</b>	<b>1,391</b>
<b>For the year ended 31st March 2022</b>								
Gross carrying amount						-		
Opening gross amount as at April 01, 2021	1,904	300	21	1,119	2,048	5,391	1,800	1,391
Addition				32	143	175		
Disposal						-	-	
<b>Closing gross carrying amount as at March 31, 2022</b>	<b>1,904</b>	<b>300</b>	<b>21</b>	<b>1,151</b>	<b>2,191</b>	<b>5,566</b>	<b>1,800</b>	<b>1,391</b>
Accumulated depreciation								
Opening accumulated depreciation as at April 01, 2021	619	8	6	394	561	1,588	537	-
Depreciation charge during the year	381	99	3	225	716	1,424	594	-
Disposals	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation as at March 31, 2022</b>	<b>999</b>	<b>107</b>	<b>9</b>	<b>619</b>	<b>1,277</b>	<b>3,012</b>	<b>1,131</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>905</b>	<b>193</b>	<b>11</b>	<b>532</b>	<b>914</b>	<b>2,555</b>	<b>669</b>	<b>1,391</b>

SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED

CIN: U72900DL2018PLC339891

Notes to the financial statements for the year ended March 31st, 2022

(All amounts in INR thousand, unless otherwise stated)

Intangible assets under development ageing schedule:

As at March 31, 2022	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended *	-	1,391	-	-	1,391
<b>Total</b>	-	<b>1,391</b>	-	-	<b>1,391</b>

As at March 31, 2021	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,391	-	-	-	1,391
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,391</b>	-	-	-	<b>1,391</b>

**\*Note :** Intangible assets under development relates to 2 project application developments namely 1. VR Cure which relates to Telemedicines 2. A Contact Tracing application. Though these developments are currently not on the active product portfolio, the Company intends to utilise the learning and its related development in other similar potential business applications.



**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**

CIN: U72900DL2018PLC339891

Notes to the financial statements for the year ended March 31st, 2022

(All amounts in INR thousand, unless otherwise stated)

**4. Right-of-use assets**

For the year ended March 31, 2022

Particulars	Vehicles	Buildings	Total
<b>Gross carrying amount</b>			
Opening gross carrying amount as at April 01, 2021	4,258	5,990	10,248
Addition	493	-	493
Disposal			-
<b>Closing gross carrying amount as at March 31, 2022</b>	<b>4,751</b>	<b>5,990</b>	<b>10,741</b>
<b>Accumulated depreciation</b>			
Opening accumulated amortisation as at April 01, 2021	1,792	2,178	3,970
Depreciation charged during the year	961	2,178	3,139
Disposal			-
<b>Closing accumulated ammortisation as at March 31, 2022</b>	<b>2,753</b>	<b>4,356</b>	<b>7,109</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>1,998</b>	<b>1,634</b>	<b>3,632</b>

For the year ended March 31st, 2021

Particulars	Vehicles	Buildings	Total
<b>Gross carrying amount</b>			
Opening gross carrying amount as at April 01, 2020	3,137	-	3,137
Addition	1,122	5,990	7,111
Disposal			-
<b>Closing gross carrying amount as at March 31, 2021</b>	<b>4,258</b>	<b>5,990</b>	<b>10,248</b>
<b>Accumulated depreciation</b>			
Opening accumulated amortisation as at April 01, 2020	899	-	899
Depreciation charged during the year	893	2,178	3,071
Disposal			-
<b>Closing accumulated ammortisation as at March 31, 2021</b>	<b>1,792</b>	<b>2,178</b>	<b>3,970</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>2,466</b>	<b>3,812</b>	<b>6,278</b>

**5. Other financial assets**

(Unsecured, considered good)

Security deposits

**Others :**

Advances to insurance companies

Advances to vendors

Advances to employees

**Total**

March 31, 2022		March 31, 2021	
Current	Non-current	Current	Non-current
-	3,528	-	2,968
113	-	20	-
6	-	-	-
125	-	112	-
<b>243</b>	<b>3,528</b>	<b>132</b>	<b>2,968</b>

**6. Other non-current assets**

(Unsecured, considered good, unless otherwise stated)

Prepaid expenses

Less: Disclosed under current prepaid expenses (Refer Note 10)

**Total**

March 31, 2022	March 31, 2021
448	656
(304)	(299)
<b>144</b>	<b>357</b>

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**

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Notes to the financial statements for the year ended March 31st, 2022

(All amounts in INR thousand, unless otherwise stated)

**7. Trade receivables**

	March 31, 2022	March 31, 2021
Receivable from related parties	297	918
Receivable from others	7,333	5,653
<b>Total</b>	<b>7,630</b>	<b>6,571</b>

**Break up for security details**

Secured, considered good	-	-
Unsecured, considered good	7,568	6,571
Trade receivable which have significant increase in credit risk	61	-
Trade receivable - credit Impaired	-	-

**Impairment Allowance**

Unsecured, considered good	-	-
Trade receivable which have significant increase in credit risk	61	-
Trade receivable - Credit impaired	-	-

<b>Total trade receivables</b>	<b>7,568</b>	<b>6,571</b>
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**Trade Receivables Ageing Schedule**

As at March 31, 2022

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 month	6 month - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable- Considered Goods	7,568	-	-	-	-	7,568
Undisputed trade receivable- Which have significant increase in credit risk	-	-	-	61	-	61
Undisputed trade receivable- Credit Impaired	-	-	-	-	-	-
Disputed trade receivable- Considered Goods	-	-	-	-	-	-
Disputed trade receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable- Credit Impaired	-	-	-	-	-	-

As at March 31, 2021

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 month	6 month - 1year	1-2 years	2-3 Year	More than 3 Years	
Undisputed trade receivable- Considered good	5,658	510	403	-	-	6,571
Undisputed trade receivable- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivable- Credit impaired	-	-	-	-	-	-
Disputed trade receivable- Considered good	-	-	-	-	-	-
Disputed trade receivable- Which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable- Credit impaired	-	-	-	-	-	-

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**

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Notes to the financial statements for the year ended March 31st, 2022

(All amounts in INR thousand, unless otherwise stated)

**8. Cash and cash equivalents**

	March 31, 2022	March 31, 2021
Balances with banks:		
- in current accounts	4,100	5,473
- Deposits with original maturity of less than three months	-	-
Cash on hand	-	-
<b>Total</b>	<b>4,100</b>	<b>5,473</b>

**9. Current tax assets (net)**

	March 31, 2022	March 31, 2021
Opening balance	6,127	164
Taxes paid	11,065	6,127
Less: Refund received	(6,127)	(164)
	<b>11,065</b>	<b>6,127</b>

**10. Other current assets**

(unsecured, considered good, unless otherwise stated)

	March 31, 2022	March 31, 2021
Prepaid expenses	304	299
Prepaid insurance	295	129
Balances with government authorities	1,641	718
<b>Total</b>	<b>2,239</b>	<b>1,146</b>

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**
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**Notes to the financial statements for the year ended March 31st, 2022**

(All amounts in INR thousand, unless otherwise stated)

**11. Share Capital**

	March 31, 2022	March 31, 2021
<b>Authorised:</b>		
30,00,000 Equity shares of INR 10 each (FY2020-21: 50,000 Equity shares of INR 10 each)	30,000	500
<b>Issued, Subscribed and Paid up:</b>		
10,000 Equity shares of INR 10 each, fully paid-up	100	100
<b>Total</b>	<b>100</b>	<b>100</b>

**A. Movement in equity share capital**

	Numbers	Amount
<b>As at April 2021</b>	10,000	100
Changes in Equity Share Capital due to prior period errors	-	-
Add: Issued during the period	-	-
<b>As at March 2022</b>	<b>10,000</b>	<b>100</b>

**B. Rights, preferences and restrictions attached to shares**
**Equity Shares:**

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.**

	March 31, 2022	
	Nos.	%
<b>Equity shares:</b>		
MotherSumi Infotech and Design Limited *	10,000	100%
<b>Total</b>	<b>10,000</b>	<b>100%</b>

\*Includes 6 shares held by nominee shareholders

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

**D. Details of shares held by the promoters**
**As at March 31, 2022**

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares
Equity shares of Rs. 10 each fully paid up	MotherSumi Infotech and Design Limited *	10,000	-	10,000	100.00%
<b>Total</b>		<b>10,000</b>	<b>-</b>	<b>10,000</b>	

\*Includes 6 shares held by nominee shareholders

**As at March 31, 2021**

S.No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares
Equity shares of Rs. 10 each fully paid up	MotherSumi Infotech and Design Limited *	10,000	-	10,000	100.00%
<b>Total</b>		<b>10,000</b>	<b>-</b>	<b>10,000</b>	

\*Includes 6 shares held by nominee shareholders

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**

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Notes to the financial statements for the year ended March 31st, 2022

(All amounts in INR thousand, unless otherwise stated)

**12. Reserves and surplus**

	March 31, 2022	March 31, 2021
Retained earnings	(185,867)	(118,849)
<b>Total reserves and surplus</b>	<b>(185,867)</b>	<b>(118,849)</b>

**Retained earnings**

	March 31, 2022	March 31, 2021
<b>Opening Balance</b>	(118,849)	(66,592)
Profit / (loss) for the year	(66,574)	(52,269)
Remeasurements of post-employment benefit obligations, net of tax	(445)	12
<b>Closing balance</b>	<b>(185,867)</b>	<b>(118,849)</b>

## 13. Borrowings

## Unsecured

Loan from holding company (Mothersonsumi Infotech &amp; Design Limited)

Indian rupee loan\*

March 31, 2022		March 31, 2021	
Current	Non-current	Current	Non-current
165,600	-	109,600	-
<b>165,600</b>	<b>-</b>	<b>109,600</b>	<b>-</b>

\* Loan from MothersonSumi Infotech and Design Limited will mature on following dates:

(i) INR 75,000 thousand will mature on 31st March 2024 and lender reserves the right to call back on demand, interest rate reduced from 11% p.a to 10% p.a. with effect from 1st July 2020.

(ii) INR 34,600 thousand will mature on 31st March 2024 and lender reserves the right to call back on demand.

(iii) INR 56,000 thousand will mature on 31st March 2025 and lender reserves the right to call back on demand.



**14. Employee benefit obligations**

	March 31, 2022		March 31, 2021	
	Current	Non-current	Current	Non-current
Gratuity	216	11,533	130	7,683
Compensated absences	257	5,719	185	3,781
Compensated absences (Casual Leave)	186	-	250	-
<b>Total</b>	<b>659</b>	<b>17,252</b>	<b>565</b>	<b>11,464</b>

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

**A. Defined Benefit Schemes****Gratuity**

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

However for, purposes of disclosure, relevant information as per the actuarial certificate is given below

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

**(i) Present Value of Defined Benefit Obligation****Obligations at year beginning**

Service Cost - Current

Interest expense

**Amount recognised in profit or loss**

**Remeasurements**

Experience (gains)/losses

Change in asset ceiling, excluding amounts included in interest expense

**Amount recognised in other comprehensive income**

Addition due to transfer of employee

**Obligations at year end**

For the year ended March 31, 2022	For the year ended March 31, 2021
7,813	5,842
2,024	1,644
533	397
<b>2,557</b>	<b>2,041</b>
445	(12)
-	-
<b>445</b>	<b>(12)</b>
934	(58)
<b>11,749</b>	<b>7,813</b>

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

Present value of the defined benefit obligations

**Amount recognized as Liability**

For the year ended March 31, 2022	For the year ended March 31, 2021
11,749	7,813

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

Service Cost - Current

Interest Cost

Expected return on plan assets

Actuarial (gain) / loss

Net defined benefit obligations cost

**(iv) Actuarial assumptions:**

Discount Rate per annum

Future salary increases

For the year ended March 31, 2022	For the year ended March 31, 2021
2,024	1,644
533	397
-	-
445	(12)
<b>3,002</b>	<b>2,029</b>
March 31, 2022	March 31, 2021
7.18%	6.82%
8.00%	8.00%

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

**(v) Sensitivity Analysis**

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

	Change in Assumption		Impact	Increase in Assumption	
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021
Discount Rate per annum	0.50%	0.50%	Decrease by	654	452
Future salary increases	0.50%	0.50%	Increase by	646	445

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

**(vi) Risk exposure**

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

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

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

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

Weighted average duration of the defined benefit obligation is 14.25 years

Expected benefit payments

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years
March 31, 2022 Defined benefit obligation (gratuity)	216	224	805	10,503
March 31, 2021 Defined benefit obligation (gratuity)	130	151	468	7,064

**B. Defined Contribution Schemes**

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund.

Amount recognised in the Statement of Profit & Loss  
Provident fund paid to the authorities

**March 31, 2022**  
5,854

**March 31, 2021**  
4,403

(All amounts in INR thousand, unless otherwise stated)

15. Trade payables

	March 31, 2022	March 31, 2021
Total outstanding dues of micro enterprises and small enterprises		
-Related parties	1,607	909
-Others	842	488
Total outstanding dues of creditors other than micro enterprises and small enterprises		
-Related parties	8,057	5,574
-Others	412	595
<b>Total</b>	<b>10,918</b>	<b>7,566</b>

Trade Payable Ageing Schedule

As at March 31, 2022

Trade Payable Ageing Schedule	Outstanding for following period from due date of payments				Total
	Less Than 1 Year	1-2 Year	2-3 Years	More Than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	2,449	-	-	-	2,449
Total outstanding dues of creditors other than micro enterprises and small enterprises	8,431	39	-	-	8,469
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>					<b>10,918</b>

As at March 31, 2021

Trade Payable Ageing Schedule	Outstanding for following period from due date of payments				Total
	Less Than 1 Year	1-2 Year	2-3 Years	More Than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	1,397	-	-	-	1,397
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,169	-	-	-	6,169
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
<b>Total</b>					<b>7,566</b>

16. Other financial liabilities

	March 31, 2022	March 31, 2021
Interest accrued and due on borrowings	12,221	8,196
Recovery Against Vehicle Loan from employees	2,424	1,958
Employee benefits payable	5,003	3,736
<b>Total</b>	<b>19,648</b>	<b>13,890</b>

17. Other current liabilities

	March 31, 2022	March 31, 2021
Statutory dues	4,471	4,381
Advances received from customers	39	-
Other payables	285	113
<b>Total</b>	<b>4,795</b>	<b>4,494</b>

(All amounts in INR thousand, unless otherwise stated)

18. Revenue from operations	For the year ended March 31, 2022	For the year ended March 31, 2021
Sales of products		
Traded goods	17,215	7,606
Total Gross Sales	17,215	7,606
Other operating revenue:		
Income from projects	112,564	81,411
	112,564	81,411
Total	129,779	89,016
19. Other income	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on income tax refund	370	10
Financial assets at amortised cost	303	241
Total	673	251
20. (Increase)/Decrease of stock in trade	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock of traded goods	-	-
Less: Closing stock of traded goods	-	-
Total	-	-
21. Project Expenses	For the year ended March 31, 2022	For the year ended March 31, 2021
Server expenses with support and maintenance	-	2,031
Industrial PCs and accessories	-	144
Implementation cost		
Travelling	4,906	935
Consultancy Charges	4,189	486
Project Softwares/Licenses	1,140	-
Testing Expenses	-	219
Total	10,235	3,815
22. Finance costs	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on loan from holding company	13,579	8,861
Finance cost on lease liability	551	691
Total	14,130	9,552
23. Employee benefits expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Salary, wages & bonus	129,545	99,748
Contribution to Provident Fund	5,854	4,403
Contribution to ESI	20	5
Gratuity	2,557	2,041
Leave encashment	2,029	2,577
Staff welfare expenses	192	142
Staff insurance	980	254
Total	141,177	109,170

(All amounts in INR thousand, unless otherwise stated)

**24. Depreciation and amortisation expense**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	2,018	1,506
Depreciation on right-of-use assets	3,139	3,071
<b>Total</b>	<b>5,157</b>	<b>4,576</b>

**25. Other expenses**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Design and Development expenses	-	388
Electricity Expenses	189	142
Repairs and maintenance:		
- Vehicles	-	105
- Building	2	55
Lease rent considered low value (office rent)		
- Laptops	422	297
- Building	113	169
Amortisation of prepaid rent on lease liability:		
- Vehicles	214	220
- Building	94	94
Rates & taxes	920	385
Exchange Fluctuation Realised (Gain)/Loss	-	2
Business promotion		
Sponsorship	-	-
Others	428	126
Printing and stationery	67	12
Donation	12	12
Travelling and conveyance	1,700	695
Provision for doubtful debts	61	-
Postage and Courier	107	18
Audit Fee (Refer note (a) below)	118	145
Legal & professional expenses	5,846	4,903
Insurance premium	111	114
Recruitment Expenses	444	164
Office expenses	642	560
Computer and IT expenses	1,548	200
Bank Charges	1	7
Miscellaneous expenses	11	35
<b>Total</b>	<b>13,050</b>	<b>8,848</b>

**(a): Audit Fee**

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>As Auditor:</b>		
Audit fees	118	145
<b>Total</b>	<b>118</b>	<b>145</b>

## 26. Income tax expenses

Tax disclosures for the period ended March 31, 2022 under Ind AS 12

### Deferred tax assets/ (liabilities) (net)

The company has carried out a computation of deferred tax assets/ (liabilities); details are given below:

As on 31st March, 2022	Opening Balance as on March 31, 2021	Charged to P&L	Charged to OCI	For the year ended March 31, 2022
<b>Deferred Tax Assets</b>				
Provision for Debtors	-	16	-	16
Employee Benefits/ Pension	3,532	1,192	(116)	4,608
Property, plant & Equipment	97	157	-	254
Right of use Liabilities	2,004	(957)	-	1,048
Security deposits	88	(79)	-	9
Preliminary expenses	6	(3)	-	3
Carried forward business losses	27,659	15,620	-	43,280
Unabsorbed depreciation	721	368	-	1,089
<b>Total (A)</b>	<b>34,107</b>	<b>16,315</b>	<b>(116)</b>	<b>50,306</b>
<b>Deferred Tax Liabilities</b>				
Right of use Assets	1,760	(816)	-	944
Prepaid expenses	197	(80)	-	117
<b>Total (B)</b>	<b>1,957</b>	<b>(896)</b>	<b>-</b>	<b>1,061</b>
<b>Net deferred tax assets (Total (A)-(B))</b>	<b>32,150</b>	<b>17,211</b>	<b>(116)</b>	<b>49,245</b>
<b>Less: Unrecognised deferred tax assets</b>	<b>(32,150)</b>	<b>(17,211)</b>	<b>116</b>	<b>(49,245)</b>
<b>Deferred tax assets recognised*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The company has not recognized above deferred tax assets in the absence of virtual certainty of realisation of sufficient future taxable profits to realise the same.

As on 31st March, 2021	Opening Balance as on March 31, 2020	Charged to P&L	Charged to OCI	For the year ended March 31, 2021
<b>Deferred Tax Assets</b>				
Provision for Debtors	-	-	-	-
Employee Benefits/ Pension	2,331	1,198	3	3,532
Property, plant & Equipment	139	(42)	-	97
Right of use Liabilities	2,693	(689)	-	2,004
Security deposits	15	72	-	88
Preliminary expenses	9	(3)	-	6
Carried forward business losses	15,338	12,322	-	27,659
Unabsorbed depreciation	469	252	-	721
<b>Total (A)</b>	<b>20,994</b>	<b>13,110</b>	<b>3</b>	<b>34,107</b>
<b>Deferred Tax Liabilities</b>				
Right of use Assets	2,559	(798)	-	1,760
Prepaid expenses	130	67	-	197
<b>Total (B)</b>	<b>2,689</b>	<b>(732)</b>	<b>-</b>	<b>1,957</b>
<b>Net deferred tax assets (Total (A)-(B))</b>	<b>18,306</b>	<b>13,842</b>	<b>3</b>	<b>32,150</b>
<b>Less: Unrecognised deferred tax assets</b>	<b>(18,306)</b>	<b>(13,842)</b>	<b>(3)</b>	<b>(32,150)</b>
<b>Deferred tax assets recognised*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The company has not recognized above deferred tax assets in the absence of virtual certainty of realisation of sufficient future taxable profits to realise the same.

### Income tax expense recognized in the profit and loss

#### In respect of current period\*

### Reconciliation of tax expense with the effective tax

#### Profit/(loss) before tax

#### Income tax rate of 26%\*

#### Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:

##### Non deductible expenses

##### Disallowed expenses and incomes

##### Unabsorbed depreciation & current year loss

#### Income tax expense

\*Income tax expense recognized in the Profit and Loss statement is Nil as the company does not have taxable income.

	For the year ended March 31, 2022	For the year ended March 31, 2021
Income tax expense recognized in the profit and loss	-	-
In respect of current period*	-	-
Reconciliation of tax expense with the effective tax		
Profit/(loss) before tax	(66,574)	(52,269)
Income tax rate of 26%*	(17,309)	(13,590)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non deductible expenses	99	-
Disallowed expenses and incomes	1,223	1,265
Unabsorbed depreciation & current year loss	15,988	12,325
Income tax expense	<b>17,309</b>	<b>13,590</b>

## 27. Earnings per share

	March 31, 2022	March 31, 2021
Basic		
Net profit / (loss) after tax available for equity Shareholders	(66,574)	(52,269)
Weighted average number of equity shares used to compute basic earnings per share *	10,000	10,000
Basic earnings / (loss) per share (INR)	(6,657)	(5,227)

\* The Company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.



## 28. Fair value measurements

## Financial instruments by category

	March 31, 2022			March 31, 2021		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial assets</b>						
Trade receivables*	-	-	7,568	-	-	6,571
Cash and cash equivalents*	-	-	4,100	-	-	5,473
Other financial assets*	-	-	243	-	-	132
<b>Total financial assets</b>	-	-	<b>11,911</b>	-	-	<b>12,175</b>
<b>Financial liabilities</b>						
Borrowings*	-	-	165,600	-	-	109,600
Trade payables*	-	-	10,918	-	-	7,566
Lease Liability (Current)*	-	-	3,067	-	-	3,109
Other financial liabilities*	-	-	19,648	-	-	13,890
<b>Total financial liabilities</b>	-	-	<b>199,233</b>	-	-	<b>134,164</b>

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

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

	March 31, 2022		March 31, 2021	
	Carrying	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Other financial assets*	3,528	3,528	2,968	2,968
	<b>3,528</b>	<b>3,528</b>	<b>2,968</b>	<b>2,968</b>
<b>Financial liabilities</b>				
Borrowings *	962	962	3,569	3,569
	<b>962</b>	<b>962</b>	<b>3,569</b>	<b>3,569</b>

\*The fair value of non-current financial instruments carried at amortized cost is substantially same as carrying amount.

## ii. Valuation technique used to determine fair value

The fair value of remaining financial instrument is determined using discounted cash flow analysis

**29. Financial risk management**

The Company, is an active provider of software consultancy and application solutions to the Pharma industry and exposes its business and products to various market risks and liquidity risks. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management processes consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. The notes below explain the sources of risks to which the Company is exposed to and how it manages the risks:

**Market risk:****A Foreign currency risk:**

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

There are no derivative instruments and unhedged foreign currency exposures.

**B Liquidity risk:**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

**(i) Maturities of financial liabilities**

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

Year ended March 31, 2022	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	165,600	962	-	166,562
Trade payables	10,918	-	-	10,918
Lease Liability (Current)	3,067	-	-	
Other financial liabilities	17,225	2,424	-	19,648
<b>Total non-derivative liabilities</b>	<b>196,810</b>	<b>3,385</b>	<b>-</b>	<b>197,128</b>
Year ended March 31, 2021	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	109,600	3,569	-	113,169
Trade payables	7,566	-	-	7,566
Other financial liabilities	11,932	5,067	-	16,999
<b>Total non-derivative liabilities</b>	<b>129,099</b>	<b>8,636</b>	<b>-</b>	<b>137,733</b>

**30. Capital management****(a) Risk management**

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

The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as

	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Net Debt	161,500	104,127
EBITDA	(47,287)	(38,141)
<b>Net Debt to EBITDA</b>	<b>(3.42)</b>	<b>(2.73)</b>

**31. Contingent Liabilities**

There are no contingent liabilities as at March 31, 2022.

**32. Capital and Other Commitments**

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

	March 31, 2022	March 31, 2021
<b>Property, plant and equipment</b>		
Estimated value of contracts in capital account remaining to be executed	-	143
<b>Total</b>	<b>-</b>	<b>143</b>

### **33. Related Party Disclosures**

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

**i) Holding Company**

Samvardhana Motherson International Limited (Ultimate Holding Company) (till January 20, 2022)

Motherson Sumi Systems Limited (Ultimate Holding Company) (effective from January 21, 2022)

Mothersonsumi Infotech & Designs Limited (Holding Company)

**ii) Subsidiaries, fellow subsidiaries:**

Motherson Auto Solutions Limited

Mothersonsumi Infotech and Designs Limited

Motherson Consultancies Service Limited

Motherson Techno Tools Limited

Samvardhana Motherson Innovative Solutions Limited

Samvardhana Motherson Auto Component Private Limited

Motherson Invenzen Xlab Private Limited

Samvardhana Motherson Global Carriers Limited

Motherson Air Travel Agencies Limited

**Effective from January 21, 2022**

SMR Automotive Systems India Limited

SMRC Automotive Products Limited

**iii) Joint Ventures:**

Anest Iwata Motherson Private Limited

Fritzmeier Motherson Cabin Engineering Private Limited

Nissin Advanced Coating Indo Co. Private Limited

Marelli Motherson Automotive Lighting India Private Limited

CTM India Limited

Marelli Motherson Auto Suspension Parts Private Limited

Motherson Bergstrom HVAC Solutions Private Limited

Youngshin Motherson Auto Tech Limited

Frigel Intelligent Cooling Systems India Private Limited

Motherson Techno Tools Limited

Samvardhana Motherson Hamakyorex Engineered Logistics Limited (SAMRX)

**Effective from January 21, 2022**

Calsonic Kansei Motherson Auto Products Pvt. Ltd.

**(vi) Other related parties:**

Motherson Auto Limited

Spirited Auto Cars (I) Limited

Motherson Lease Solution Limited

Systematic Conscom Limited

Edcol Global Pte. Limited

Prime Auto Cars Limited (formerly SMG Insurance Broker Services Limited)

Spirited Motor Vehicles Limited

**(v) Key Management Personnel:**

Mr. Vivek Avasthi (Director)

Mr. Rakesh Khurana (Director)

Mr. Parthasarathy Srinivasan (Director)

**Relatives of Key Management Personnel:**

Mrs. Premlata Khurana (Close member of family of Mr. Rakesh Khurana)  
Mrs. Vrinda Khurana (Close member of family of Mr. Rakesh Khurana)  
Mr. Pranav Khurana (Close member of family of Mr. Rakesh Khurana)  
Mr. Udyan Khurana (Close member of family of Mr. Rakesh Khurana)  
Mrs. Neeta Narang (Close member of family of Mr. Rakesh Khurana)  
Mrs. Geeta Singh (Close member of family of Mr. Rakesh Khurana)  
Mrs. Shashi Sachdeva (Close member of family of Mr. Rakesh Khurana)  
Mrs. Premlata Khurana (Close member of family of Mr. Rakesh Khurana)  
Mrs. Vrinda Khurana (Close member of family of Mr. Rakesh Khurana)  
Mr. Pranav Khurana (Close member of family of Mr. Rakesh Khurana)  
Mr. Udyan Khurana (Close member of family of Mr. Rakesh Khurana)  
Mrs. Neeta Narang (Close member of family of Mr. Rakesh Khurana)  
Mrs. Geeta Singh (Close member of family of Mr. Rakesh Khurana)  
Mrs. Shashi Sachdeva (Close member of family of Mr. Rakesh Khurana)  
Ms. Vasanthi (close member of family of P. Srinivasan)  
Mr. Parthasarathy (close member of family of P. Srinivasan)  
Mr. Arvind Srinivasan (close member of family of P. Srinivasan)  
Mr. Aditya Srinivasan (close member of family of P. Srinivasan)  
Ms. Vasantha (close member of family of P. Srinivasan)  
Ms. Ramani (close member of family of P. Srinivasan)  
Ms. Geetha (close member of family of P. Srinivasan)

**Directors of Mothersonsumi Infotech & Designs Limited (holding company):**

Mr. Laksh Vaaman Sehgal  
Mr. Arjun Puri  
Mr. Bimal Dhar  
Mr. Sanjay Kalia  
Mr. Shunichiro Nishimura  
Mr. Hideki Kobayashi  
Ms. Lata Unnikrishnan

**Relatives of directors of Mothersonsumi Infotech & Designs Limited (holding company):**

Mr. Vivek Chaand Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)  
Ms. Renu Alka Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)  
Ms. Samriddhi Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)  
Ms. Vidhi Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)  
Master Ganan Yuvaan Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)  
Master Siddh Vaasav Sehgal (Close member of family of Mr. Laksh Vaaman Sehgal)

(a) Key management personnel compensation

Short-term employee benefits  
Post-employment benefits  
Long-term employee benefits  
Total compensation

S. No.	Particulars	Holding company		Subsidiary & Fellow Subsidiary Companies		Joint ventures		Other related parties		Key Management personnel		Total	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Sale of goods	-	4,580	-	-	-	-	-	-	-	-	44,117	5,250
2	Services rendered	71,878	61,806	367	49	-	-	13,392	521	86	-	71,878	61,806
3	Purchase of goods	-	1,731	-	-	-	-	-	-	-	-	-	1,898
3	Purchase of fixed assets	143	1,135	-	1,149	-	-	201	167	-	-	345	2,284
4	Professional Expenses	4,907	2,652	400	81	-	-	-	-	-	-	2,732	2,732
5	Project expenses	340	1,159	2,087	-	-	-	1,827	-	-	-	4,255	1,159
6	IT Expenses	1,356	-	-	-	-	-	-	-	-	-	1,356	-
7	Repair & maintenance	-	-	-	42	-	-	-	-	-	-	-	42
8	Staff Welfare Expenses	-	-	-	-	-	-	-	-	-	-	-	-
9	Travelling Expenses	-	-	814	486	-	-	-	-	-	-	814	486
10	Office rent	431	-	-	-	-	-	2,133	2,528	-	-	2,564	2,528
11	Freight charges	-	-	-	-	-	-	-	-	-	-	-	-
12	Commission expenses	-	13	306	13	-	-	306	-	-	-	612	13
13	Electricity expenses	-	-	2	4	-	-	-	-	-	-	-	4
13	Electricity expenses	52	-	-	-	-	-	161	-	-	-	213	-
14	Insurance expenses	12	-	-	-	-	-	93	119	-	-	105	119
15	Vehicle Hire charges	-	-	-	-	-	-	-	-	-	-	-	-
16	Interest paid on loan	-	-	-	-	-	-	1,740	1,456	-	-	1,740	1,456
17	Loan taken during the year	13,579	8,861	-	-	-	-	-	-	-	-	13,579	8,861
18	Reimbursement received	56,000	52,600	-	-	-	-	-	-	-	-	56,000	52,600
19	Reimbursement paid	2,007	-	20	-	-	-	649	-	-	-	3,007	-
20	Security deposit given	509	9	-	-	-	-	533	328	-	-	1,042	337
		-	-	-	-	-	-	351	929	-	-	351	929

[illegible]



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

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

Particulars	March 31, 2022	March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2,449	1,397
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

(All amounts in INR thousand, unless otherwise stated)

35. Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reason of Variance for +/- 25% change
(a) Current Ratio	Current Assets	Current liabilities	0.12:1	0.14:1	12%	Not Applicable
(b) Debt Equity Ratio	Debt = LTB + STB + Ind AS Liabilities	Share holder's equity	(0.91):1	(0.98):1	7%	Not Applicable
(c) Debt Service Coverage Ratio	Earning for debt Service	Interest & lease payments	(3.13):1	(3.74):1	16%	Not Applicable
(d) Return on Equity Ratio	PAT	Share holder's equity	35.84%	44.02%	19%	Not Applicable
(e) Inventory Turnover Ratio	COGS	Average inventory	-	-	0%	Not Applicable
(f) Trade Receivable Turnover Ratio	Revenue from contract with customers	Trade Receivables	4.59:1	16.06:1	71%	Variance due to increase in sales and timely collection from debtors
(g) Trade Payable Turnover Ratio	Net purchases	Trade Payable	3.96:1	1.99:1	-99%	Variance due to increase in operating cycle
(h) Net Capital Turnover Ratio	Revenue from contract with customers	Average Working Capital	(0.22):1	(0.24):1	9%	Not Applicable
(i) Net Profit Ratio	PAT	Revenue from Operations	(51.30%)	(58.72%)	13%	Not Applicable
(j) Return on Capital Employed*	EBIT	Capital employed	-	-	0%	Not Applicable
(k) Return on Investment	Return on Investment	Investment	-	-	0%	Not Applicable

\*Note: Return on Capital Employed (ROCE) is not applicable as Earning before interest & tax (EBIT) and Capital employed both are negative, hence ROCE has no relevance.

36. Cash Loss Calculation

Particulars	March 31, 2022	March 31, 2021
Profit/(Loss) after Tax	(66,574)	(52,269)
Add: Depreciation and Amortisation Exp on PPE	2,018	1,506
Add: Depreciation and Amortisation Exp on Lease Assets	3,139	3,071
Less: Deferred Tax Expense	-	-
Cash Loss	(61,417)	(47,693)

### 37. Disclosure under Ind AS 115

The company has applied Ind AS 115 Revenue from contracts from customers with effect from April 01, 2018. The company has opted for the modified retrospective application permitted by Ind AS 115 upon adoption of the new standard. Accordingly Ind AS 115 has been applied for year ended March 31, 2018 only. However there is no impact of adoption of Ind AS 115 on the financials for the period ended March 31st 2018.

Disclosures given in relation to contracts with customers are as under:

a. There is no provision for doubtful debts

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

b. Disaggregation of revenue:

Revenue by category	March 31, 2022	March 31, 2021
<b>Revenue by major product lines</b>		
Sale of products	17,215	7,606
Income from projects	112,564	81,411
Other income	673	251
<b>Total revenue from contract with customers</b>	<b>130,453</b>	<b>89,267</b>
<b>Timing of revenue recognition</b>		
At a point in time	130,453	89,267
Over time	-	-
<b>Total revenue from contract with customers</b>	<b>130,453</b>	<b>89,267</b>

c. Revenue from contracts with customers

Particulars	March 31, 2022	March 31, 2021
Revenue recognised from amounts included in advance from	39	-

d.

Particulars	March 31, 2022	March 31, 2021
Receivables	7,568	6,571
Contract liabilities	-	-

### 38. Disclosure under Ind AS 116 Leases

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

The company also has certain leases with lease terms of 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases and are recognised as expense in Statement of Profit & Loss.

The company has lease contracts for various items of vehicles. Before the adoption of Ind AS 116, the company classified each of its leases (as lessee) at the Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 2(f) Leases for the accounting policy beginning April 01, 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the company.

**Impact Assessment of Ind AS 116****(i) Impact on the statement of financial position (increase/(decrease)) as at 31 March, 2022**

	March 31, 2022	March 31, 2021
<b>Assets</b>		
Right-of-use asset	3,632	6,278
Less: Prepayment recognised as right-of-use assets	-	-
Deferred tax assets	-	-
<b>Total</b>	<b>3,632</b>	<b>6,278</b>
<b>Liabilities</b>		
Lease liabilities	4,029	6,678
<b>Total</b>	<b>4,029</b>	<b>6,678</b>
<b>Impact on equity in earlier period</b>	<b>(400)</b>	<b>(94)</b>
<b>Net Impact on equity</b>	<b>3</b>	<b>(306)</b>

**(ii) Impact on the statement of profit or loss (increase/(decrease)) for the year ended March 2022 :**

	March 31, 2022	March 31, 2021
Lease rent	(3,693)	(3,342)
Depreciation expense	3,139	2,957
Finance Cost	551	691
Deferred tax assets	-	-
	<b>(3)</b>	<b>306</b>

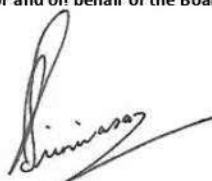
**39 Impact of COVID-19**

Due to outbreak of COVID-19 globally, the company's management has made an initial assessment of impact on business and financial risks on account of COVID-19. Considering that the Company is in the business of health care IT solutions, especially providing services to the Pharma and Hospital Industry, the management believes that the impact of this outbreak on the business and the financial position of the company will not be significant. The management does not see any risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

Further, company has assessed the impact of Covid-19 on its business operations and assessed the recoverability of fixed assets and other assets using various internal and external information upto the date of approval of these financial statements and has concluded that neither there is any material adverse impact on the business operations nor there are any material adjustments required in the financial statements. However, the Company will continue to monitor any material changes to future economic conditions.

- 40 The company is considering merger with its holding company in order to enhance the operational efficiency of the business and this was discussed at the board meeting held on 23rd March 2022.
- 41 Corresponding figures of previous year are regrouped, rearranged wherever necessary to confirm to the current year classification.

For and on behalf of the Board



Parthasarathy Srinivasan  
Director  
DIN No.01039931



Vivek Avasthi  
Director  
DIN No.00033876

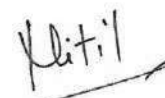
As per our report attached  
For R K Khanna and Co.  
Chartered Accountants  
FRN : 000033N



Vipin Bali  
Partner  
M. No. 083436



Vimal Manchanda  
COO  
AAQPM2309G



Nitil Singh  
CFO  
ATGPB7133G

Place: New Delhi  
Date: 06th May 2022