INDEPENDENT AUDITOR'S REPORT

To the Members of ASM Technologies Kabushiki Kaisha, Japan

Report on Audit of the Standalone Financial Statements

Opinion:

We have audited the standalone Ind AS financial statements of ASM Technologies Kabushiki Kaisha ("the Company") which comprise of balance sheet as at March 31, 2022, the statement of profit & loss, statement of changes in equity, the cashflow statement for the year then ended, and notes to Ind AS financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, loss, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern:

We draw attention to note 20 in the financial statements, which indicates that the Company incurred a net loss of Rs.3.57 million during the year ended March 31, 2022 and as at that date, the Company's liabilities exceeded its total assets by Rs.11.37 million. These events or conditions, along with other matters stated in note 20, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. We are unable to express any independent opinion on this matter.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

There were no key audit matter that need to be reported.

Other Information ["Information Other than the Financial Statements and Auditor's Report

Thereon”]

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the board report but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management’s Responsibility for Standalone Ind AS Financial Statements:

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with6 the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibilities for the Audit of the standalone Ind AS Financial Statements:

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism through the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to a foreign company which doesn't have of any place of business in India.

2. As required by Section 143(3) of the Act, we report that:

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

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

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on that date from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable to a foreign company operating outside India.

g) With respect to the other matters to be included in the Auditor's Report in accordance with requirement of Section 197 (16) of the Act, as amended:

   In our opinion the said section is not applicable to a private limited company and the Company has not paid any managerial remuneration.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company does not have any pending litigations which would impact its financial position.

   ii) The Company did not have any long-term contracts as required under the applicable law or accounting standards, and also not entered into any derivative contracts, accordingly no provision is required to be made in respect of material foreseeable losses.

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

   iv) a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

   b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

v. The provisions of section 123 of the Act is not applicable to the Company as it is incorporated outside India.

For B. K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 22215398

Place: Bangalore
Date: May 30, 2022

ASM TECHNOLOGIES KK
Balance Sheet as at March 31, 2022

(Rs. In million)

	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
	ASSETS			
	Non-current assets			
(a)	Other Non-Current assets			
	Total Non-Current assets		-	-
	Current assets			
(a)	Financial Assets			
	(i) Cash and cash equivalents	3	**2.02**	4.44
	(ii) Trade receivables	4	**3.07**	-
(b)	Other Current assets	5	**0.04**	0.04
	Total Current assets		**5.13**	**4.48**
	Total Assets		**5.13**	**4.48**
	EQUITY AND LIABILITIES			
	Equity			
(a)	Equity Share Capital	6	**0.64**	0.64
(b)	Other Equity	7	**(14.39)**	(11.40)
	Total Equity		**(13.75)**	**(10.76)**
	Liabilities			
	Non- Current Liabilities			
(a)	Financial Liabilities			
	(i) Borrowings	8(a)	**11.33**	9.51
	Total Non-Current liabilities		**11.33**	**9.51**
	Current Liabilities			
(a)	Financial Liabilities			
	(i) Trade Payables	8(b)	**3.58**	4.48
	(ii) Other current financial liabilities	8(c)	**1.35**	0.70
(b)	Other current liabilities	9	**2.62**	0.55
	Total Non-Current liabilities		**7.55**	**5.73**
	Total Liablities		**18.88**	**15.24**
	Total Equity and Liabilities		**5.13**	**4.48**

The accompanying notes are an integral part of the financial statements

In accordance with our report attached
for **B K Ramadhyani & Co. LLP**
Chartered Accountants
Firm Registration No.: 0028785/ S200021

For and on behalf of Board of Directors of
ASM TECHNOLOGIES KK

CA C R Deepak
Partner
Membership No.: 215398

Rabindra Srikantan
Director

Place: Bangalore
Date: May 30, 2022

ASM TECHNOLOGIES KK

Profit and Loss Account for the year ended March 31, 2022

(Rs. In Millions)

Particulars	Note No.	Current Year	Previous Year
Income			
Revenue from operations	10	**6.27**	4.07
Other Income	11	**0.57**	1.50
Total Revenue		**6.84**	**5.57**
Expense			
Employee Benefit expenses	12	**3.30**	3.69
Finance Cost	13	**0.75**	0.54
Other Expenses	14	**6.32**	5.66
Total Expenses		**10.37**	**9.89**
Profit/(Loss) before tax		**(3.53)**	(4.32)
Tax expenses			
(i) Current tax		**0.04**	0.05
(ii) Deferred tax		-	-
Total tax expense		**0.04**	0.05
Profit/(Loss) for the year		**(3.57)**	(4.37)
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		**(3.57)**	(4.37)
Earnings per Share	15		
Basic (Rs.)		**(357.03)**	(438.29)
Dilute (Rs.)		**(357.03)**	(438.29)

The accompanying notes are an integral part of the financial statements

In accordance with our report attached
for **B K Ramadhyani & Co. LLP**
Chartered Accountants
Firm Registration No.: 0028785/ S200021

For and on behalf of Board of Directors of
ASM TECHNOLOGIES KK

CA C R Deepak
Partner
Membership No.: 215398

Rabindra Srikantan
Director

Place: Bangalore
Date: May 30, 2022

ASM TECHNOLOGIES KK

Statement of changes in equity for the year ended March 31, 2022

A.

Equity Share Capital:	**Current reporting period**	**Previous reporting period**
Balance at the beginning of the year	**0.64**	0.64
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	**0.64**	0.64
Changes in the equity share capital during the year	-	-
Balance at the end of the year	**0.64**	**0.64**

B. Other Equity:

Particulars	**Foreign Currency Translation Reserve**	**Retained earnings**	**Total**
As at the close of the year April 1, 2021	**(0.58)**	**(10.82)**	**(11.40)**
Profit/(Loss) for the period	**0.58**	**(3.57)**	(2.99)
As at the close of the year March 31, 2022	-	**(14.39)**	**(14.39)**
As at the beginning of April 1, 2020	(0.58)	(6.45)	(7.03)
Profit/(Loss) for the period	-	(4.37)	(4.37)
As at the close of the year March 31, 2021	**(0.58)**	**(10.82)**	**(11.40)**

ASM TECHNOLOGIES KK

Cash Flow Statement for the year ended March 31, 2022

	Particulars	Current Year	Previous Year
(A)	**Cash flows from operating activities**		
	Profit / (loss) before tax	**(3.53)**	(4.32)
	Adjustment to reconcile profit before tax to net cash flows:		
	Depreciation and amortization expense	**-**	-
	Finance costs	**0.75**	0.54
	Exchange Fluctuation	**0.57**	-
	Operating profit before working capital changes	**(2.21)**	**(3.78)**
	Movements in working capital :		
	Increase/ (decrease) in trade payables	**(0.89)**	3.80
	Decrease/ (Increase) in trade Receivables	**(3.07)**	
	Increase/ (decrease) in other Current liabilities	**2.07**	1.00
	Decrease / (increase) in other non current assets	#REF!	-
	Decrease / (increase) in other current assets	-	-
	Cash generated from /(used in) operations	**#REF!**	**1.02**
	Direct taxes paid, net	**(0.04)**	(0.05)
	Net cash flow from/ (used in) operating activities (A)	**#REF!**	**0.97**
(B)	**Cash flows from investing activities**		
	Net cash flow from/ (used in) investing activities (B)	**-**	**-**
(C)	**Cash flows from financing activities**		
	Introduction of Capital	-	-
	Increase/(decrease) of Non-Current borrowings	**1.82**	2.75
	Interests paid	**(0.10)**	(0.55)
	Net cash flow from/ (used in) in financing activities (C)	**1.72**	**2.20**
(D)	Net increase/(decrease) in cash and cash equivalents (A + B + C)	#REF!	3.17
(E)	Cash and cash equivalents at the beginning of the year	**4.44**	1.27
(F)	**Cash and cash equivalents at the end of the year**	**#REF!**	**4.44**

The Company has followed indirect cashflow method as per IND AS-7

In Accordance with our Report Attached
for BK Ramadhyani & Co. LLP
Chartered Accountants
Firm Registration No.: 0028785/ S200021

For and on behalf of Board of Directors of ASM TECHNOLOGIES KK

(CA C R Deepak)
Partner
Membership No.: 215398

Rabindra Srikantan
President

Place: Bangalore
Date: May 30, 2022

ASM TECHNOLOGIES KK

Notes to Financial Statement for the year ended March 31, 2022

1 CORPORATE INFORMATION

ASM Technologies KK ("the Company), is a Company incorporated in Japan and is a wholly owned subsidiary of ASM Technologies Limited. The Company is in the business of development of software and allied services.

2.1 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. The financial statements of the Company are prepared and presented in accordance with Ind AS.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Example of such estimates include provision for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable property, plant and equipment and provision for impairment.

i) Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and 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.

a) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

b) Estimates and assumptions

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

a) *Defined benefit plans – Gratuity*

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

i) 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 purposes 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 purposes 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

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has evaluated and considered its operating cycle as One year and accordingly has reclassified its assets and liabilities into current and non-current:

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realized/ are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

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

c) Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at the cost of acquisition less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of PPE as per Ind AS 16 are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of PPE and are recognized in the statement of profit and loss when the PPE is derecognized.

d) Depreciation on PPE

Depreciation is provided on straight-line method as per the rates specified in schedule II of the Companies Act, 2013 ("the Act"). Depreciation for the assets purchased/sold during the year is proportionately charged. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for revision, and adjusted prospectively.

e) Investment Property

Investment property represents properties held for rental yields and/or for capital appreciation or both rather than for:

(a) use in the production or supply of services or for administrative purposes; or

(b) sale in the ordinary course of business.

Investment property is stated at the cost of acquisition less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of Investment Property as per Ind AS 40 are charged to the statement of profit and loss for the period during which such expenses are incurred.

f) Leases

Operating Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where the increase in lease outgoings are in line with expected general inflation to compensate the lessor's expected inflationary cost increases.

g) Employee Benefits

(i) Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund authorities. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due.

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on projected unit credit method as at the balance sheet date. Gains and losses through re-measurements of the net defined benefit obligation are recognized in other comprehensive income and are not subsequently reclassified to profit or loss. The defined benefit scheme for gratuity is currently unfunded.

(ii) Other employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave, overseas social security contributions and performance incentives.

h) Revenue recognition

ASM TECHNOLOGIES KK

Notes to Financial Statement for the year ended March 31, 2022

The Company derives revenues primarily from IT related services. Effective April 01, 2018, the Company has adopted Ind AS 115, "Revenue from Contracts with Customers". Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in for those services.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Dividend is recorded when the right to receive payment is established. Interest income is recognized on effective interest method taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

i) Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled. Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the assets will fructify.

Deferred income tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

j) Foreign currency transactions

Functional currency

The functional currency of the Company is the Indian rupee.

Transactions and translations

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss.

k) Provisions, Contingent liabilities and Contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. 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 Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A contingent asset is never recognised but only disclosed in the financial statements.

l) Segment reporting policies

Identification of segments

Operating Segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance in accordance with Ind AS 108, Operating Segments. Since CODM evaluates Company's performance at a geographic segment level, operating segment information is accordingly given at geographic level.

m) Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. However, investments in subsidiaries are carried at cost as required by Ind AS 27.

(i) Cash and cash equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) **Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

n) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

o) Impairment

i) Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Non-financial assets

Tangible and Intangible assets: PPE, intangible assets and investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

ASM TECHNOLOGIES KK

Notes to Financial Statement for the year ended March 31, 2022

3 Financial Assets

Particulars	As at March 31, 2022 Rs. In Millions	As at March 31, 2021 Rs. In Millions
Cash and Cash Equivalents		
i) Balance with Banks *		
On current accounts	**2.02**	4.44
Total	**2.02**	**4.44**

* Subject to Bank Confirmations

4 Trade Receivables

Particulars	As at March 31, 2022 Rs. In Millions	As at March 31, 2021 Rs. In Millions
Unsecured debtors	**3.07**	-
Unsecured Considered Doubtful	-	-
	3.07	**-**
Less:- Provision for doubtful debt	-	-
Total	**3.07**	-

Trade Receivable Ageing Schedule:

	March 31,2022	March 31,2021
	Others	**Others**
a) Outstanding for the following periods from due date of payment		
Less than 6 Months	**3.07**	-
6 Months - 1 Year	-	-
1 - 2 Years	-	-
2 - 3 Years	-	-
More than 3 Years	-	-
	3.07	**-**
b) Receivables from related parties		
Less than 6 Months	-	-
6 Months - 1 Year	-	-
1 - 2 Years	-	
2 - 3 Years	-	-
More than 3 Years	-	-
	-	-
Total (a+b)	**3.07**	**-**

c) There are no unbilled revenue as at the end of the year

d) There are no disputed trade receivables

ASM TECHNOLOGIES KK

Notes to Financial Statement for the year ended March 31, 2022

5 Other current assets

(Unsecured, considered good)

Particulars	As at March 31, 2022 Rs. In Millions	As at March 31, 2021 Rs. In Millions
Prepaid expenses	**0.02**	0.02
Rental Deposit	**0.02**	0.02
Total	**0.04**	**0.04**

6 Equity Share Capital

Particulars	As at March 31, 2022 Rs. In Millions	As at March 31, 2021 Rs. In Millions
Authorised		
10,000 (As at March 31, 2021: 10,000) Equity shares of JPY 100 each	**0.64**	0.64
Issued, Subscribed & Paid up		
10,000 (As at March 31, 2021: 10,000) Equity shares of JPY 100 each	**0.64**	0.64
Total issued, subscribed and fully paid-up share capital	**0.64**	**0.64**

(a) Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of JPY 100 per share.Each holder of equity is entitled to one vote per share.

(b) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	As at March 31, 2021	As at March 31, 2021
	Nos.	Nos.
At the beginning of the year	**10,000**	10,000
Add:-Issued during the year	-	-
As at the end of the year	**10,000**	**10,000**

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022	As at March 31, 2021
	Nos.	Nos.
ASM Technologies Limited	**10,000**	10,000
Percentage Held	**100%**	100%
Total	**10,000**	**10,000**

(d) change in Promoter shareholding

Particulars	As at March 31, 2022		As at March 31, 2022		% of change during the year
	Nos.	% of total Shares	Nos.	% of total Shares	
ASM Technologies Limited	**10,000**	**100%**	10,000	100%	No change during the year
Total	**10,000**		**10,000**		-

7 Other Equity

Particulars	As at March 31, 2022 Rs. In Millions	As at March 31, 2021 Rs. In Millions
Foreign Currency Translation Reserve		
Opening balance	**(0.58)**	(0.58)
Add:- Addition during year	**0.58**	-
Closing at end of year (A)	-	(0.58)
Retained Earning		
Opening Balance	**(10.82)**	(6.44)
Add:-addition during year	**(3.57)**	(4.38)
Closing at the end of the year (B)	**(14.39)**	(10.82)
Closing at end of year (A+B)	**(14.39)**	**(11.40)**

8 Financial liabilities

a) Non-Current Borrowings

Particulars	As at March 31, 2022 Rs. In Millions	As at March 31, 2021 Rs. In Millions
Borrowings from Parent Company	**11.33**	9.51
Total	**11.33**	**9.51**

Additional information:

Loan from holding company is unsecured and carries an interest at 6 % per annum. However, no repayment has been specified

b) Trade Payables

Particulars	As at March 31, 2022 Rs. In Millions	As at March 31, 2021 Rs. In Millions
Creditor for expenses	**3.58**	4.47
Total	**3.58**	**4.47**

Trade Payable Ageing Schedule:

	March 31,2022	March 31,2021
	Others	**Others**
(a) Un-billed and not due	-	-
	-	-
(b) O/s for the following periods from due date of payment		
Less than 6 Months	**0.27**	**0.85**

6 Months - 1 Year	-	-
1 - 2 Years	-	-
2 - 3 Years	-	-
More than 3 Years	-	-
	0.27	**0.85**
(c) Payables to related parties		
Less than 6 Months	**0.34**	**1.91**
6 Months - 1 Year	**2.97**	**1.71**
1 - 2 Years	-	
2 - 3 Years	-	-
More than 3 Years	-	-
	3.31	**3.62**
Total (a+b+c)	**3.58**	**4.47**

(d) There are no disputed trade payables

(c) Other current financial liabilities:

Particulars	As at March 31, 2022 Rs. In Millions	As at March 31, 2021 Rs. In Millions
Interest accrued and due	**1.35**	0.70
	1.35	**0.70**

9 Other Current Liabilities

Particulars	As at March 31, 2022 Rs. In Millions	As at March 31, 2021 Rs. In Millions
Employee Benefit Expenses liability	**0.07**	0.05
Statutory Dues CL	**0.08**	0.13
Other payables	**2.47**	0.37
Total	**2.62**	**0.55**

ASM TECHNOLOGIES KK

Notes to Financial Statement for the year ended March 31, 2022

10 Revenue from operations (Rs. In Millions)

Particulars	Current Year Rs. In Millions	Previous Year Rs. In Millions
Sale of services	**6.27**	4.07
Total	**6.27**	**4.07**

a) Contract balances

Particuars	Current Year	Previous Year
contract Assets		
-Trade Receivables	**3.07**	Nil
Contract Liabilities	Nil	Nil

b) There are no performance obligations by the company.

11 Other Income

Particulars	Current Year Rs. In Millions	Previous Year Rs. In Millions
Difference in Exchange	-	0.14
Miscellenous income	**0.57**	1.36
Total	**0.57**	**1.50**

12 Employee Benefit Expenses

Particulars	Current Year Rs. In Millions	Previous Year Rs. In Millions
Salaries and wages	**2.82**	3.21
Staff welfare expenses	**0.48**	0.48
Total	**3.30**	**3.69**

14 Finance Cost

Particulars	Current Year Rs. In Millions	Previous Year Rs. In Millions
Interest on Borrowings	**0.72**	0.54
Other Bank charges	**0.03**	-
Total	**0.75**	**0.54**

15 Other Expenses

Particulars	Current Year	Previous Year
	Rs. In Millions	**Rs. In Millions**
Travelling and conveyance expenses	-	-
Communication expenses	**0.06**	0.06
Legal and Professional fees	**3.05**	3.32
Rent expenses	**0.23**	0.24
Repair and Maintenance	**0.02**	-
Difference in Exchange	**0.80**	0.01
Advertisement and Business Promotions	**1.92**	1.98
Courier charges	**0.03**	-
Office Maintenance	**-**	-
Rates & Taxes	**-**	-
Miscellaneous expenses	**0.21**	0.05
Printing & stationary	**-**	-
Total	6.32	**5.66**

16 Earnings Per Share

Particulars	Current Year	Previous Year
Profit/(Loss) after Tax (In Millions)	**(3.57)**	(4.37)
Weighted No.of equity shares	**10,000**	10,000
Basic & Diluted EPS (Rs.)	**(357.48)**	(436.75)

ASM TECHNOLOGIES KK

Notes to Financial Statement for the year ended March 31, 2022

17 Financial ratios

a. Ratio Current Ratio
Numerator Current Assets
Denominator Current Liabilities

Ratios/ Measures	As at	
	31-Mar-22	31-Mar-21
Current Assets (A)	5	4
Current Liabilities (B)	8	6
Current Ratio (C) =(A) / (B)	**0.68**	**0.78**
%Change from previous year	**-13.09%**	

b. Ratio Debt Equity Ratio
Numerator Total Debt [represents current and non-current borrowings]
Denominator Shareholders' equity [represents total equity]

Ratios/ Measures	As at	
	31-Mar-22	31-Mar-21
Total debt (A)	11.33	9.51
Shareholder's equity (B)	-13.75	-10.76
Debt equity ratio (C) = (A) / (B)	**-0.82**	**-0.88**
%Change from previous year	**-6.80%**	

c. Ratio Debt service coverage ratio
Numerator Earnings available for debt service
Denominator Debt service

Ratios/ Measures	As at	
	31-Mar-22	31-Mar-21
Profit after tax for the year (A)	**-3.57**	**-4.37**
Add: Non cash operating expenses and finance cost		
Depreciation and Amortisation expense (B)	-	-
Finance costs (C)	0.75	203.87
Earnings available for debt services (D) = (A)+(B)+(C)	**-2.82**	**199.50**
Finance costs (E)	0.75	203.87
Repayment of non-current borrowings (F)	11.33	9.51
Payment of principal portion of lease liabilities (G)	-	-
Debt service (H) = (E) + (F) + (G)	**12.08**	**213.38**
Debt service coverage ratio (I) = (D) /(H)	**-0.23**	**0.93**
%Change from previous year	**-125.01%**	

d. Ratio Return on equity [%]
Numerator Restated loss after tax
Denominator Average Shareholder's Equity

Ratios/ Measures	As at	
	31-Mar-22	31-Mar-21
Profit after tax for the year (A)	-3.57	-4.37
Closing shareholder's equity (B)	-13.75	-10.76
Average shareholder's equity [(opening + closing) /2] (C)	-12.26	-8.58
Return on equity [%] (D) = (A)/(C) *100	**29.16%**	**50.93%**
%Change from previous year	**-42.74%**	

e. Ratio Trade receivables turnover ratio
Numerator Revenue from operations
Denominator Average trade receivables

Ratios/ Measures	As at	
	31-Mar-22	31-Mar-21
Revenue from operations (A)	6	4
Closing Trade Receivables	3	-
Average Trade Receivables [(opening + closing) /2] (B)	2	-
Trade receivables turnover ratio (C) = (A) / (B)	**4.08**	**-**
%Change from previous year	**0%**	

*Previous year trade receivables have been recovered

f. Ratio Net profit ratio [%]
Numerator Profit after tax
Denominator Revenue from operations

Ratios/ Measures	As at	
	31-Mar-22	31-Mar-21
Profit after tax for the year (A)	-3.57	-4.37
Revenue from operations (B)	6.27	4.07
Net profit [%] (C) = (A) / (B) *100	**-57%**	**-107.31%**
%Change from previous year	**-46.87%**	

* Current year operations are better than previous year

g. Ratio Return on capital employed [%]
Numerator Earning before interest and taxes
Denominator Capital Employed (Total equity, Total borrowings and Total lease liabilities)

Ratios/ Measures	As at	
	31-Mar-22	31-Mar-21
Profit after tax for the year (A)	-3.57	-4.37
Adjustments		
Add: Total tax expense (B)	-	-
Add: Finance costs (C)	0.75	0.54
Earnings before interest and tax (D) = (A) + (B) + (C)	**-2.82**	**-3.83**
Total equity (E)	-13.75	-10.76
Current and Non-current borrowing (F)	11.33	9.51
Current and Non-current lease liability (G)	-	-
Capital Employed (H) = (E) + (F) + (G)	**-2.42**	**-1.25**
Return on capital employed [%] (I) = (D) / (H) *100	**116%**	**306%**
%Change from previous year	**-61.95%**	

* The company is incurring losses

Following ratios are not applicable:

a. Inventory Turnover ratio
b. Trade Payable Turnover ratio
c. Net Capital Turnover ratio
d. Return on Investments

(This space has been intentionally left blank)

18 Related Party disclosures (Rs. In Millions)

i) Names of related parties and related party relationship

Name of entity	Relationship
ASM Technologies Limited	Holding Company
ESR Associated Inc	Fellow Subsidiary
ASM Digital Technologies Pte.Ltd *(Formerly know as Advanced Synergic Pte Limited)*	
ASM Digital Technologies Inc *(Formerly known as Pinnacle Talent Inc)*	
RV Forms and Gears LLP	
ASM Digital Engineering Private Limited	
Rabindra Srikantan	Director
Karun Malhotra	Director
Sundar Ramanathan	Key Managerial Personnel

ii) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	**Nature of Transaction**	**Current Year**	**Previous Year**
ASM Technologies Limited	Interest Paid	**0.72**	0.54
ASM Technologies Limited	Professional Charges	**0.35**	3.25

The following table provides the closing balances of related parties as at the relevant financial year-end:

Particulars	**Nature of Transaction**	**As at March 31, 2022**	**As at March 31, 2021**
ASM Technologies Limited	Capital Contribution	**0.63**	0.63
	Loan Repayable	**11.33**	9.52
	Interest on Loan Payable	**1.35**	0.70
ASM Technologies Limited - USA	Loan Repayable	-	0.37

19 Segment reporting

i) Managing Director of the company has been identified as the Chief Operations Decision Maker("CODM") as defined in Ind AS 108, Operating Segments. The company is engaged in the business of software development. The CODM reviews the performance of the Company as one entity. Accordingly, the Company has not identified any different segments. the company has not yet earned from the business of software development during the current financial year.

ii) The company operates only in Japan, hence no geographical segments has been disclosed.

iii) The company earns 100% income from 1 customer (Previous year- 100% from 1 customer)

20 The company doesn’t have any income tax expenses as it has incurred losses.

19 Approval of Financial Statements:

The financial statements were approved for the issue by the Board of Directors on May 30, 2022.

20 The Company's Net worth is completely eroded as at the end of the year. The company's liabilities exceed by Rs.11.37 million as compared to its total assets. However, the company's holding company will infuse funds as and when required. The management is of the opinion that the going concern assumption in the preperation of finanacial statements are appropriate as it is a new company incorporated in Japan and it takes substantial time to establish in that market to mobalise the business.

21 The Company’ management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets including property, plant and equipment, capital work in progress, loans and receivables. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2022, are fully recoverable. The management has also estimated the future cash flows for the Company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 pandemic may be different from that estimated as at the date of approval of these financial statements.

22 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

In Accordance with our Report Attached
for BK Ramadhyani & Co. LLP
Chartered Accountants
Firm Registration No.: 0028785/ S200021

For and on behalf of Board of Directors of ASM Technologies KK

(CA C R Deepak)
Partner
Membership No.: 215398

Rabindra Srikantan
Director

Place: Bangalore
Date: May 30, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of ASM Digital Engineering Private Limited

Report on Audit of the Standalone Financial Statements

Opinion:

We have audited the standalone Ind AS Financial Statements of ASM Digital Engineering Private Limited ("the Company") which comprise of balance sheet as at March 31, 2022, the statement of profit & loss, statement of changes in equity and the cashflow statement for the year then ended, notes to Ind AS financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, profit, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Adoption of Ind AS 115 - Revenue from Contract with Customers as described in note 2 f. and note 16 of the financial statements:	
The Company has accounted revenue as per Ind AS 115 - Revenue from Contracts with Customers. Application of Ind AS 115, including selection of transition method involves significant judgment in determining when 'control' of the goods or	As part of our audit procedures, our procedures included the following: - We have read the accounting policy for revenue recognition and assessed compliance of the policy in terms of principles enunciated under Ind AS 115.

services underlying the performance obligation is transferred to the customer and the transition method to be applied. As the revenue recognition, due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.	- We obtained and understood the revenue recognition process including determination of point of transfer of control and completion of performance obligation. - We performed test of details, on a sample basis, and examined the underlying customer contracts. - We examined the disclosures made by management in compliance with the requirements of Ind AS 115. **Conclusion:** Our procedures did not identify any material exceptions.

Other Matters:

Attention of the members is drawn to Note 31 of the financial statements regarding the impact of COVID-19 on Business, where the management has estimated the future cash flows for the Company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 Pandemic may be different from that estimated as at the date of the approval of these financial statements. Our report has not been modified in this respect

Other Information, [such as "Information Other than the Financial Statements and Auditor's Report Thereon"]:

The Company's Board of Directors is responsible for the other information. The other information comprises the board report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for Standalone Ind AS Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism through the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial

statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c) The Balance Sheet, the Statement of Profit and Loss, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on that date from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with requirement of Section 197 (16) of the Act, as amended:

   In our opinion the said section is not applicable to a private limited company and the Company has not paid any managerial remuneration.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company does not have any pending litigations as on March 31, 2022

   ii) The Company did not have any long-term contracts as required under the applicable law or accounting standards, and also not entered into any derivative contracts, accordingly no provision is required to be made in respect of material foreseeable losses.

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

iv) a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

v. The Company has not declared or paid any dividend during the year in accordance with section 123 of the Act.

From B. K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 22215398A

Place: Bangalore
Date: May 30, 2022

ANNEXURE-A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF ASM DIGITAL ENGINEERING PRIVATE LIMITED.

1. a) i. The Company has maintained proper records showing full particulars including quantitative details. However, it is in the process of updating details of location/ situation of Property, Plant & Equipment ("PPE").

   ii. The Company is in the process of updating the records showing full particulars of intangible assets with its current location.

   c) Management has informed us that it is in the process of carrying out physical verification of PPE. However, management has informed to us that it will be carried out adjustments in books and records on completion of the same.

   d) According to the information and explanation given to us by the Company, there are no immovable properties which are held in the name of its Company during the year.

   e) Based on the information and explanation given to us by the Company, it has not revalued any of its PPE or intangible assets.

   f) Based on the information and explanation given to us by the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2. a) The Company doesn't have any Inventories during the year, hence clause 3 (ii) (a) of the Order is not applicable.

   b) Based on the information and explanation furnished us by the Company, the Company has not been sanctioned working capital limits in excess of Rs. Five crores in aggregate during the year. Accordingly, provisions of the clause 3 (ii) (b) of the Order is not applicable.

3. a) The Company had granted unsecured loan to its holding company in previous year which has been repaid during the year. It has not provided guarantee or security to any entity during the year.

   b) The Company has not any investments, given guarantees or securities which are prejudicial to in the interest of the Company. Accordingly, provisions of clause 3 (iii)(b) is not applicable.

   c) In respect of loans and advances in the nature of loan no repayment was stipulated. However, the loan has been repaid during the year.

   d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

   e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

   f) The Company had granted loans and advances in the nature of loan to its holding company repayable on demand without specifying any terms of period of repayment in an earlier year which has been repaid during the year.

4. Based on the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 in respect of loans granted. However, the Company has not made any investments or provided guarantees and securities.

5. The Company has not accepted any deposits as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Act and rules framed under. Accordingly, the provisions of clause 3(v) of the said Order are not applicable.

6. To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Act as the Company is not engaged in any manufacture of the goods. Accordingly, the provisions of clause 3(vi) of the said Order are not applicable.

7. a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, Goods and Service Tax and any other statutory dues to the appropriate authorities as at March 31, 2022 concerned for a period of more than six months from the date they became payable.

   b) According to the records of the Company and according to the information and explanation given to us, there are no dues outstanding on account of any disputes in respect of income tax, service tax, customs duty or excise duty or value added tax or Goods and Service Tax as at March 31, 2022.

8. According to the information and explanation given to us, there are no transactions not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessment in the Income Tax Act, 1961.

9. a. According to the information and explanation furnished to us, the Company has not defaulted in the repayment of borrowings or in the payment of interest thereon.

   b. Based on the information and explanation furnished to us the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

   c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning or at the end of the year and accordingly, the provisions of clause 3(ix)(c) of the Order is not applicable.

   d. On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company

   e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, provision of clause 3(ix)(e) of the Order is not applicable.

10. According to the information and explanation given to us, the Company has not raised by way of initial public offer or follow-on public offer or has made any preferential allotment or private placement of shares or debentures during the year.

11. a) According to the information and explanation given to us, there are no frauds reported by the Company or any fraud on the Company by its officers or employees, has been noticed or reported during the year. Accordingly, the provisions of clause 3(xi) (a) of the said Order is not applicable.

    b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report

    c) Based on the information and explanation given to us, there are no whistle blower complaints received by the Company during the year and accordingly, provisions of the clause 3 (xi)(c) of the Order is not applicable.

12. The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the said Order are not applicable.

13. In our opinion and according to the information and explanation given to us and as represented to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

14. a) Based on the information and explanation furnished to us by the Company, it has an adequate internal audit system commensurate with the size and nature of business.

    b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15. As represented to us by the management and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the said Order are not applicable.

16. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

    b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly the provisions of the clause 3(xvi)(d) of the Order is not applicable

17. The Company has not incurred any cash loss during the year or in the immediately preceding previous year.

18. According to the information and explanation furnished to us by the Company, there is no resignation of statutory auditors during the year.

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

20. Based on the information and explanation furnished to us by the Company, it need not spent any amount on Corporate Social Responsibility as referred in section 135 of the Act.

21. The Company doesn't have any subsidiaries and the report is furnished for the stand alone financial statements. Accordingly, the provisions of clause 3(xx) of the said Order are not applicable.

From B. K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 22215398A

Place: Bangalore
Date: May 30, 2022

ANNEXURE-B REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS ASM DIGITAL ENGINEERING PRIVATE LIMITED.

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

We have audited the internal financial controls over financial reporting of ASM Digital Engineering Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditors' Responsibility:

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting:

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

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

Opinion:

In our opinion, the Company, in all material respects, has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

From B. K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 22215398A

Place: Bangalore
Date: May 30, 2022

ASM Digital Engineering Private Limited
Balance Sheet as at March 31, 2022

(Rs. In Millions)

Particulars	Note no.	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	**29.90**	30.83
(b) Intangible Assets	3	**0.72**	1.00
(c) Financial Assets	4	**3.36**	3.05
(d) Deferred tax assets (Net)	5	**6.37**	5.21
(e) Other non-current assets	6	**43.41**	17.72
Total Non-current assets		**83.76**	**57.81**
(2) Current assets			
(a) Financial Assets			
(i) Trade receivables	7 (i)	**136.61**	94.93
(ii) Cash and cash equivalents	7 (ii)	**5.50**	16.04
(iii) Loans and advances	7 (iii)	**0.17**	22.52
(iv) Others	7 (iv)	-	0.20
(b) Current tax assets (Net)			
(c) Other current assets	8	**7.76**	3.88
Total Current Assets		**150.04**	**137.57**
Total Assets		**233.80**	**195.38**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	9	**40.00**	40.00
(b) Other Equity	10	**80.95**	79.92
Total Equity		**120.95**	**119.92**
LIABILITIES			
(1) **Non-current liabilities**			
(a)Financial Liabilities			
Lease Liabilities		**20.28**	26.33
(b) Provisions	11	**8.19**	7.12
Total Non-current liabilities		**28.47**	**33.45**
(2) **Current liabilities**			
(a) Financial Liabilities			
(i)Short Term Borrowings	12	**17.90**	-
(ii) Trade payables	13		
(A) total outstanding dues of micro and small enterprises		-	-
(B) total outstanding dues of creditors other than micro and small enterprises		**44.50**	16.21
(b) Other current liabilities	14	**11.83**	16.40
(c) Provisions	15	**10.15**	9.40
Total Current liabilities		**84.38**	**42.01**
TOTAL EQUITY AND LIABILITIES		**233.80**	**195.38**
		-	-

In Accordance with our Report Attached
for B K Ramadhyani & Co. LLP
Chartered Accountants
Firm Registration No.: 0028785/ S200021

For and on behalf of Board of Directors of ASM Digital Engineering Pvt Ltd

(CA C R Deepak)
Partner
Membership No.: 215398

Rabindra Srikantan
Director
DIN: 00024584

M R Vikram
Director
DIN: 00008241

Place: Bangalore
Date: May 30, 2022

ASM Digital Engineering Private Limited
(Formerly known as Semcon India Private Limited)
Statement of Changes in Equity for the year ended March 31, 2022

(Rs. In Millions)

a. Equity Share Capital

	Current reporting period	Previous reporting period
Balance at the beginning of the year	**40.00**	40.00
Changes in equity share capital due to prior period errors	**-**	-
Restated balance at the beginning of the year	**40.00**	40.00
Changes in the equity share capital during the year	**-**	**-**
Balance at the end of the year	**40.00**	**40.00**

b. Other Equity

Particulars	Security premium reserve	Retained earnings	Other Comprehesive Income	Total
As at April 1, 2021	**15.00**	**66.18**	**(1.26)**	**79.92**
Profit/(loss) for the year	-	1.42	-	**1.42**
Dividend declared during the year	-	-	-	-
Other Comprehensive income	-	-	(0.39)	(0.39)
Net changes during the year	-	-	-	-
As at March 31, 2022	**15.00**	**67.60**	**(1.64)**	**80.95**
As at April 1, 2020	**15.00**	**59.99**	**(0.85)**	**74.14**
Profit/(loss) for the year	-	6.19	-	**6.19**
Dividend declared during the year	-	-	-	**-**
Other Comprehensive income	-	-	(0.41)	**(0.41)**
Net changes during the year	-	-	-	**-**
As at March 31, 2021	**15.00**	**66.18**	**(1.26)**	**79.92**

c. Nature and purpose of reserves:

i) General Reserve:
The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

ii) Security Premium:
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

iii) Retained Earnings:
It comprises of the accumulated profits/(loss) of the Company.

In Accordance with our Report Attached
for **B K Ramadhyani & Co. LLP**
Chartered Accountants
Firm Registration No.: 0028785/ S200021

For and on behalf of Board of Directors of ASM Digital Engineering Private Limited

(CA C R Deepak)
Partner
Membership No: 215398

Rabindra Srikantan
Director
DIN: 00024584

M R Vikram
Director
DIN: 00008241

Place: Bangalore
Date: May 30, 2022

ASM Digital Engineering Private Limited
Cash flow statement for the year ended March 31, 2022
(All amounts in Indian Rupees, except as otherwise stated)

	Notes	Current Year	Previous year
			(Rs. In Millions)
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before tax		**2.17**	12.46
Adjustment to reconcile profit before tax to net cash flows:		**-**	-
Depreciation and amortization		**13.64**	12.04
(Profit)/ loss on sale of Property, Plant & Equipment & IP		**-**	-
Finance costs		**4.74**	3.11
Actuarial gain on gratuity and leave encashment reclassified as per Ind AS		**(0.52)**	(0.54)
Interest income		**(0.88)**	-
Provision for doubtful debts		**-**	-
Provision for doubtful Advances		**-**	-
Operating profit before working capital changes		**19.16**	27.07
Movements in working capital :		**-**	-
Increase/ (decrease) in trade payables		**28.28**	3.46
Increase/ (decrease) in borrowings		**17.90**	-
Increase/ (decrease) in other liabilities		**(4.56)**	8.11
Decrease / (increase) in trade receivables		**(41.68)**	(43.41)
Decrease/(Increase) in loans and advances		**22.35**	(21.74)
Decrease / (increase) in other financial assets		**0.20**	34.11
Increase / (decrease) in provisions		**(4.24)**	(3.55)
Decrease / (increase) in other non current assets		**(26.00)**	7.08
Decrease / (increase) in other current assets		**(3.88)**	3.86
Cash generated from /(used in) operations		**7.53**	14.98
Direct taxes paid (net of refund)		**(1.78)**	(7.17)
Net cash flow from/(used in) operating activities (A)		**5.76**	7.81
B. CASH FLOWS FROM INVESTING ACTIVITIES		**-**	-
Purchase of property, plant and equipment and intangible assets		**12.44**	(3.01)
Purchase of current investments		**-**	-
Proceeds from sale of current investments		**-**	-
(Increase)/decrease in other bank balances		**-**	-
Interest received		**0.88**	-
Dividends received		**-**	-
Proceeds from sale of property, plant and equipment		**-**	-
Net cash flow (used in)/from investing activities (B)		**(11.55)**	**(3.01)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		**-**	-
Interests paid during the year		**(4.74)**	(3.11)
		-	-
Net cash flow from financing activities (C)		**(4.74)**	**(3.11)**
		-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)		**(10.54)**	1.69
Cash and cash equivalents at beginning of the year		**16.04**	14.34
Cash and cash equivalents at the end of the year		**5.50**	**16.04**
Components of cash and cash equivalents	13	**-**	-
Balances with banks:		**-**	-
- on current accounts		**5.50**	16.04
Total		**5.50**	16.04
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

In Accordance with our Report Attached
for BK Ramadhyani & Co. LLP
Chartered Accountants
Firm Registration No.: 0028785/ S200021

(CA C R Deepak)
Partner
Membership No.: 215398

For and on behalf of Board of Directors of ASM Digital Engineering Pvt Ltd

Rabindra Srikantan	**M R Vikram**
Director	**Director**
DIN: 00024584	**DIN: 00008241**

Place: Bangalore
Date: May 30, 2022

1 BACKGROUND:

ASM Digital Engineering Private Limited ("the Company") is a private limited company formerly known as Semcon India Private Limited incorporated under the provisions of the Companies Act, 2013 ("the Act") on March 17, 2006 and is domiciled in India. During the year 2020 - 21 ASM Technologies Limited has acquired the shares of the Company

The principle activities of the Company includes designing, customization, engineering, developing, prototyping of spares, processes, ideas including inception of projects and products, solutions, software, hardware used in the aeronautic, automotive, electronics, life sciences, packaging, industrial and aviation industry and industries engaged in manufacturing and processing of goods and services of every kind and description and to carry on the business of prototypes of model and show-cars, rapid prototyping and tools and prototypes and IT enabled services.

The financial statements of the Company has been approved by its Board of Diretors in its Board meeting held on May 30, 2022.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Preparation:

a) Statement of Compliance:

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

c) Basis of measurements:

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair Value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of

2.2 Summary of significant accounting policies:

(a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

(b) 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

All other assets are classified as non-current.

A liability is treated as 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

All other liabilities are classified as non-current.

Defferred tax assets/ liabilities are classified as non-current assets/ liabilities.

(c) Property, plant and equipments

(i) Property, plant and equipment ("PPE") are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
(ii) Each part of an item of PPE with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. 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 recognized 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 recognized in income statement as and when incurred.
(iii) Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the income statement for the period during which such expenses are incurred.

(iv) An item of PPE and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

(vi) Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other non-current assets.

(d) Depreciation on PPE:

Depreciation on PPE is calculated on a straight-line basis using the useful lives of the assets as estimated by the management; as below:

Category	Useful lives estimated by the management (years)
Computers and computer equipment	3
Office equipment	5
Electrical equipment	10
Furniture and fixtures	10
Vehicles	8

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

(e) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated individual useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an indentifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life, as below:

Category	Useful life (in years)
Computer software	3

The amortization period and the amortization method are reviewed at least at each financial year end.

(f) Impairment :

1) Financial Asset:

the Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. the Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

2) Non-financial asset:

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) net selling price and its value in use. The 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. Where 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(e) Leases

Where the Company is lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contact involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The borrowing rate applied to lease liabilities for discouting is 10%

(f) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

The Company collects taxes such as goods and service tax etc on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from the aforesaid revenue/income.

Income from services

i. Revenue is recognized on an accrual basis as the service are rendered to group companies, on the basis of an agreed mark-up on cost incurred, in accordance with the agreement.
ii. Revenue from services relating to time and material contracts, are recognized ratably over the period as services are performed.
iii. Revenues from fixed price contracts, that include customer acceptance clauses relating to specific deliverables, are recognized under the percentage completion method based on actual hours incurred as a percentage of total estimated hours. Estimated total contract hours are reviewed periodically and revenue adjustments, if necessary, are recorded over the remaining contract term. Costs are recognized as incurred.
iv. The amount of revenue can be measured reliably;
v. It is probale that the economic benefits associated with the transactions will flow to the Company;
vi. The costs incurred or to be incurred in respect of the transaction can be measured reliably;

Interest Income

Interest is accounted as per effective interest method. Interest income is included under the head "other income" in the statement of profit and loss.

g) Employee Benefits:
(i) Short term employee benefits:

The employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, leave travel allowance, short term compensated absences etc. and the expected cost of bonus are recognised in the period in which the employee renders the related service.

(ii) Long term employee benefits:
(a) Defined Contribution Plans:
the Company has contributed to state governed provident fund scheme which are defined contribution plans. The contribution paid/ payable under the schemes is recognised during the period in which employee renders the related service.
(b) Defined Benefit Plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. the Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.
Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. the Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
the Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. the Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(h) Foreign exchange translation

(i) Initial recognition

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

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise.

(i) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

(i) Current Income Tax:

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

(ii) Deferred Income Tax:

Deferred income tax is recognised using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

(j) <u>Earnings per share</u>

Basic earnings per share are calculated by dividing the net profit or loss for the period 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.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(k) Provisions and Contingent liabilities:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. 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 recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be conCompanyed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. the Company does not recognize a contingent liability but discloses its existence in the financial statements.

(l) Financial Instruments:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

(i) Cash and Cash equivalents

the Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial assets at amortized cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iv) Financial assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

(v) Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(vi) De-recognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

(vii) Fair value of financial instruments:

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

2.3 Significant accounting judgements, estimates and assumptions:

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and 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.

a) Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

b) Estimates and assumptions:

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

Defined benefit plans - Gratuity

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

ASM Digital Engineering Private Limited
(Formerly known as Semcon India Private Limited)
Notes to financial statements for the ended March 31, 2022

3. Property, plant and equipment and Intangible assets

(Rs. In Millions)

	Tangible assets						Intangible assets	
	Electrical installation	**Computers and computer equipments**	**Office equipments**	**Furniture and fixtures**	**Right of use Asset**	**Total**	**Computer software**	**Total**
Cost								
As at April 1, 2020	0.93	11.30	0.29	0.22	38.89	51.63	0.89	0.89
Additions during the year	-	1.42	0.56	-	-	1.98	1.03	1.03
Disposals during the year	-	-	-	-	-	-	-	-
As at March 31, 2021	**0.93**	**12.72**	**0.85**	**0.22**	**38.89**	**53.61**	**1.92**	**1.92**
Additions during the year	0.03	12.26	0.06	-	-	12.35	0.09	0.09
Disposals during the year					-	-		-
At March 31, 2022	**0.96**	**24.98**	**0.91**	**0.22**	**38.89**	**65.96**	**2.01**	**2.01**
Depreciation/Amortisation								
As at April 1, 2020	0.10	3.44	0.07	0.05	7.45	11.11	0.54	0.54
Charge for the year	0.22	3.53	0.11	0.03	7.78	11.67	0.38	0.38
Disposals during the year	-	-	-	-	-	-	-	-
As at March 31, 2021	**0.32**	**6.97**	**0.18**	**0.08**	**15.23**	**22.78**	**0.92**	**0.92**
Charge for the year	0.16	5.09	0.16	0.09	7.78	13.28	0.37	0.37
Disposals during the year	-	-	-	-	-	-	-	-
At March 31, 2022	**0.48**	**12.06**	**0.34**	**0.17**	**23.01**	**36.06**	**1.29**	**1.29**
Net Block								
At March 31, 2021	**0.61**	**5.75**	**0.67**	**0.14**	**23.66**	**30.83**	**1.00**	**1.00**
At March 31, 2022	**0.48**	**12.92**	**0.57**	**0.05**	**15.88**	**29.90**	**0.72**	**0.72**

4 Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposit	**3.36**	3.05
Total	**3.36**	**3.05**

5 Deferred tax assets

Particulars	As at March 31, 2022	As at March 31, 2021
On account of depreciation on fixed assets	**-3.58**	1.05
On account of timing differences in recognition of expenditure	**9.95**	4.16
Net Deferred tax (liability)/asset	**6.37**	**5.21**

6 Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance tax (net of provision for tax)	**42.78**	16.78
Deferred Security deposit	**0.63**	0.94
Total	**43.41**	**17.72**

Current Assets
7 Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Trade receivables		
- Receivables considered good-Unsecured	**136.61**	94.93
- Receivables considered doubtful-Unsecured		
Less:- Provision for doubtful debt	**-**	-
Total	**136.61**	**94.93**

Trade Receivables Ageing Schedule

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Outstanding for the following periods from due date of payment		
Less than 6 months	**62.87**	66.75
6 months- 1 year	**9.22**	0.00
1- 2 years	**11.12**	0.10
2-3 years		
More than 3 years		0.30
	83.21	**67.15**
(b)Receivables from related parties		
Less than 6 months		1.13
6 months- 1 year		
1- 2 years		
2-3 years		
More than 3 years		
	-	**1.13**
(c) Unbilled Revenue		
Outstanding for the following periods from due date of payment		
Less than 6 months	**53.40**	**26.65**
6 months- 1 year		
1- 2 years		
2-3 years		
More than 3 years		
Total	**53.40**	**26.65**
Total(a+b+c)	**136.61**	**94.93**

(c) There are no disputed trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
(ii) Cash and cash equivalents		
Balances with banks		
- In Current accounts	**5.50**	16.04
Total	**5.50**	**16.04**
(iii) Loans and advances		
Advances recoverable in cash or kind	**0.17**	22.52
Total	**0.17**	**22.52**
(iv) Other Financial Assets		
Interest receivable		0.20
Total	**-**	**0.20**
8 Other current assets		
Prepaid expenses	**7.76**	3.88
Less: Provision for doubtful deposit	-	-
Total	**7.76**	**3.88**

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Notes to financial statements for the ended March 31, 2022

9 Equity Share Capital (refer statement of changes in equity)

(Rs. In Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
40,00,000 (As at March 31, 2021 - 40,00,000) equity shares of Rs. 10 each	**40.00**	40.00
Issued, Subscribed & Paid up		
39,99,971 (March 31, 2021 - 39,99,971) equity shares of Rs. 10 each	**40.00**	40.00
Total issued, subscribed and fully paid-up share capital	**40.00**	**40.00**

(a) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

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.

(b) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	As at March 31, 2022		As at March 31, 2021	
	Nos.	Rs.	Nos.	Rs.
At the beginning of the year	**39,99,971**	**40.00**	39,99,971	40.00
Add:-Issued during the year				
Outstanding at the end of the year	**39,99,971**	**40.00**	**39,99,971**	**40.00**

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	% holding in class	Nos.	% holding in class
ASM Technologies Limited , Holding Company	**39,99,971**	**100%**	39,99,971	100%

(d) change in Promoter shareholding

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	% of total Shares	Nos.	% of total Shares
ASM Technologies Limited	**39,99,971**	**100%**	39,99,971	100%
Total	**39,99,971**		**39,99,971**	

There is no change in promoter shareholding during the year

11 Other Equity

	Particulars	As at March 31, 2022	As at March 31, 2021
		Rs. In millions	
i)	**Security Premium reserve**		
	Opening Balance	**15.00**	15.00
	Add:-addition during year		
	Closing at the end of the year	**15.00**	**15.00**
ii)	**Other Comprehensive Income**		
	Opening balance	**(1.26)**	(0.85)
	Add:- Addition during year	**(0.39)**	(0.41)
		-	-
	Closing at end of year	**(1.65)**	**(1.26)**
iii)	**Retained Earning**		
	Opening balance	**66.18**	60.00
	Add:- Addition during year	**1.42**	6.18
	Less:- Appropriations	**-**	-
	Closing at end of year	**67.60**	**66.18**
	Total	**80.95**	**79.92**

Non current liabilities and provisions

11 Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Gratuity	**8.19**	7.12
Total	**8.19**	**7.12**

Current liabilities and provisions

12 Short term Borrowings (Secured)

Particulars	As at March 31, 2022	As at March 31, 2021
- Working Capital loans from banks	**17.90**	-
Total	**17.90**	**-**

Additional Information:

1. Secured loan from bank is secured against hypothecation of entire current assets and fixed assets of the Company

2. Loan carries an interest rate of Repo plus 3.50%
3. The above loan is also guranteed by Mr. Rabindra Srikantan and Corporate Guarantee of ASM Technologies Limited

13 Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
- Total outstanding dues to micro enterprises and small enterprises;		
- Total outstanding dues to creditors other than micro enterprises and small enterprises	**24.73**	5.70
Trade Payables -Inter Company	**19.77**	10.51
Total	**44.50**	**16.21**

Trade Payables Ageing Schedule

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Outstanding for the following periods from due date of payment		
Less than 6 months	**23.66**	**5.76**
6 months- 1 year	**0.11**	**0.38**
1- 2 years	**0.96**	
2-3 years		
More than 3 years		
	24.73	**6.14**
(b)Payable to related parties		
Less than 6 months	**19.77**	**10.06**
6 months- 1 year		
1- 2 years		
2-3 years		
More than 3 years		
	19.77	**10.06**
Total (a+b)	**44.50**	**16.21**

(c) There are no disputed trade payables

Additional Information

Based on the information available with the Company, there are no suppliers who are registered as Micro, Small or Medium Enterprises under "The Micro, Small or Medium Enterprises Development Act, 2006".

14 Other current liabilities and provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Salaries and bonus payable	**2.05**	11.32
Statutory dues payable	**7.60**	5.08
Advances from Customers	**2.18**	-
Total	**11.83**	**16.40**

ASM Digital Engineering Private Limited
Notes to financial statements for the period ended March 31, 2022

16 Revenue from operations

Particulars	Current Year	Previous Year
Sale of services	**321.20**	220.70
Total	**321.20**	**220.70**

*Consultancy and deputation services

16.1 **Disaggregated Revenue Information:**

Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of services:

Revenue from contracts with customers	**Current Year**	**Previous Year**
Geographical location		
- Outside India	**34.38**	49.94
- Within India	**286.82**	170.76
	321.20	**220.70**

17.2 Contract balances:

Contract assets:	**Current Year**	**Previous Year**
Trade Receivables	**83.21**	68.28
Unbilled Revenue	**53.40**	26.65
	136.61	**94.93**
Contract liabilities	**Nil**	Nil

Trade receivables are generally on credit terms as agreed with respective customers.
Unbilled revenue is recognised on completion of performance obligation pending generation of Invoice.
There are no performance obligation pending as at the end of the year

17 Other income

Particulars	Current Year	Previous Year
Interest received from holding company	**0.88**	0.22
Interest from income tax refund	-	1.00
Provision for doubtful trade receivables withdrawn		0.54
Notice period recovery	**0.37**	0.89
Total	**1.25**	**2.65**

18 Employee benefit expenses

Particulars	Current Year	Previous Year
Salaries, bonus and allowance	**197.86**	145.12
Contribution to provident fund	**9.97**	7.28
Gratuity and Leave encashment expenses	**1.39**	0.98
Staff welfare expenses	**4.94**	4.61
Total	**214.16**	**157.99**

19 Finance Costs

Particulars	Current Year	Previous Year
Interest expense on overdraft facility	**0.08**	-
Bank charges	**2.30**	0.07
Amortisation of Financial liablity	**0.31**	0.31
Interest on Financial Liablity	**2.05**	2.73
Total	**4.74**	**3.11**

20 Depreciation and amortisation expenses

Particulars	Current Year	Previous Year
Depreciation of property, plant and equipments	**5.50**	3.89
Amortization of ROU	**7.78**	7.78
Amortisation of intangible assets	**0.37**	0.38
Total	**13.65**	**12.05**

21 Other expenses

Particulars	Current Year	Previous Year
Cost of software licences and others	**5.43**	6.99
Power and fuel	**2.08**	1.95
Rent expense	**0.69**	1.26
Rates and taxes	**0.11**	0.26
Insurance	**0.38**	0.88
Repairs and maintenance		
- Others	**3.96**	3.41
Travelling and conveyance	**1.51**	1.65
Communication costs	**1.71**	1.43
Legal and professional fees	**69.03**	13.51
Payment to auditors (refer details below)	**0.30**	0.24
Security charges	**0.86**	0.86
Exchange loss (net)	**0.15**	0.76
Miscellaneous expenses	**1.53**	4.55
Total	**87.74**	**37.75**

Payments to Auditor		
Audit fee	**0.23**	0.20
Other services	**0.07**	-
Reimbursement of expenses	**-**	0.01

21 Additional information:

i) Earnings in foreign currency:		
- Consultancy and deputation charges	**34.38**	49.94
ii) Expenditure in foreign currency:		
Legal & professional charges		1.30
Software License Expense		2.46
Others		1.73

22 Earnings Per Share:

Profit for the year	**1.4**	6.18
Weighted average number of Equity shares	**39,99,971**	39,99,971
Earning per share basic and diluted (in Rs.)	**0.35**	1.55
Face value per equity share (in Rs.)	**10**	10

ASM Digital Engineering Private Limited
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Notes to financial statements for the ended March 31, 2022

23 Income taxes

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2022 are:

i) **Statement of profit and loss:**

Profit or loss section

Particulars	**Current Year**	**Previous Year**
Current income tax:		
Current income tax in Inida	**1.78**	4.75
Deferred tax:		
Relating to origination and reversal of temporary differences	**(1.02)**	(0.90)
Prior year tax	-	2.42
Income tax expense reported in the statement of profit or loss	**0.76**	**6.27**
OCI section		
Deferred tax related to items recognised in OCI during the year:	**0.13**	0.14
Income tax charged to OCI	**0.13**	**0.14**

ii) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for end of the year:**

Particulars	**Current Year**	**Previous Year**
Accounting profit before income tax	**2.16**	12.45
Enacted income tax rate in India		
Tax at the applicable tax rate of 25.17% (March 31, 2021: 25.17%)	**0.54**	3.13
Non-deductible expenses for tax purposes:		
Inadmissable expenses	**0.01**	
Temporary differences not considered for current tax calculation (net of amounts recognised in other comprehensive income)	**2.79**	
Difference in profit on account of Ind AS adjustments	**(1.57)**	
Provision for tax relating to prior years		
At the effective income tax rate of 25.17% (March 31, 2022: 25.17%) - Income tax expense recorded in the books	**1.77**	**3.13**

The tax rates under Indian Income Tax Act, for the year ended March 31, 2021 and March 31, 2022 is 25.17% and 25.17% respectively

iii) The Company has entered into transactions with its associated enterprises within the meaning of section 92A of the Income Tax Act, 1961. The Company is in the process of carrying out transfer pricing study in this regard, to comply with the requirements of the Income Tax Act, 1961. The Management is of the view that all these transactions have been made at arms' length terms and hence the aforesaid provisions do not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

24 Gratuity and other post-employment benefits

i) Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity of 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan:

Statement of Profit and Loss

Net employee benefit expenses recognised in the employee cost:

Particulars	**Current year**	**Previous Year**
	Rs. In millions	
Current service cost	**1.54**	2.44
Past service cost	**-**	-
Interest cost	**0.52**	0.24
Net benefit expense	**2.06**	**2.68**

Balance sheet

Benefit asset/liability:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
	Rs. In millions	
Present value of defined benefit obligation	**(9.91)**	(9.96)
Fair value of plan assets	**-**	-
Plan asset/(liability)	**(9.91)**	**(9.96)**

Changes in the fair value of defined benefit obligation are as follows:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
	Rs. In millions	
Opening defined benefit obligation	**9.96**	9.15
Current service cost	**1.54**	2.44
Past service cost	**-**	-
Interest cost	**0.52**	0.24
Liability transferred out/divestments	**-**	-
Benefits paid directly by employer	**(1.59)**	-
Benefits paid directly from fund	**-**	(1.33)
Remeasurements	**-**	-
Actuarial loss/(gain) from changes in demographic assumptions	**-**	(1.06)
Actuarial loss/(gain) from changes in financial assumptions	**(0.18)**	0.42
Actuarial loss/(gain) from experience over the past period	**(0.34)**	0.10
Closing defined benefit obligation	**9.91**	**9.96**

The amounts recognized in the Balance Sheet are as follows:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
	Rs. In millions	
Present value of the obligation as at the end of the year	**9.91**	9.96
Fair value of plan assets as at the end of the year	**-**	-
Net liability/ (asset) recognized in the Balance Sheet	**9.91**	**9.96**

The principal assumptions used in

Particulars	**Current Year**	**Previous Year**
Discount rate	**5.66%**	5.18%
Employee turnover	**25.00%**	25.00%
Salary escalation rate	**8.50%**	8.50%
Mortalitiy table	Indian Assured Lives Mortality (2006-08)	

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Sensitivity Analysis of significant actuarial assumptions

Particulars		**Change in DBO by**	
		Current Year	**Previous Year**
Discount rate	Increases 1%	**(0.35)**	(0.30)
	Decreases 1%	**0.38**	0.32
Employee turnover	Increases 1%	**(0.12)**	(0.09)
	Decreases 1%	**0.13**	0.10
Salary escalation rate	Increases 1%	**0.36**	0.31
	Decreases 1%	**(0.34)**	(0.29)

Sensitivity Analysis was not provided for the Previous year as Ind AS 19 was not applicable and AS 15 Employee Benefit Expenses as the standard does not mandate to provide the Sensitivity Analysis.

Description of funding arrangements and funding policy that affect future contributions

The plan is unfunded and the status is unlikely to change over the next few years.

Maturity profile	***(Rs. In million)***	
Projected Benefits Payable in Future Years From the Date of Reporting	**Current Year**	**Previous Year**
1st following year	**1.72**	2.83
2nd following year	**1.51**	1.60
3rd following year	**1.49**	1.20
4th following year	**1.36**	1.14
5th following year	**1.24**	0.99
Sum of years 6 to 10	**3.45**	2.77
Sum of 11 years and above	**1.80**	1.43

Other Information	**Current Year**	**Previous Year**
Weighted average duration of the projected benefit obligation	**5.00**	4.00
Average expected future service	**3.00**	3.00

ii) Leave Benfits:

An actuarial valuation of leave benefits is carried out every year by an independent actuary. Based on that, the Company is carrying a liability of Rs.8.43 million.

The principal assumptions used in determining pension and post-employment benefit obligations for the company's plans are shown below:

Particulars	**Current Year**	**Previous Year**
Discount rate	**5.66%**	5.18%
Employee turnover	**25.00%**	25.00%
Salary escalation rate	**8.50%**	8.50%
Mortalitiy table	Indian Assured Lives Mortality (2006-08)	

25 Disclosure on leases:

(i) The following is the movement of lease liabilities during the year ended March 31, 2022

(Rs. In millions)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Balance at the beginning of the year	**26.33**	33.13
On account of implementation of Ind AS 116		
Finance cost accrued during the year	**2.36**	3.01
Payment of lease liabilities	**8.41**	9.81
Balance at the end of the year	**20.28**	**26.33**

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(ii) Details regarding the contractural maturities of lease liabilities as at March 31, 2022 on undiscounted basis:

(Rs. In millions)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Less than one year	**10.72**	8.41
One to five years	**11.82**	22.54
More than five years		-
Total	**22.54**	**30.95**

26 Financial ratios

a. Ratio Current Ratio
Numerator Current Assets
Denominator Current Liabilities

Ratios/ Measures	As at	
	31 March 2022	31 March 2021
Current Assets (A)	150.04	137.57
Current Liabilities (B)	84.38	42.01
Current Ratio (C) =(A) / (B)	**1.78**	**3.27**
%Change from previous year	**-0.46**	

b. Ratio Debt Equity Ratio
Numerator Total Debt [represents current and non-current borrowings]
Denominator Shareholders' equity [represents total equity]

Ratios/ Measures	As at	
	31 March 2022	31 March 2021
Total debt (A)	17.90	-
Shareholder's equity (B)	120.95	119.92
Debt equity ratio (C) = (A) / (B)	**0.15**	**-**
%Change from previous year	**#DIV/0!**	

c. Ratio Debt service coverage ratio
Numerator Earnings available for debt service
Denominator Debt service

Ratios/ Measures	As at	
	31 March 2022	31 March 2021
Profit after tax for the year (A)	**1.40**	**6.18**
Add: Non cash operating expenses and finance cost		
Depreciation and Amortisation expense (B)	13.65	12.05
Finance costs (C)	4.74	3.11
Earnings available for debt services (D) = (A)+(B)+(C)	**19.79**	**21.34**
Finance costs (E)	4.74	3.11
Repayment of non-current borrowings (F)		-
Payment of principal portion of lease liabilities (G)	8.41	9.81
Debt service (H) = (E) + (F) + (G)	**13.15**	**12.92**
Debt service coverage ratio (I) = (D) /(H)	**1.50**	**1.65**
%Change from previous year	**-0.09**	

d. Ratio Return on equity [%]
Numerator Restated loss after tax
Denominator Average Shareholder's Equity

Ratios/ Measures	As at	
	31 March 2022	31 March 2021
Profit after tax for the year (A)	**1.40**	**6.18**
Closing shareholder's equity (B)	120.95	119.92
Average shareholder's equity [(opening + closing) /2] (C)	120.43	117.03
Return on equity [%] (D) = (A)/(C) *100	**0.01**	**0.05**
%Change from previous year	**-0.78**	

e. Ratio Trade receivables turnover ratio
Numerator Revenue from operations
Denominator Average trade receivables

Ratios/ Measures	As at	
	31 March 2022	31 March 2021
Revenue from operations (A)	321.20	220.70
Closing Trade Receivables	136.61	94.93
Average Trade Receivables [(opening + closing) /2] (B)	115.77	90.39
Trade receivables turnover ratio (C) = (A) / (B)	**2.77**	**2.44**
%Change from previous year	**0.14**	

f. Ratio Net profit ratio [%]
Numerator Profit after tax
Denominator Revenue from operations

Ratios/ Measures	As at	
	31 March 2022	31 March 2021
Profit after tax for the year (A)	**1.40**	**6.18**
Revenue from operations (B)	321.20	220.70
Net profit [%] (C) = (A) / (B) *100	**0.00**	**0.03**
%Change from previous year	**-0.84**	

* Current year operations are better than previous year

g. **Ratio** Return on capital employed [%]
Numerator Earning before interest and taxes
Denominator Capital Employed (Total equity, Total borrowings and Total lease liabilities)

Ratios/ Measures	**As at**	
	31 March 2022	**31 March 2021**
Profit after tax for the year (A)	**1.40**	**6.18**
Adjustments		
Add: Total tax expense (B)	0.76	6.27
Add: Finance costs (C)	4.74	3.11
Earnings before interest and tax (D) = (A) + (B) + (C)	**6.90**	**15.56**
Total equity (E)	120.95	118.03
Current and Non-current borrowing (F)	17.90	-
Current and Non-current lease liability (G)	20.28	26.33
Capital Employed (H) = (E) + (F) + (G)	**159.13**	**144.36**
Return on capital employed [%] (I) = (D) / (H) *100	**0.04**	**0.11**
%Change from previous year	**-0.60**	

Following ratios are not applicable:

a. Inventory Turnover ratio
b. Net Capital Turnover ratio
c. Return on Investments
d. Trade Payables Turnover Ratio

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27 Fair value measurements

The carrying value of financial

(Rs. In Millions)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Carrying Value	Fair value through profit or loss	At Amortised Cost	Carrying Value	Fair value through profit or loss	At Amortised Cost
Financial assets						
Non current financial assets	-			-		
Trade Receivables	**136.61**	-	**136.61**	94.93		94.93
Cash and cash equivalents	**5.50**		**5.50**	16.04		16.04
Loans & Advances	**0.17**		**0.17**	22.52		22.52
Others	-		-	0.20		0.20
	-			-		
Total	**142.11**	-	**142.11**	**133.69**	-	**133.69**
Financial liabilities						
Borrowings	**17.90**		**17.90**	-		-
Lease liabiliites	**20.28**		**20.28**	26.33		26.33
Trade payables	**44.50**		**44.50**	16.21		16.21
Other Financial Liabilities	-					
Total	**82.68**	-	**82.68**	**42.54**	-	**42.54**

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

(Rs. In Millions)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
Measured at amortised cost								
Non current financial assets	-			-	-			-
Trade Receivables	**136.61**			**136.61**	94.93			94.93
Cash and cash equivalents	**5.50**			**5.50**	16.04			16.04
Loans & advances	**0.17**			**0.17**	22.52			22.52
Other current financial assets	-			-	0.20			0.20
	142.28	-	-	**142.28**	**133.69**	-	-	**133.69**
Financial liabilities								
Measured at amortised cost								
Borrowings	**17.90**			**17.90**	-			-
Lease liabilities	***20.28***			**20.28**	26.33			26.33
Trade payables	**44.50**			**44.50**	16.21			16.21
	-			-	-			-
	82.68	-	-	**82.68**	**42.54**	-	-	**42.54**

Notes:
Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 inputs are unobservable inputs for the asset or liability.

There have been no transfers between the levels during the period.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans, bank balances, investment and other financial assets & liabilities were calculated based on cash flows discounted using a current lending rate.

They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

28 Financial risk management

The Company has exposure to the following type of risks from financial instruments:
- Credit risks
- Liquidity risks
- Market risks

Risk management framework

The Company's principal financial liabilities comprise borrowings, trade & other payable and other financial. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantee to support its operations. the Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents that derive its value directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. the Company's risk management is carried out by the management under the policies approved by the board of directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Company. These risks are identified on a continues basis. and assessed for impact on financial performance. The Board of Directors reviews and agrees policy for managing each of these risks.

28.1 Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument will not meet its contractual obligations under a financial instrument or customer contract, leading to a financial loss. the Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing/financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. the Company has no significant concentration of credit risk with any counterparty.

The carrying amount of financial instruments represents the maximum exposure to credit risk.

Trade receivables

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. the Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references before making sales to a new customer.
the Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may affect the credit risk of its customer base, including the default risk associated with the industry and the country in which the customers operate. the Company limits its exposure to credit risk from trade receivables by establishing a payment term for its customers.

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

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At year end, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the statement of profit and loss.

28.2 Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. 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.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable debt instruments at an amount in excess of expected cash outflows on financial liabilities at any point of time.

Exposure to liquidity risk

The table below provides the details regarding the the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

	Less than 1	1-5 years	More than 5	Total
As at March 31, 2022:				
Non-derivative financial liabilities:				
Borrowings	**17.90**			**17.90**
Lease liabilities	**20.28**			**20.28**
Trade payables	**44.50**			**44.50**
Total non-derivative financial liabilities	**-**	**-**	**-**	**82.68**
As at March 31, 2021:				
Non-derivative financial liabilities:				
Borrowings	-	-	-	-
Lease liabilities	26.33	-	-	26.33
Trade payables	16.21	-	-	16.21
Total non-derivative financial liabilities	**42.54**	**-**	**-**	**42.54**

29 Capital Management:

The Company's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the Company may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below.

	As at March 31, 2022	As at March 31, 2021
Borrowings	**17.90**	-
Other financial liabilities (non current & current)	**20.28**	26.33
Trade payables	**44.50**	16.21
Less: Cash and bank balances	**(5.50)**	**(16.04)**
Net debt (A)	**77.18**	**26.50**
Equity Share capital	**40.00**	40.00
Other Equity	**80.95**	79.92
Equity (B)	**120.95**	**119.92**
Equity plus net debt (C = A + B)	**198.13**	146.42
Gearing ratio (D = A / C)	**38.95%**	18.10%

The Company's capital management, amongst other things, aims to achieve the objective of maximising shareholders value.
No changes were made in the objectives, policies or processes for managing capital during the current and previous years

ASM Digital Engineering Private Limited
(Formerly known as Semcon India Private Limited)
Notes to financial statements for the ended March 31, 2022

30 Related Parties Transactions:

Sl No	Name of the Related Party	Relationship
1	ASM Technologies Limited	Holding Company
2	ASM Digital Technologies Inc (PTI) *(Formerly known as Pinnacle Talent Inc)* ASM Digital Technologies Pte. Limited (ASPL) *(Formerly know as Advanced Synergic Pte Limited)* ASM Technologies KK, Japan ESR Associates Inc, USA RV Forms & Gears LLP	Fellow Subsidiary
3	Rabindra Srikantan Vikram Ravindra Mamidipudi Shekar Vishwanathan Ramesh Radhakrishnan	Directors & KMP

Details of the Transactions:

(Rs. In Millions)

	Nature of Transactions	Current Year	Previous Year
1	**Management fees paid**		
	ASM Technologies Limited	**51.00**	10.46
2	**Loan given/(given received back)**		
	ASM Technologies Limited	**-22.50**	22.50
3	**Sale of services**		
	ASM Technologies Limited	**10.57**	1.19
4	**Interest Received**		
	ASM Technologies Limited	**1.52**	0.20

(Rs. In Millions)

Balance with the Related Parties	As at March 31, 2022	As at March 31, 2021
Amount Receivable		
ASM Technologies Limited		23.43
RV Forms & Gears LLP	**1.13**	-
Amount Payable		
ASM Technologies Limited	**21.96**	11.09
Loan guranteed by ASM Technologies Limited	**17.90**	
Loan guranteed by Rabindra Srikantan	**17.90**	

Terms and conditions of transaction with related parties

The transactions with related parties are undertaken in ordinary course of business and on terms and conditions equivalent to those that prevail in arm's length transactions with other parties.

31 The Company' management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets including property, plant and equipment, capital work in progress, loans and receivables. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2022, are fully recoverable. The management has also estimated the future cash flows for the Company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 pandemic may be different from that estimated as at the date of approval of these financial statements.

32 The Company need not spend any amount towards Corporate Social Responsibility under section 135 of the Act, as its profits is less than the limit prescribed in the Act.

33 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

INDEPENDENT AUDITOR'S REPORT

To the Members of ASM Digital Technologies Inc (Formerly Known as Pinnacle Talent Inc), USA

Report on Audit of the Standalone Financial Statements

Opinion:

We have audited the standalone Ind AS financial statements of ASM Digital Technologies Inc (formerly known as Pinnacle Talent Inc) ("the Company") which comprise of balance sheet as at March 31, 2022, the statement of profit & loss, statement of changes in equity, the cashflow statement for the year then ended, and notes to Ind AS financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, loss, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern:

We draw attention to note 17 in the financial statements, which indicates that the Company incurred a net loss of Rs.64.66 million during the year ended March 31, 2022 and as at that date, the Company's liabilities exceeded its total assets by Rs.129.89 million. These events or conditions, along with other matters stated in note 17, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. We are unable to express any independent opinion on this matter.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

There were no key audit matter that need to be reported.

Other Information ["Information Other than the Financial Statements and Auditor's Report

Thereon”]

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the board report but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management’s Responsibility for Standalone Ind AS Financial Statements:

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with6 the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibilities for the Audit of the standalone Ind AS Financial Statements:

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism through the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to a foreign company which doesn't have of any place of business in India.

2. As required by Section 143(3) of the Act, we report that:

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

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

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on that date from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable to a foreign company operating outside India.

g) With respect to the other matters to be included in the Auditor's Report in accordance with requirement of Section 197 (16) of the Act, as amended:

   In our opinion the said section is not applicable to a private limited company and the Company has not paid any managerial remuneration.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company does not have any pending litigations which would impact its financial position.

   ii) The Company did not have any long-term contracts as required under the applicable law or accounting standards, and also not entered into any derivative contracts, accordingly no provision is required to be made in respect of material foreseeable losses.

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

   iv) a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

   b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

v. The provisions of section 123 of the Act is not applicable to the Company as it is incorporated outside India.

For B. K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 22215398

Place: Bangalore
Date: May 30, 2022

ASM DIGITAL TECHNOLOGIES INC
(Formerly known as PINNACLE TALENT INC)
Balance Sheet as at March 31, 2022

(Rs. In Millions)

Particulars	**Note**	**As at March 31, 2022**	**As at March 31, 2021**
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	-	-
(b) Investment Property		-	-
(c) Financial Assets		-	-
(i) Loans		-	-
(ii) Others		-	-
(d) Deferred tax assets (net)		-	-
(e) Other non-current assets	4	**0.14**	0.13
Total		**0.14**	**0.13**
(2) Current assets			
(a) Inventories		-	-
(b) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade receivables	5	**22.50**	73.03
(iii) Cash and cash equivalents	6	**3.47**	0.51
(c) Current tax assets (Net)		-	-
(d) Other current assets	7	**27.57**	16.96
Total		**53.54**	**90.50**
Total Assets		**53.68**	**90.63**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	8	**10.41**	10.41
(b) Other Equity	9	**(140.30)**	(76.91)
Total		**(129.89)**	**(66.50)**
LIABILITIES			
(1) Non-current liabilities			
Total		-	-
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables	10	**183.57**	157.13
(b) Provisions		-	-
(c) Current Tax Liabilities (Net)		-	-
Total		**183.57**	**157.13**
TOTAL EQUITY AND LIABILITY		**53.68**	**90.63**

The accompanying notes are an integral part of the financial statements

In Accordance with our Report Attached
for **B K Ramadhyani & Co. LLP**
Chartered Accountants
Firm Registration No.: 0028785/ S200021

C R Deepak
Partner
Membership No.: 215398

Place: Bangalore
Date: May 30, 2022

For and on behalf of Board of Directors of Pinnacle Talent Inc.

(Rabindra Srikantan)
President

ASM DIGITAL TECHNOLOGIES INC
(Formerly known as PINNACLE TALENT INC)
Statement of Profit & Loss account for the year ended March 31, 2022

Particulars	Notes	Current Year	Previous Year
Income			
Revenue from operations	11	**49.18**	27.73
Other income	12	**0.41**	1.69
Total Income (i)		**49.59**	**29.42**
Expenses			
Employee benefits expense	13	**24.35**	25.03
Finance costs	14	**0.28**	0.01
Depreciation and amortization expense		**-**	-
Other expenses	15	**89.56**	5.60
Total expenses (ii)		**114.19**	**30.64**
Profit/(Loss) before tax [(i)- (ii)]		**(64.60)**	**(1.22)**
Tax expenses			
(i) Current tax		**0.06**	0.32
(ii) Deferred tax		**-**	-
Total tax expense		**0.06**	0.32
Profit/(Loss) for the year		**(64.66)**	**(1.54)**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Deferred tax on remeasurement of defined benefit plans		-	-
B (i) Items that will be reclassified to profit or loss			
Changes in fair value of investments in equity instruments			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Deferred tax on remeasurement of defined benefit plans		-	-
C. Foreign Currency Translation Reserve		**1.27**	1.67
Total Comprehensive Income for the year		**(63.39)**	**0.13**
Earnings per equity share [nominal value of share USD 0.01 (March 31, 2021: USD 0.01)]			
Basic and Diluted (in Rs.)		**(3.96)**	**0.01**

The accompanying notes are an integral part of the financial statements

In Accordance with our Report Attached
for **B K Ramadhyani & Co. LLP**
Chartered Accountants
Firm Registration No.: 0028785/ S200021

For and on behalf of
Board of Directors of
Pinnacle Talent Inc.

C R Deepak
Partner
Membership No.: 215398

(Rabindra Srikantan)
President

Place: Bangalore
Date: May 30, 2022

ASM DIGITAL TECHNOLOGIES INC

(Formerly known as PINNACLE TALENT INC)

Cash Flow Statement for the year ended march 31, 2022

(Rs. In million)

	Particulars	Current Year	Previous Year
(A)	**Cash flows from operating activities**		
	Profit / (loss) before tax	**(64.60)**	(1.22)
	Adjustment to reconcile profit before tax to net cash flows:	-	
	Depreciation and amortization expense	-	-
	Finance costs	**0.28**	0.01
	Exchange Fluctuation	**1.27**	1.67
	Dividend income	-	-
	Fair valuation of mutual fund	-	-
	Share of profit in LLP	-	-
	(Profit)/ loss on sale of Property, Plant & Equipment	-	-
	Operating profit before working capital changes	**(63.05)**	**0.46**
	Movements in working capital :		
	Increase/ (decrease) in trade payables	**26.44**	(2.33)
	Decrease / (increase) in trade receivables	**50.53**	1.70
	Decrease / (increase) in other non current assets	**(0.01)**	0.01
	Decrease / (increase) in other current assets	**(10.61)**	0.76
	Increase / (decrease) in provisions	-	(0.15)
	Cash generated from /(used in) operations	**3.30**	**0.45**
	Direct taxes paid, net	**(0.06)**	(0.32)
	Net cash flow from/ (used in) operating activities (A)	**3.24**	**0.13**
(B)	**Cash flows from investing activities**		
	Purchase of Property, plant & equipment (including capital work in progress and capital advances)	-	-
	Net cash flow from/ (used in) investing activities (B)	-	-
(C)	**Cash flows from financing activities**		
	Interest paid	**(0.28)**	(0.01)
	Net cash flow from/ (used in) in financing activities (C)	**(0.28)**	**(0.01)**
(D)	Net increase/(decrease) in cash and cash equivalents (A + B + C)	**2.96**	0.12
(E)	Cash and cash equivalents at the beginning of the year	**0.51**	**0.39**
(F)	**Cash and cash equivalents at the end of the year**	**3.47**	**0.51**

The Company has followed indirect cashflow method as per Ind AS 7.

In Accordance with our Report Attached
for BK Ramadhyani & Co. LLP
Chartered Accountants
Firm Registration No.: 0028785/ S200021

For and on behalf of Board of Directors of
Pinnacle Talent Inc.

(CA C R Deepak)
Partner
Membership No.: 215398

(Rabindra Srikantan)
President

Place: Bangalore
Date: May 30, 2022

ASM DIGITAL TECHNOLOGIES INC
(Formerly known as PINNACLE TALENT INC)
Statement of Changes in Equity for the year ended March 31, 2022

a. Equity Share Capital

Current Reporting Period:

Particulars	Equity Share Capital
As at March 31, 2021	**10.41**
Increase in share capital on issue	-
Effect of share based payments	-
As at March 31, 2022	**10.41**

Previous Reporting Period:

Particulars	Equity Share Capital
As at March 31, 2020	**10.41**
Increase in share capital on issue	-
Effect of share based payments	-
As at March 31, 2021	**10.41**

b. Other Equity

Current Reporting Period:

Particulars	Retained earnings	OCI Foreign Currency translation reserve	Total
Current Reporting Period:			
As at April 1, 2021	**(54.31)**	**(22.60)**	**(76.91)**
Profit/(loss) for the year	**(64.66)**	**1.27**	**(63.39)**
Dividend declared during the year	-	-	-
Other Comprehensive income	-	-	-
Net changes during the year	-	-	-
As at March 31, 2022	**(118.97)**	**(21.33)**	**(140.30)**
Pervious Reporting Period:			
As at April 1, 2020	(52.76)	(24.27)	(77.03)
Profit/(loss) for the year	(1.55)	1.67	0.12
Dividend declared during the year	-	-	-
Other Comprehensive income	-	-	-
Net changes during the year	-	-	-
As at March 31, 2021	**(54.31)**	**(22.60)**	**(76.91)**

ASM DIGITAL TECHNOLOGIES INC
(Formerly known as PINNACLE TALENT INC)
Notes to Standalone Financial Statements for the year ended March 31, 2022

1 CORPORATE INFORMATION:

ASM Digital Technologies Technologies Inc (Formerly Known as Pinnacle Talent Inc) ("the Company") is a company incorporated in USA and is a wholly owned subsidiary of ASM Technologies Limited. The Company is in the business of development of software and allied services

The financial statements have been approved by the Board of Directors of the Company in their meeting held on May 26, 2022.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Preparation:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. The financial statements of the Company are prepared and presented in accordance with Ind AS.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 **Summary of significant accounting policies:**

a) Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

b) 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 treated as 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

All other liabilities are classified as non-current.

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

c) Property, Plant & Equipment:

Property, plant and equipment ("PPE") are stated at the cost of acquisition less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of PPE as per Ind AS 16 are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of PPE and are recognized in the statement of profit and loss when the PPE is derecognized.

d) Depreciation:

Depreciation is provided on straight-line method as per the rates specified in schedule II of the Companies Act, 2013 ("the Act"). Depreciation for the assets purchased/sold during the year is proportionately charged. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for revision, and adjusted prospectively.

e) Investment Properties:

Investment property represents properties held for rental yields and/or for capital appreciation or both rather than for:

(a) use in the production or supply of services or for administrative purposes; or

(b) sale in the ordinary course of business.

Investment property is stated at the cost of acquisition less accumulated depreciation.
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of Investment Property as per Ind AS 40 are charged to the statement of profit and loss for the period during which such expenses are incurred.

f) Intangible Assets:

Intangible assets acquired separately are measured on initial cost. Subsequently, carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software is amortised on a over a period of three years as estimated by the management.

Gains or losses arising from de-recognition of an intangible asset are measured as a difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when asset is derecognised.

g) Leases:

Where Company is a Lessee:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contact involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the
period of the lease

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The borrowing rate applied to lease liabilities for discounting is 10.2%

h) Employee Benefits:

(i) Short term employee benefits:

The employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, leave travel allowance, short term compensated absences etc. and the expected cost of bonus are recognised in the period in which the employee renders the related service.

(ii) Defined Benefit Plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

The Company doesn't have a policy for encashment of leave

i) Revenue Recognition:

The Company derives revenues primarily from IT related services. Effective April 01,2018, the Company has adopted Ind AS 115, "Revenue from Contracts with Customers". Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in for those services.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

The Company recognised incentive from government in respect of Service Exports from India Scheme based on claim lodged by the Company.

j) Taxation:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

k) Foreign Currency Transactions:

Functional Currency:

The functional currency of the Company is the Indian rupee.

Transactions and translations:

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss.

l) Provisions, Contingent liabilities and Contingent assets:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. 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.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A contingent asset is never recognised but only disclosed in the financial statements.

m) Segment reporting policies:

Identification of segments:

Operating Segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance in accordance with Ind AS 108, Operating Segments. Since CODM evaluates Company's performance at a geographic segment level, operating segment information is accordingly given at geographic level.

n) Financial Instruments:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i) Cash & Cash equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

ii) Financial assets at amortized cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) Financial assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

v) Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

vi) De-recognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

vii) Fair value of financial instruments:

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

viii) Investments in subsidiary:

Investments in subsidiary is carried at cost.

o) Impairment:

i) Financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Non-financial assets:

Tangible and Intangible assets: PPE, intangible assets and investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

p) Cashflow Statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

2.3 Significant accounting judgements, estimates and assumptions:

The preparation of the Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and 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.

a) Judgements:

In the process of applying the Company’s accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

(b) Estimates and assumptions:

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

Defined benefit plans - Gratuity

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

ASM DIGITAL TECHNOLOGIES INC
(Formerly known as PINNACLE TALENT INC)
Notes to financial statements for the year ended March 31, 2022

3. Property, Plant and Equipment (Rs. In Millions)

	Computers	Machinery & Systems	Office Equipment	Software	Total
Cost					
As at April 1, 2020	1.46	0.76	0.04	12.87	15.13
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At March 31, 2021	**1.46**	**0.76**	**0.04**	**12.87**	**15.13**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Other Adjustments	-	-	-	-	-
At March 31, 2022	**1.46**	**0.76**	**0.04**	**12.87**	**15.13**
Depreciation/Amortisation					
As at April 1, 2020	1.46	0.76	0.04	12.87	**15.13**
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
At March 31, 2021	**1.46**	**0.76**	**0.04**	**12.87**	**15.13**
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Other Adjustment	-	-	-	-	-
At March 31, 2022	**1.46**	**0.76**	**0.04**	**12.87**	**15.13**
Net Block					
At March 31, 2021	-	-	-	-	-
At March 31, 2022	-	-	-	-	-

ASM DIGITAL TECHNOLOGIES INC
(Formerly known as PINNACLE TALENT INC)
Notes to financial statements for the year ended March 31, 2022

4 Other Non-Current Assets

Particulars	March 31, 2022 Rs. In Millions	March 31, 2021 Rs. In Millions
Deposits		
Rental Deposit	**0.14**	0.13
Total	**0.14**	**0.13**

Financial Assets- Current Assets
5 Trade Receivables

Particulars	March 31, 2022 Rs. In Millions	March 31, 2021 Rs. In Millions
Unsecured debtors	**22.50**	73.03
Unsecured Considered Doubtful	**-**	-
	22.50	**73.03**
Less:- Provision for doubtful debt		
Total	**22.50**	**73.03**

Trade Receivable Ageing Schedule:

	March 31,2022	March 31,2021
	Others	**Others**
a) Outstanding for the following periods from due date of payment		
Less than 6 Months	**9.24**	-
6 Months - 1 Year	-	-
1 - 2 Years	-	-
2 - 3 Years	-	-
More than 3 Years	-	-
	9.24	-
b) Receivables from related parties		
Less than 6 Months	**0.19**	-
6 Months - 1 Year	**0.03**	-
1 - 2 Years	-	0.01
2 - 3 Years	**0.01**	12.26
More than 3 Years	**13.03**	60.76
	13.26	**73.03**
Total (a+b)	**22.50**	**73.03**

c) There are no disputed trade receivables

ASM DIGITAL TECHNOLOGIES INC

(Formerly known as PINNACLE TALENT INC)

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

6 Cash and Bank Balance

Particulars	March 31, 2022 Rs. In Millions	March 31, 2021 Rs. In Millions
a) Cash and cash equivalents:-		
i) Balance with Banks		
- in current account*	**3.47**	0.51
- Cash in Hand	**-**	**-**
	3.47	**0.51**
b) Other Bank Balance		
- in short term deposit	-	-
Total	**3.47**	**0.51**

* subject to confirmation from bank

7 Other Current Assets

Particulars	March 31, 2022 Rs. In Millions	March 31, 2021 Rs. In Millions
Prepaid expenses	**10.29**	0.20
Advance to Related Parties (considered good)	**17.28**	16.76
Total	**27.57**	**16.96**

ASM DIGITAL TECHNOLOGIES INC
(Formerly known as PINNACLE TALENT INC)
Notes to financial statements for the year ended March 31, 2022

8 Equity Share Capital (refer statement of changes in equity)

(Rs. In Millions)

Particulars	March 31, 2022	March 31, 2021
Authorised		
1,60,00,000 (As at March 31, 2021: 1,60,00,000) Equity shares of USD 0.01 each	**10.41**	10.41
Issued, Subscribed & Paid up		
1,60,00,000 (As at March 31, 2021: 1,60,00,000) Equity shares of USD 0.01 each	**10.41**	10.41
Total issued, subscribed and fully paid-up share capital	**10.41**	**10.41**

(a) Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of $ 0,01 per share. Each holder of equity is entitled to one vote per share.

(b) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	March 31, 2022		March 31, 2021	
	Nos.	**Rs. In Millions**	**Nos.**	**Rs. In Millions**
At the beginning of the year	**1,60,00,000**	**10.41**	1,60,00,000	10.41
Add:-Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,60,00,000**	**10.41**	1,60,00,000	10.41

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2022		March 31, 2021	
	Nos.	**% holding in class**	**Nos.**	**% holding in class**
ASM Technologies Limited	**1,60,00,000**	**100%**	1,60,00,000	100%
	1,60,00,000	**100%**	1,60,00,000	100%

(d) change in Promoter shareholding

Particulars	As at March 31, 2022		As at March 31, 2022		% of change during the year
	Nos.	**% of total Shares**	**Nos.**	**% of total Shares**	
ASM Technologies Limited	**1,60,00,000**	**100%**	1,60,00,000	100%	No change during the year
Total	**1,60,00,000**		**1,60,00,000**		-

9 Other Equity

Particulars	March 31, 2022 Rs. in Millions	March 31, 2021 Rs. in Millions
Foreign Currency Translation Reserve		
Opening balance	**(22.60)**	(24.27)
Add:- Addition during year	**1.27**	1.67
Closing at end of year	**(21.33)**	**(22.60)**
Retained Earning		
Opening balance	**(54.31)**	(52.76)
Add:- Addition during year	**(64.66)**	(1.55)
	(118.97)	**(54.31)**
Less:- Appropriations		
Total	**(118.97)**	(54.31)
Closing at end of year	**(140.30)**	**(76.91)**

Current liabilities and provisions:-

10 Financial liabilities:-

Particulars	March 31, 2022 Rs. in Millions	March 31, 2021 Rs. in Millions
Trade Payables:-		
Due from Micro small and medium enterprise		
Creditor for expenses	**183.57**	157.13
Total	**183.57**	**157.13**

	March 31,2022	March 31,2021
(a) Un-billed and not due	**Others**	**Others**
	-	-
	-	-
(b) O/s for the following periods from due date of payment		
Less than 6 Months	-	-
6 Months - 1 Year	**10.69**	-
1 - 2 Years	-	-
2 - 3 Years	-	-
More than 3 Years	-	-
Others	-	-
	10.69	-
(c) Payables to related parties		
Less than 6 Months	**15.75**	-
6 Months - 1 Year	-	-
1 - 2 Years	-	-
2 - 3 Years	-	-
More than 3 Years	-	-
Others	**157.13**	**157.13**
	172.88	**157.13**
Total (a+b+c)		
	183.57	**157.13**

(d) There are no disputed trade payables

CC

ASM DIGITAL TECHNOLOGIES PTE. LTD.
(Formerly known as ADVANCED SYNERGIC PTE LTD)
(Incorporated in the Republic of Singapore)
(Reg No: 199706310D)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

The directors are pleased to present their statement to the member together with the audited financial statements of ASM DIGITAL TECHNOLOGIES PTE. LTD. (the "Company") for the financial year ended 31 March 2022.

1. **Opinion of the directors**

In our opinion,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

(b) at the date of this statement, having regard to the letter of undertaking of financial support from the holding company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. **Directors**

The directors of the Company in office at the date of this statement are:

RABINDRA SRIKANTAN
VENKATARAMAIYER SIVARAMAKRISHNAN

3. **Arrangements to enable directors to acquire shares and debentures**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. **Directors' interest in shares or debenture**

According to the Register of Directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967(the "Act"), the directors of the Company who held office at the end of the financial year had no interest in the shares or debentures of the Company or its related corporations, except as stated below:

	Direct interest		**Deemed interest**	
	At the beginning of financial year	**At the end of financial year**	**At the beginning of financial year**	**At the end of financial year**
Name of directors Shares in immediate and ultimate holding company ASM Technologies Limited, India Shares Rs:10 each				
Rabindra Srikantan	4,207,354	4,207,354	1,299,448*	1,299448*

*Held by director's immediate family members

Mr. Rabindra Srikantan, who by virtue of his interest is not less than 20% of the issued capital of the holding company is deemed to have an interest in the whole share capital of the Company.

ASM DIGITAL TECHNOLOGIES PTE LTD

INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ASM DIGITAL TECHNOLOGIES PTE LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ASM DIGITAL TECHNOLOGIES PTE LTD (the "Company"), which comprise the statement of financial position as at 31 March 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 2.1 which describes going concern basis. We wish to highlight that as at 31 March 2022, the Company reported a net loss of S$ 69,391 (2021: S$ 82,351) for the financial year ended 31 March 2022 and as of that date, the Company's current liabilities exceeded current assets by S$ 573,697 (2021: S$ 509,567) and the Company's total liabilities exceeded total assets by S$ 573,695 (2021: S$ 504,304). These conditions indicate the existence of material uncertainties that may cast significant doubt on the ability of the Company to continue as a going concern. Nevertheless, for the reasons disclosed in Note 2.1 to the financial statements, the directors are of the view that it is appropriate for the financial statements of the Company to be prepared on going concern basis. Our opinion is not modified in respect of this matter.

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G. Natarajan, P.S. Somasekharan, D. Govindaraj

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ASM DIGITAL TECHNOLOGIES PTE LTD (Continued)

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement [set out on pages 2 to 3].

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ASM DIGITAL TECHNOLOGIES PTE LTD (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022	2021
		S$	S$
ASSETS			
Non-current assets			
Plant and equipment	6	2	2
Investment in subsidiaries	7	-	-
Financial assets at FVTPL	8	-	-
ROU asset	15	-	10,734
		2	**10,736**
Current assets			
Cash and cash equivalents	9	12,384	15,967
Trade and other receivables	10	3,427	9,025
		15,811	**24,992**
Total assets		**15,813**	**35,728**
LIABILITIES			
Current liabilities			
Loans and borrowings	11	310,659	279,790
Trade and other payables	12	278,849	254,769
Provision for taxation	13	-	-
		589,508	**534,559**
Non-current liabilities			
Loans and borrowings	11	-	5,473
		-	**5,473**
NET ASSETS		**(573,695)**	**(504,304)**
EQUITY			
Share capital	16	1,000,000	1,000,000
Reserves		(1,573,695)	(1,504,304)
Total equity		**(573,695)**	**(504,304)**

The accompanying notes form an integral part of these financial statements.

ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 S$	2021 S$
Revenue: Service income	4	40,602	172,938
		40,602	**172,938**
Cost of services			
Staff cost	4a	(50,059)	(172,362)
Technical consultancy charges		-	-
		(50,059)	(172,362)
Gross profit		**(9,457)**	**576**
Other income			
Exchange gain		-	22,606
Miscellaneous income		14,882	36
Job credit scheme		-	3,900
		14,882	26,542
Less: Expenses			
Administrative and other operating expenses		(74,816)	(109,158)
Finance cost		-	(311)
(Loss) before tax	5	**(69,391)**	**(82,351)**
Income tax expense	13	-	
(Loss) for the year, representing total comprehensive income for the year		**(69,391)**	**(82,351)**

The accompanying notes form an integral part of these financial statements.

ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Share capital S$	Reserves S$	Total S$
At 31 March 2020	1,000,000	(1,421,953)	(421,953)
(Loss) for the year, representing total comprehensive income for the year		(82,351)	(82,351)
At 31 March 2021	1,000,000	(1,504,304)	(504,304)
(Loss) for the year, representing total comprehensive income for the year		(69,391)	(69,391)
At 31 March 2022	**1,000,000**	**(1,573,695)**	**(573,695)**

The accompanying notes form an integral part of these financial statements.

ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 S$	2021 S$
Cash flows from operting activities			
(Loss) before tax		(69,391)	(82,351)
Adjustment for			
Depreciation		-	6,240
Impairment - trade receivables		-	13850
FV loss on FVPL		-	54428
Interest expense		-	311
Exchange difference		50,977	(22,606)
		(18,414)	**(30,128)**
Changes in working capital:			
Trade and other receivables		4,566	9,538
Trade and other payables		10,265	23,714
Right of use asset		-	-
Cash generated from operations		**(3,583)**	**3,124**
Income tax (paid)		-	-
Net cash generated from operating activities		**(3,583)**	**3,124**
Cash flows from financing activities			
Repayment of loans and borrowings		(11,766)	-
Lease liabilities		11,766	(6,113)
Interest paid		-	(311)
Net cash (used in) financing activities		**-**	**(6,424)**
Net (decrease) in cash and cash equivalents		**(3,583)**	(3,300)
Effect of exchange rate changes on cash and cash equivalent			-
Cash and cash equivalents at beginning of the year		**15,967**	19,267
Cash and cash equivalents at end of the year	9	**12,384**	**15,967**

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

During the year, the name of the Company has been changed to ASM DIGITAL TECHNOLOGIES PTE. LTD. from ADVANCED SYNERGIC PTE LTD (w.e.f.12/10/2021)

ASM DIGITAL TECHNOLOGIES PTE. LTD. ("the Company") is incorporated as a private limited liability Company and domiciled in Singapore.

The Company's registered office & principal place of business is located at 2 Venture Drive, #24-01 Vision Exchange, Singapore - 608526.

The principal activities of the Company are to carry on the business of developing software and provide services according to the requirements of the clients.

The immediate and ultimate holding company is ASM Technologies Limited, which is incorporated in India.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (S$), which is the Company's functional currency.

Going concern

The Company reported a net loss of S$ 69,391 (2021: S$ 82,351) for the financial year ended 31 March 2022 and as of that date, the Company's current liabilities exceeded its current assets by S$ 573,697 (2021: S$ 509,567) and the total liabilities exceeds total assets by S$ 573,695 (2021: S$ 504,304). These conditions indicate the existence of material uncertainties that may cast significant doubt on the ability of the Company to continue as a going concern.

The ability of the Company to continue as a going concern is dependent on the undertaking of its holding company to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due.

If the Company were unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that the assets may need to be realized other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. No such adjustments have been made to these financial statements.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2. Summary of significant accounting policies (Continued)

2.3 Standards issued but not yet effective

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 16 Property, Plant and Equipment: Proceeds before Intended Use	1-Jan-22
Amendment to FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*: Onerous Contracts-Cost of Fulfilling a Contact	1-Jan-22
Annual Improvements to FRSs 2018-2020	1-Jan-22
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1-Jan-23
Amendments to FRS 1 *Presentation of Financial Statements* and FRS Practice Statement 2:Disclosure of Accounting Policies	1-Jan- 23
Amendments to FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors:* Definition of Accounting Estimates	1-Jan- 23
Amendments to FRS 12 *Income Taxes:* Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1-Jan- 23
Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures:* Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognized when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

Rendering of services

Revenue from rendering of the consultancy services is recognized when the services have been performed and rendered.

2. Summary of significant accounting policies (Continued)

2.5 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

2.6 Plant and Equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

Computers & accessories	1 year
Office Equipment	3 years

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.7 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 an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

2. Summary of significant accounting policies (Continued)
2.7 Impairment of non-financial assets(Continued)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.8 Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, FVOCI and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognized in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Investment in equity instruments

On initial recognition of an investment in equity instrument that his not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognized in profit or loss when the Company's right to receive payment is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognized in profit or loss.

2. Summary of significant accounting policies (Continued)

2.8 Financial instruments (Continued)

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received (and, where applicable, any cumulative gain or loss that has been recognised in other comprehensive income) is recognised in profit or

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.9 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is

2. Summary of significant accounting policies (Continued)

2.9 Impairment of financial assets

based on its historical credit loss experience, adjusted for forward- looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks which are subject to an insignificant risk of changes in value.

2.11 Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where 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.

2.12 Employee benefits

a) Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

b) Short-term employee benefits

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

2. Summary of significant accounting policies (Continued)

2.13 Taxes

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2. Summary of significant accounting policies (Continued)

2.14 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.15 Leases

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

As 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 representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

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 remeasurement 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.

Right-of-use assets

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. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7.

The Company's right-of-use assets are presented in Note 15.

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.

2. Summary of significant accounting policies (Continued)

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 remeasured 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 borrowings (Note 11).

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of storage space (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 the storage space that is 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.

2.16 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual installments.

Where 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 additional government grant.

2.17 Related party

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Charity if that person:

(i) has control or joint control of the charity;

(ii) has significant influence over the charity; or

(iii) is a member of the key management personnel of the charity or of a parent of the charity

2. Summary of significant accounting policies (Continued)

2.17 Related party(Continued)

(b) An entity is related to a charity if any of the following conditions applies:

(i) The entity and the charity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint Venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the charity or an entity related to the charity. If the charity is itself such a plan, the sponsoring employers are also related to the charity.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the charity or to the parent of the charity.

2.18 Investments in subsidiaries

A subsidiary is a company, in which the company, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors. Investments in the subsidiaries are stated in the financial statements of the Company at cost less impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Investment in subsidiary is carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investment in subsidiary the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

The consolidation for the subsidiary has not been done by the Company as the Company is a wholly owned subsidiary of its ultimate holding Company, ASM Technologies Ltd, a company incorporated in India which publishes consolidated financial statements.

The ultimate holding company produces the consolidated financial statements that are available to the general public. The website address for accessing the consolidated financial statement is https://www.asmltd.com/

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

Determination of lease term of contract with extension options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Company reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend.

The Company included the extension option in the lease term for leases of office space because of the significant costs that would arise to replace the assets.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed 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 changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant accounting judgements and estimates (Continued)

3.2 Key sources of estimation uncertainty(continued)

Provision for expected credit losses of trade and other receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 16.

The carrying amount of the Company's trade and other receivables is disclosed in Note 10.

4. Service income

	2022	2021
	S$	S$
Timing of transfer of services		
Support services – over time	40,602	172,938

4a. Staff costs

	2022	2021
	S$	S$
Staff salaries & bonus	47,449	169,682
Employer Central Provident Fund	2,040	2,040
Others	570	640
	50,059	172,362

5. (Loss) before tax

(Loss) before tax has been arrived after charging:

	2022 S$	2021 S$
Rent – short term	8,155	-
Storage charges	-	1,760
Professional fees	11,365	15,300
Impairment – trade	-	13,850
Fair value loss on financial asset through profit or loss	-	54,428
Exchange (gain)/loss non-trade	50,977	22,606

6. Plant and equipment

	Computers & accessories S$	Office Equipment S$	Total S$
Cost			
At 1st April 2020	87,595	2,062	89,657
Additions	-	-	-
At 31 March 2021 and 1 April 2021	87,595	2,062	89,657
Additions	-	-	-
At 31 March 2022	**87,595**	**2,062**	**89,657**
Accumulated depreciation			
At 1st April 2020	87,594	2,061	89,655
Depreciation charge for the year	-	-	-
At 31 March 2021	87,594	2,061	89,655
Depreciation charge for the year	-	-	-
At 31 March 2022	**87,594**	**2,061**	**89,655**
Net carrying amount:			
At 31 March 2021	1	1	2
At 31 March 2022	1	1	2

7. Investment in subsidiaries

	2022	2021
	S$	S$
Unquoted shares at cost	145,050	145,050
Impairment provision on investment	(145,050)	(145,050)
	-	-

Particulars of the Subsidiary are as follows:

Subsidiary	Principal Activities	Country of Incorporation	Effective Percentage of equity held		Cost of Investment	
			2022	2021	2022	2021
			%	%	S$	S$
ESR Associates, Inc	Software consulting	United States of America	100	100	145,050	145,050

Subsidiaries accounts are unaudited as there is no requirement for audit in the country of incorporation.

Impairment provision on investment

	2022	2021
	S$	S$
Beginning of financial year	145,050	145,050
Current year provision	-	-
End of financial year	145,050	145,050

8. Financial asset through profit or loss

	2022	2021
		S$
Unquoted equity securities	-	54,428
Less: Net change in fair value	-	(54,428)
	-	-

9. Cash and cash equivalents

	2022	2021
	S$	S$
Cash at bank	12,384	15,967

Cash and cash equivalents are denominated the following currencies:

	2022	2021
	S$	S$
Singapore dollars	12,384	15,967
	12,384	**15,967**

10. Trade and other receivables

	2022 S$	2021 S$
Trade Receivables		
Non-related parties	-	19,810
Less: provision for impairment	-	(13,850)
	-	**5,960**

	2022 S$	2021 S$
Other Receivables		
Deposits	2,053	2,053
Prepaid expenses	1,195	1,012
GST refund	179	-
	3,427	**3,065**
Total trade and other receivables	**3,427**	**9,025**

Trade receivables are non-interest bearing and are generally on 30 days' term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Trade and other receivables are denominated in Singapore dollars.

Past due status of trade receivables

	2022 S$	2021 S$
Not due	-	5,960
0-30 days	-	13,850
	-	**19,810**

11. Loans and borrowings

	2022 S$	2021 S$
Current liabilities		
Other borrowings - related party	310,659	273,497
Lease liability	-	6,293
	310,659	279,790
Non-current liabilities		
Lease liability	-	5,473
Total loans and borrowings	**310,659**	**285,263**

* This is unsecured, interest-free related party loan and is repayable within 12 months.

11. Loans and borrowings (Continued)

Loans and borrowings are denominated the following currencies:

	2022 S$	2021 S$
Singapore dollars	-	11,766
United States dollars	310,659	273,497
	310,659	**285,263**

12. Trade and other payables

Due to holding company and related company are unsecured, non-trade interest free and are repayable within 12 months.

	2022 S$	2021 S$
Trade payables		
GST Payable	-	1,863
	-	1,863
Other Payables		
Other creditors	2,433	1,163
Due to holding company	124,987	132,333
Accrued liabilities	25,392	31,534
Due to a related company	126,037	87,876
	278,849	252,906
Total trade and other payables	**278,849**	**254,769**

Trade and other payables are denominated in the following currencies

	2022 S$	2021 S$
United States dollars	126,037	87,876
Indian Rupees	124,987	132,333
Singapore dollars	27,825	34,560
	278,849	**254,769**

13. Tax expense

Current year's income tax expense	**2022** **S$**	**2021** **S$**
Current year's income tax provision	-	-
Under provision of prior year's income tax	-	-
Income tax expense recognized in profit or loss	-	-

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on company's (loss) as a result of the following:

13. Tax expense(continued)

	2022 S$	2021 S$
(Loss) before taxation	(69,391)	(82,351)
Tax @ statutory rate of 17% (2020:@17%)	(11,796)	(14,000)
Non-deductible expenses	8,666	10,314
Income not subject to tax	-	(3,843)
Deferred tax asset/(liability) not recognised	(3,130)	7,529
Income tax expense recognized in profit or loss	-	-

As at 31 March 2022, the Company has unutilized tax losses amounting to approximately S$343,906 (2021: S$325,492) which are available for setoff against future taxable income, subject to the provisions of Singapore Income Tax and agreement with Singapore Tax Authorities.

14. Share capital

The Company's share capital comprises fully paid-up 1,000,000 (2021:1,000,000) ordinary shares with no par value, amounting to a total of S$ 1,000,000 (2021: S$ 1,000,000).

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction

15. Right-of-use asset

The Company has lease contract for office building. The Company's obligation under this lease is secured by the lessor's title to the leased asset. The Company is restricted from assigning and subleasing the leased asset.

a)Carrying amount of right-of-use asset

	2022 S$	2021 S$
At 31 March 2021	10,734	9,353
Modification of lease liability	(10,734)	7,621
Amortization	-	(6,,240)
At 31 March 2022	-	10,734

b)Lease liabilities

The carrying amounts of lease liabilities (included under borrowings) are disclosed in Note 11 and the maturity analysis of lease liabilities are disclosed in Note 17.

c)Amount recognized in profit or loss

	2022 S$	2021 S$
Depreciation of right of use asset	-	6,240
Interest expense on lease liabilities	-	311
Total amount recognized in profit or loss	-	6,551

d) Total cash outflow

The Company had total cash outflows for leases of NIL (2021: S$6,424)

16. Capital management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholder and benefits for other stakeholders and to maintain an optional capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including trade and other payables as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity, as shown in the statement of financial position, plus net debts.

No specific gearing ratio has been determined by management with the overall objective to keep the ratio as low as possible and such policy has not been changed since the previous financial year.

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged.

The gearing ratios at 31 March 2022 and 2021 were as follows:

	2022 S$	2021 S$
Net debt	577,124	524,065
Total equity	(573,695)	(504,304)
Total capital	**3,429**	**19,761**

17. Financial risk management

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash at bank) the Company minimizes credit risk by dealing exclusively with high credit rating counterparties.

17. Financial risk management (Continued)

a)Credit risk (Continued

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 90 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behavior of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial re-organisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 365 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

Category	**Definition of category**	**Basis for recognising expected credit loss (ECL)**
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
III	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

17. Financial risk management (Continued)

a) Credit risk (Continued)

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross carrying amount (SS)	Loss allowance (S$)	Net carrying amount (S$)
31-Mar-22						
Trade receivables	10	Note 1	Lifetime ECL (simplified)	-	-	-
Other receivables	10	1	12-month ECL	2,053	-	2,053
					-	
31-Mar-21						
Trade receivables	10	Note 1	Lifetime ECL (simplified)	19,810	13,850	5,960
Other receivables	10	1	12-month ECL	2,053	-	2,053
					13,850	

Trade receivables (Note 1)

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. The Company has not provided any lifetime expected credit losses ("ECL") for trade receivables as based on the Company's historical trend and forward looking analysis as ECL loss is not material.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

17. Financial risk management (Continued)

Exposure to credit risk

The Company has no significant concentration of credit risk . The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

a) Credit risk (Continued)

Other receivables

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

b) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company does not expect any significant effect on the statement of profit or loss and other comprehensive income arising from the effects of reasonable possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

ii. Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from trade and other receivables, cash at bank and borrowings that are denominated in a currency other than the functional currency of the Company, primarily United States Dollar (USD)

The Company's currency exposures to the USD and INR at the reporting date are as follows:

	2022		2021	
	USD	INR	USD	INR
Financial assets	*(equivalent to SGD)*		*(equivalent to SGD)*	
Cash at bank	-	-	-	-
Trade and other receivables	-	-	-	-
	-	-	-	-

17. Financial risk management (Continued)

b) Market risk (Continued)

	2022		2021	
	USD	**INR**	**USD**	**INR**
Financial liabilities	*(equivalent to SGD)*		*(equivalent to SGD)*	
Loans and borrowings	(310,659)	-	(273,497)	-
Other payables	(126,037)	(124,987)	(87,876)	(132,333)
	(436,696)	(124,987)	(361,373)	(132,333)
Net currency exposure	(436,696)	(124,987)	(361,373)	(132,333)

Sensitivity analysis for foreign currency risk

The following table demonstrate the sensitivity of the Company's profit net of tax to a reasonably possible change in USD and INR exchange rates against the functional currency of the Company, with all other variables held constant.

	Profit or loss (after tax)	
	2021	**2021**
	S$	**S$**
United States Dollar	18,123	14,997
Indian Rupee	5,187	5,492

A 5% strengthening of Singapore dollar against the foreign currency denominated balances as at the reporting date would increase profit or loss by the amounts shown below. A 5% weakening of Singapore dollar against the above currencies would have had equal but opposite effect on the above currencies to the amounts shown above.

c) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company obtains continued financial support from their holding company to meet its operational requirements.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

		2022		
Financial assets	**Carrying amount**	**Contractual carrying amount**	**One year or less**	**One to five years**
	S$	**S$**	**S$**	**S$**
Trade receivables	-	-	-	-
Other receivables	2,053	2,053	2,053	-
Cash and cash equivalents	12,384	12,384	12,384	-
Total undiscounted financial assets	14,437	14,437	14,437	-

17. Financial risk management (Continued)

b) Liquidity risk (Continued)

Financial liabilities	2022 Carrying amount	Contractual carrying amount	One year or less	One to five years
	S$	S$	S$	S$
Trade and other payables	278,849	278,849	278,849	-
Loans and borrowings (excluding lease liability)	310,659	310,659	310,659	-
Total undiscounted financial liabilities	589,508	589,508	589,508	-
Total undiscounted financial (liabilities)	(573,697)	(573,697)	(573,697)	-

Financial assets	2021 Carrying amount	Contractual carrying amount	One year or less	One to five years
	S$	S$	S$	S$
Trade receivables	5,960	5,960	5,960	-
Other receivables	2,053	2,053	2,053	-
Cash and cash equivalents	15,967	15,967	15,967	-
Total undiscounted financial assets	23,890	23,890	23,890	-
Financial liabilities				
Trade and other payables	252,906	252,906	252,906	-
Loans and borrowings (excluding lease liability)	273,497	273,497	273,497	-
Lease liability	11,766	12,059	5,528	5,531
Total undiscounted financial liabilities	538,169	538,462	532,931	5,531
Total undiscounted financial (liabilities)	(514,189)	(514,482)	(508,951)	(5,531)

18. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables and other payables (including non-trade balances due to related parties)

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

18. Fair values (Continued)

Trade receivables and payables

The carrying amounts of these receivables and payables (including trade balances due from holding company) approximate their fair values as they are subject to normal trade credit terms.

Fair value hierarchy

The following table presents assets and liabilities measured at fair value level of the following fair value measurement hierarchy:

(a) quoted prices in active markets for identical assets or liabilities (Level 1);

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

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

2022

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Assets				
Financial asset through profit or loss (Note 8)	-	-	-	-
	-	-	-	-

2021

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Assets				
Financial asset through profit or loss (Note 8)	-	-		-
	-	-	-	-

19. Financial instruments by category

The carrying amounts of the different categories of financial instruments are as follows:

	2022 S$	2021 S$
Financial assets measured at amortised cost		
Trade and other receivables (note 10)	2,053	9,025
Cash and cash equivalents (note 9)	12,384	15,967
	14,437	24,992
Less: GST refund	(179)	
Less: Prepayments	(1,195)	(1,012)
Total financial assets measured at amortised cost	**13,063**	**23,980**
Financial assets at FVPL	-	-

19. Financial instruments by category (continued)

Financial liabilities measured at amortised cost		
Loans and borrowings (note 11)	310,659	285,263
Trade and other payables (note 12)	278,849	254,769
	589,508	540,032
Less: GST payable	-	(1,863)
Total financial liabilities measured at amortized cost	**589,508**	**538,169**

20. Related party transactions

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the company and related parties took place during the year at terms agreed between the parties:

Nature of transaction	Nature of Relationship	Amount of transaction 2022 S$	2021 S$
Loan repaid	Related parties	-	-
Loan received	Related parties (net)	17,000	27,208

21. Operating lease commitments

The Company leases storage space under non-cancellable operating lease agreements. The lease have varying terms.

The future minimum rental payable under non-cancellable operating leases contracted for at the reporting date but not recognized as liabilities, are as follows:

	2022 S$	2021 S$
Not later than one year	-	160
	-	160

Minimum lease payments recognized as an expense in profit or loss for the financial year ended 31 March 2022 amounted to Nil (2021: S$ 1,760)

22. Authorization of financial statements for issue

The financial statements for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date of directors' statement.

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ASM DIGITAL TECHNOLOGIES PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

(This does not part form of audited financial statements)

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	2022 S$	2021 S$
Revenue		
Sale of services	40,602	172,938
	40,602	172,938
Cost of services		
CPF contribution	2,040	2,040
Reimbursement expenses	570	640
Staff salaries	47,449	169,682
Total cost of sales	50,059	172,362
Gross profit	(9,457)	576
Other income		
Exchange gain	-	22,606
Miscellaneous income	14,882	36
Job credit income	-	3,900
	14,882	26,542
	5,425	27,118
Expenses		
Audit fee	2,500	10,500
Bank charges	129	150
Depreciation	-	6,240
Exchange loss	50,977	-
Insurance paid	36	3,146
Impairment provision on investment at FVTPL	-	54,428
Impairment - trade receivable	-	13,850
Late fee, penalty and interest	25	400
Printing and stationery	53	48
Professional fee	11,365	15,300
Rent Subscription	8,155	-
Storage charges	-	1,760
Subscription and membership charges	-	1,500
Skills development levy	122	289
Telephone charges	1,454	1,507
Visa charges	-	40
Total expenses	74,816	109,158
Finance cost		
Interest paid	-	311
	-	311
Total expenses	74,816	109,469
(Loss) for the year	**(69,391)**	**(82,351)**