ADVANCED SYNERGIC PTE LTD
(Incorporated in the Republic of Singapore)
(Reg No: 199706310D)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

The directors are pleased to present their statement to the member together with the audited financial statements of Advanced Synergic Pte Ltd (the "Company") for the financial year ended 31 March 2021.

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 2021 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 Singapore Companies Act, Chapter 50 (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	2,103,677	4,207,354	649,724*	1,299,448

*Held by director's immediate family members

Mr. Rabindra Srikantan, who by virtue of his interest of 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.

ADVANCED SYNERGIC PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

[illegible]

5. [illegible]

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ADVANCED SYNERGIC PTE LTD

INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ADVANCED SYNERGIC PTE LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Advanced Synergic Pte Ltd (the "Company"), which comprise the statement of financial position as at 31 March 2021, 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, Chapter 50 (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 2021 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 2021, the Company reported a net loss of S$ 82,351 (2020: S$ 17,834) for the financial year ended 31 March 2021 and as of that date, the Company's current liabilities exceeded current assets by S$ 509,.567 (2020: S$ 481,849) and the Company's total liabilities exceeded total assets by S$ 504,304 (2020: S$ 421,953). 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

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.

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.

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

- 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

MGI N Rajan

MGI N RAJAN ASSOCIATES
Public Accountants and
Chartered Accountants

Singapore
Date 2 6 MAY 2021

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021	2020
		S$	S$
ASSETS			
Non-current assets			
Plant and equipment	6	2	2
Investment in subsidiaries	7	-	-
Right-of-use asset	15	10,734	9,353
Financial assets through profit or loss	8	-	54,428
		10,736	63,783
Current assets			
Cash and cash equivalents	9	15,967	19,267
Trade and other receivables	10	9,025	32,413
		24,992	51,680
Total assets		35,728	115,463
LIABILITIES			
Current liabilities			
Loans and borrowings	11	279,790	297,713
Trade and other payables	12	254,769	235,816
		534,559	533,529
Non-current liabilities			
Loans and borrowings	11	5,473	3,887
		5,473	3,887
NET (LIABILITIES)		(504,304)	(421,953)
EQUITY			
Share capital	14	1,000,000	1,000,000
Reserves		(1,504,304)	(1,421,953)
TOTAL EQUITY		(504,304)	(421,953)

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

ADVANCED SYNERGIC PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	2021 S$	2020 S$
Revenue			
Service income	4	172,938	208,152
Costs of services			
Staff costs	4a	(172,362)	(191,801)
Gross profit		576	16,351
Other income			
Exchange gain		22,606	22,518
Miscellaneous income		36	59
Job credit income		3,900	-
		26,542	22,577
Expenses			
Administrative and other operating expenses		(109,158)	(56,328)
Finance cost		(311)	(434)
(Loss) before tax	5	(82,351)	(17,834)
Income tax expense	13	-	-
(Loss) for the year, representing total comprehensive income for the year		(82,351)	(17,834)

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

ADVANCED SYNERGIC PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Share capital S$	Accumulated (losses) S$	Total S$
At 1 April 2019	1,000,000	(1,404,119)	(404,119)
Effect of adopting FRS 116 *Leases*	-	-	-
At 1 April 2019 (restated)	1,000,000	(1,404,119)	(404,119)
(Loss) for the year, representing total comprehensive income for the year	-	(17,834)	(17,834)
At 31 March 2020 and 1 April 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)

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

ADVANCED SYNERGIC PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	2021 S$	2020 S$
Cash flows from operating activities			
(Loss) before tax		(82,351)	(17,834)
Adjustments for:			
Amortization		6,240	6,424
Impairment – trade		13,850	-
Fair value loss on financial asset through profit or loss		54,428	-
Interest expense		311	434
Unrealized exchange difference		(22,606)	(22,518)
		(30,128)	(33,494)
Change in working capital:			
Trade and other receivables		9,538	18,772
Trade and other payables		23,714	31,460
Cash generated from operations		3,124	16,738
Income tax paid (net of refund)		-	-
Net cash flows generated from operating activities		3,124	16,738
Cash flows from financing activities			
Repayment of borrowings		-	(54,468)
Payment of principal portion of lease liabilities		(6,113)	(5,519)
Interest paid		(311)	(434)
Net cash flows (used in) financing activities		6,424	(60,421)
Net (decrease) in cash and cash equivalents		(3,300)	(43,683)
Effect of exchange rate changes on cash and cash equivalents		-	(44)
Cash and cash equivalents at beginning of the year		19,.267	62,994
Cash and cash equivalents at end of the year	9	15,967	19,267

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

Advanced Synergic 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$ 82,351 (2020: S$ 17,834) for the financial year ended 31 March 2021 and as of that date, the Company's current liabilities exceeded its current assets by S$ 509,567 (2020: S$ 481,849) and the total liabilities exceeds total assets by S$ 504,304 (2020: S$ 421,953). 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 2020. 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
Amendment to FRS 116 Leases: Covid-19 Related Rent Concession	1 June 2020
Amendments to FRS 109 Financial Instrument, FRS 39 Financial Instruments: Recognition and Measurement, FRS 107 Financial Instruments: Disclosures, FRS 104 Insurance Contracts, FRS 116 Leases: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to FRS 16 Property, Plant and Equipment: Proceeds before intended use	1 January 2022
Amendments to FRS 37Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfulling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
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
Leasehold office	Over the lease period

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.

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. Summary of significant accounting policies (Continued)

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.

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 loss.

2. Summary of significant accounting policies (Continued)

2.8 Financial instruments (Continued)

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 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. Summary of significant accounting policies (Continued)

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.

2.13 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.

2. Summary of significant accounting policies (Continued)

2.13 Taxes

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.

2.14 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.

2. Summary of significant accounting policies (Continued)

2.15 Leases

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.

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. Summary of significant accounting policies (Continued)

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

(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.

2. Summary of significant accounting policies (Continued)

2.18 Investments in subsidiaries (Continued)

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. Significant accounting judgements and estimates (Continued)

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.

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 17.

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

4. Service income

	2021	2020
	S$	S$
Timing of transfer of services		
Support services – over time	172,938	208,152

4a. Staff costs

	2021	2020
	S$	S$
Staff salaries & bonus	169,682	189,191
Employer Central Provident Fund	2,040	2,040
Others	640	570
	172,362	191,801

5. (Loss) before tax

(Loss) before tax has been arrived after charging:

	2021	2020
	S$	S$
Storage charges	1,760	2,687
Professional fees	15,300	13,120
Impairment – trade	13,850	-
Fair value loss on financial asset through profit or loss	54,428	-
Travelling expenses	-	14,025
Exchange (gain)/loss non-trade	(22,606)	(22,518)

6. Plant and equipment

	Computers & accessories	Office Equipment	Total
Cost	**S$**	**S$**	**S$**
At 1 April 2019	87,595	2,062	89,657
Additions	-	-	-
At 31 March 2020 and 1 April 2020	87,595	2,062	89,657
Additions	-	-	-
At 31 March 2021	87,595	2,062	89,657
Accumulated depreciation			
At 1 April 2019	87,594	2,061	89,655
Depreciation charge for the year	-	-	-
At 31 March 2020 and 1 April 2020	87,594	2,061	89,655
Depreciation charge for the year	-	-	-
At 31 March 2021	87,594	2,061	89,655
Net carrying amount:			
At 31 March 2020	1	1	2
At 31 March 2021	1	1	2

7. Investment in subsidiaries

	2021	2020
	S$	S$
Unquoted shares at cost	145,050	145,050
Impairment provision on investment	(145,050)	(145,050)
	-	-

7. Investment in subsidiaries (Continued)

Particulars of the Subsidiary are as follows:

Subsidiary	Principal Activities	Country of Incorporation	Effective Percentage of equity held		Cost of Investment	
			2021	2020	2021	2020
			%	%	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

	2021	2020
	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

	2021	2020
	S$	S$
Unquoted equity securities	54,428	54,428
Less: Net change in fair value	(54,428)	
	-	54,428

9. Cash and cash equivalents

	2021	2020
	S$	S$
Cash at bank	15,967	19,267

Cash and cash equivalents are denominated the following currencies:

	2021	2020
	S$	S$
Singapore dollars	15,967	19,267
	15,967	19,267

10. Trade and other receivables

	2021	2020
	S$	S$
Trade Receivables		
Non-related parties	19,810	26,087
Less: provision for impairment	(13,850)	-
	5,960	26,087

10. Trade and other receivables (Continued)

	2021 S$	2020 S$
Other Receivables		
Deposits	2,053	2,053
Prepaid expenses	1,012	4,273
	3,065	6,326
Total trade and other receivables	9,025	32,413

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.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows:

Movement in allowance account	2021 S$	2020 S$
At 1 April	-	-
Allowance made	13,850	-
AT 31 March	13,850	-

Past due status of trade receivables

	2021 S$	2020 S$
Not due	5,960	17,401
0-30 days	13,850	8,656
	19,810	26,087

11. Loans and borrowings

	2021 S$	2020 S$
Current liabilities		
Other borrowings - related party	273,497	291,342
Lease liability	6,293	6,371
	279,790	297,713
Non-current liabilities		
Lease liability	5,473	3,887
Total loans and borrowings	285,263	301,600

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

11. Loans and borrowings (Continued)

A reconciliation of liabilities arising from financing liabilities are as follows:

2021	1 April 2020	Additions	Cash flows	Non-cash changes Accretion of interests	Others	31 March 2021
	S$	S$	S$	S$	S$	S$
Lease liability						
Current	6,371	2,296	(6,424)	311	3,739	6,293
Non-current	3,887	5,325	-	-	(3,739)	5,473
	10,258	7,621	(6,424)	3131		11,766

2020	1 April 2019	Effect of adoption of FRS 116 (1 April 2019)	Additions	Cash flows	Non-cash changes Accretion of interests	Others	31 March 2020
	S$		S$	S$	S$	S$	S$
Lease liability							
Current	-	5,519	-	(5,953)	434	6,371	6,371
Non-current	-	10,258	-	-	-	(6,371)	3,887
		15,777	-	(5,953)	434	-	10,258

Loans and borrowings are denominated the following currencies:

	2021	2020
	S$	S$
United States dollars	273,497	291,342
Singapore dollars	11,766	10,258
	285,263	301,600

12. Trade and other payables

	2021	2020
Trade payables	S$	S$
GST Payable	1,863	3,251
	1,863	3,251
Other Payables		
Other creditors	1,163	1,572
Due to holding company	132,333	132,588
Accrued liabilities	31,534	33,230
Due to a related company	87,876	65,175
	252,906	232,565
Total trade and other payables	254,769	235,816

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

Trade and other payables are denominated in the following currencies

	2021	2020
	S$	S$
United States Dollars	87,876	65,175
Indian Rupee	132,333	132,588
Singapore Dollars	34,560	38,053
	254,769	235,816

13. Tax expense

Current year's income tax expense	**2021**	**2020**
	S$	**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:

	2021	**2020**
	S$	**S$**
(Loss) before taxation	(82,351)	(17,834)
Tax @ statutory rate of 17% (2020:@17%)	(14,000)	(3,032)
Non-deductible expenses	10,314	1,092
Income not subject to tax	(3,843)	(3,821)
Deferred tax asset not recognised	7,529	5,761
Income tax expense recognized in profit or loss	-	-

As at 31 March 2021, the Company has unutilized tax losses amounting to approximately S$284,302 (2020: S$220,312) 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 (2020:1,000,000) ordinary shares with no par value, amounting to a total of S$ 1,000,000 (2020: 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

	2021	**2020**
	S$	**S$**
At 31 March 2020	9,353	15,577
Modification of lease liability	7,621	-
Amortization	(6,240)	(6,424)
At 31 March 2021	10,734	9,353

15. Right-of-use asset (Continued)

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 17c.

c) Amount recognized in profit or loss

	2021	2020
	S$	S$
Depreciation of right of use asset	6,240	6,424
Interest expense on lease liabilities	311	434
Total amount recognized in profit or loss	6,551	6,858

d) Total cash outflow

The Company had total cash outflows for leases of S$ 6,424(2020: S$5,953)

e) Extension options

Lease contract include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset and align with the Company's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised (Note 3.1).

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 2021 and 2020 were as follows:

	2021	2020
	S$	S$
Net debt	524,065	518,149
Total equity	-	-
Total capital	524,065	518,159

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.

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 past due beyond the credit period and based on the history of the payments received n making contractual payments.

17. Financial risk management (Continued)

a) Credit risk (Continued)

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

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 March 2021						
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	
31 March 2020						
Trade receivables	10	Note 1	Lifetime ECL (simplified)	26,087	-	26,087
Other receivables	10	1	12-month ECL	2,053	-	2,053
					-	

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 provided lifetime expected credit losses ("ECL") for trade receivables based on the Company's historical trend and forward looking analysis. Information regarding loss allowance movement of trade receivables is disclosed in Note 10.

17. Financial risk management (Continued)

a) Credit risk (Continued)

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.

Exposure to credit risk

The Company has significant concentration of credit risk since the balances comprising 100% (2020: 100%) of trade receivables are receivable from 2 (2019: 2) debtors. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

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)

17. Financial risk management (Continued)

b) Market risk (Continued)

ii. Foreign currency risk (Continued)

The Company's currency exposures to the USD and INR at the reporting date are as follows:

	2021		2020	
	USD	**INR**	**USD**	**INR**
Financial assets	*(equivalent to SGD)*		*(equivalent to SGD)*	
Cash at bank	-	-	-	-
Trade and other receivables	-	-	-	-
	-	-	-	-

	2021		2020	
	USD	**INR**	**USD**	**INR**
Financial liabilities	*(equivalent to SGD)*		*(equivalent to SGD)*	
Loans and borrowings	(273,497)	-	(291,342)	-
Other payables	(87,876)	(132,333)	(65,175)	(132,588)
	(361,373)	(132,333)	(356,517)	(132,588)
Net currency exposure	(361,373)	(132,333)	(356,517)	(132,588)

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.

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.

	Profit or loss (after tax)	
	2021	**2020**
	S$	**S$**
United States Dollar	14,997	14,795
Indian Rupee	5,492	5,502

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.

17. Financial risk management (Continued)

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.

	2021			
Financial assets	**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	23,980	23,980	23,980	-

	2021			
Financial liabilities	**Carrying amount**	**Contractual carrying amount**	**One year or less**	**One to five years**
	S$	**S$**	**S$**	**S$**
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	6,528	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)

	2020			
Financial assets	**Carrying amount**	**Contractual carrying amount**	**One year or less**	**One to five years**
	S$	**S$**	**S$**	**S$**
Trade receivables	26,087	26,087	26,087	-
Other receivables	2,053	2,053	2,053	-
Cash and cash equivalents	19,267	19,267	19,267	-
Total undiscounted financial assets	47,407	47,407	47,407	-
Financial liabilities				
Trade and other payables	232,565	232,565	232,565	-
Loans and borrowings (excluding lease liability)	291,342	291,342	291,342	-
Lease liability	10,258	10,606	6,667	3,939
Total undiscounted financial liabilities	534,165	534,513	530,574	3,939
Total undiscounted financial (liabilities)	(486,758)	(487,106)	(483,167)	(3,939)

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.

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).

2021

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Assets				
Financial asset through profit or loss (Note 8)	-	-	-	-
	-	-	-	-

2020

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Assets				
Financial asset through profit or loss (Note 8)	-	-	54,428	54,428
	-	-	54,428	54,428

<u>Movement in Level 3 asset measured at fair value</u>

The following table presents the reconciliation of assets measured at fair value based on significant unobservable inputs.

	2021
Unquoted equity security	**S$**
At 1 April 2020	54,428
Net fair value loss recognized	(54,428)
At 31 March 2021	-

19. Financial instruments by category

The carrying amounts of the different categories of financial instruments are as follows:

	2021	2020
Financial assets measured at amortised cost	**S$**	**S$**
Trade and other receivables (note 10)	9,025	32,413
Cash and cash equivalents (note 9)	15,967	19,267
	24,992	51,680
Less: Prepayments	(1,012)	(4,273)
Total financial assets measured at amortised cost	23,980	47,407
Financial assets at FVPL	-	54,428
Financial liabilities measured at amortised cost		
Loans and borrowings (note 11)	285,263	301,600
Trade and other payables (note 12)	254,769	235,816
	540,032	537,416
Less: GST payable	(1,863)	(3,251)
Total financial liabilities measured at amortized cost	538,169	534,201

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:

		Amount of transaction	
Nature of transaction	**Nature of Relationship**	**2021**	**2020**
		S$	**S$**
Loan repaid	Related parties	-	54,468
Loan received	Related parties (net)	27,208	16,224

21. 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.

22. COVID-19 effect on business

Since January 2020, the outbreak of Novel Coronavirus ("COVID-19") has impacted the global business environment. Up to the date of these financial statements, COVID-19 has not resulted in any significant impact to the Group and the management also believe that the outbreak will have no material impact on the Group's performances on the coming financial year. However, it would be difficult to analyse the future effect of Covid-19 on the business of the Group and of the Company due to current uncertainty in global market. The management will continue to monitor closely the development of the COVID-19 pandemic and they are confident that the Group and the Company will continue its operations as going concern. The management is in the opinion that the Group and the Company will still be able to meet its obligations as and when they fall due over the next 12 months.

****

ADVANCED SYNERGIC PTE LTD
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

(This does not part form of audited financial statements)

	2021 S$	2020 S$
Revenue		
Sale of service	172,938	208,152
Cost of service		
CPF contribution	2,040	2,040
Reimbursement expenses	640	570
Staff salaries	169,682	189,191
Total cost of sales	172,362	191,801
Gross profit	576	16,351
Other income		
Exchange gain	22,606	22,518
Miscellaneous income	36	59
Job credit income	3,900	-
	26,542	22,577
	27,118	38,928
Expenses		
Audit fee	10,500	10,500
Bank charges	150	120
Depreciation	6,240	6,424
Fair value loss on financial asset at FVPL	54,428	-
Impairment – trade	13,850	-
Insurance paid	3,146	3,068
Late fee penalty	400	250
Professional fee	15,300	13,120
Printing and stationery	48	-
Storage charges	1,760	2,687
Subscription & membership charges	1,500	3,900
Skills development levy	289	300
Telephone charges	1,507	1,214
Travelling charges	-	14,025
Visa charges	40	720
	109,158	56,328
Finance cost		
Interests paid	311	434
(Loss) for the year	(82,351)	(17,834)

INDEPENDENT AUDITOR'S REPORT

To the Members of Pinnacle Talent Inc

Report on Audit of the Standalone Financial Statements

Opinion:

We have audited the standalone Ind AS financial statements of Pinnacle Talent Inc ("the Company") which comprise of balance sheet as at March 31, 2021, 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, 2021, 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.1.54 million during the year ended March 31, 2021 and as at that date, the Company's current liabilities exceeded its current assets by Rs.66.51 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, 2021. 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 21215398AAAABM2635

Place: Bangalore
Date: May 26, 2021

PINNACLE TALENT INC
Balance Sheet as at March 31, 2021

(Rs. In Millions)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	-	-
(b) Investment Property	-	-	-
(c) Financial Assets		-	
(i) Loans	4	**0.13**	0.14
(ii) Others		-	-
(d) Deferred tax assets (net)	-	-	-
Total		**0.13**	**0.14**
(2) Current assets			
(a) Inventories		-	-
(b) Financial Assets		-	
(i) Investments		-	-
(ii) Trade receivables	5	**73.02**	74.74
(iii) Cash and cash equivalents	6	**0.51**	0.39
(c) Current tax assets (Net)		-	-
(d) Other current assets	7	**16.95**	17.72
Total		**90.48**	**92.85**
Total Assets		**90.61**	**92.99**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	8	**10.40**	10.41
(b) Other Equity	9	**(76.91)**	(77.03)
Total		**(66.51)**	**(66.62)**
LIABILITIES			
(1) Non-current liabilities			
Total		**-**	**-**
(2) Current liabilities			
(a) Financial Liabilities	10		
(i) Borrowings		-	-
(ii) Trade payables		**157.12**	159.46
(b) Provisions	11	-	0.15
(c) Current Tax Liabilities (Net)		-	-
Total		**157.12**	**159.61**
TOTAL EQUITY AND LIABILITY		**90.61**	**92.99**

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 26, 2021

PINNACLE TALENT INC

Statement of Profit & Loss account for the year ended March 31, 2021

(Rs. In Millions)

Particulars	Notes	Current Year	Previous Year
Income			
Revenue from operations	12	**27.73**	29.16
Other income		**1.69**	-
Total Income (i)		**29.42**	**29.16**
Expenses			
Employee benefits expense	13	**25.03**	7.16
Finance costs	14	**0.01**	-
Depreciation and amortization expense	-	**-**	0.09
Other expenses	15	**5.92**	7.86
Total expenses (ii)		**30.96**	**15.11**
Profit/(Loss) before tax [(i)- (ii)]		**(1.54)**	**14.05**
Tax expenses			
(i) Current tax		-	-
(ii) Deferred tax		-	-
Total tax expense		-	-
Profit/(Loss) for the year		**(1.54)**	**14.05**
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		-	-
Total Comprehensive Income for the year		**(1.54)**	**14.05**
Earnings per equity share [nominal value of share USD 0.01 (March 31, 2020: USD 0.01)]			
Basic and Diluted (in Rs.)		**(0.10)**	0.88

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 26, 2021

PINNACLE TALENT INC.
Cash Flow Statement for the year ended March 31, 2021

	Particulars	Current Year	Previous Year
		(Rs. In million)	
(A)	**Cash flows from operating activities**		
	Profit / (loss) before tax	**(1.54)**	**14.05**
	Adjustment to reconcile profit before tax to net cash flows:	-	
	Depreciation and amortization expense	-	**0.28**
	Finance costs	**0.01**	-
	Exchange Fluctuation	**(1.67)**	**(20.66)**
	Fluctuation in Other Equity	-	
	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	**(3.20)**	**(6.34)**
	Movements in working capital :		
	Increase/ (decrease) in trade payables	**2.33**	**10.88**
	Decrease / (increase) in trade receivables	**1.72**	**(5.75)**
	Decrease / (increase) in other non current assets	**0.01**	**0.19**
	Decrease / (increase) in other current assets	**0.76**	**1.24**
	Increase / (decrease) in provisions	**0.15**	**(0.27)**
	Cash generated from /(used in) operations	**1.77**	**(0.05)**
	Direct taxes paid, net	-	
	Net cash flow from/ (used in) operating activities (A)	**1.77**	**(0.05)**
(B)	**Cash flows from investing activities**		
	Purchase of Property, plant & equipment (including capital work in progress and capital advances)	-	**(0.28)**
	Net cash flow from/ (used in) investing activities (B)	-	**(0.28)**
(C)	**Cash flows from financing activities**		
	Interest paid	**(0.01)**	-
	Net cash flow from/ (used in) in financing activities (C)	**(0.01)**	-
(D)	Net increase/(decrease) in cash and cash equivalents (A + B + C)	**1.76**	(0.33)
(E)	Cash and cash equivalents at the beginning of the year	**0.39**	**0.72**
(F)	**Cash and cash equivalents at the end of the year**	**2.15**	**0.39**
		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 26, 2021

PINNACLE TALENT INC

Statement of Changes in Equity for the year ended March 31, 2021

a. Equity Share Capital

Particulars	Equity Share Capital
As at April 1, 2019	**10.40**
Increase in share capital on issue	-
Effect of share based payments	-
As at March 31, 2020	**10.40**
Increase in share capital on issue	-
Effect of share based payments	-
As at March 31, 2021	**10.40**

b. Other Equity

Particulars	Retained earnings	Foreign Currency translation reserve	Total
As at April 1, 2019	**(66.80)**	(3.61)	**(91.07)**
Profit/(loss) for the year	14.04		**14.04**
Dividend declared during the year	-		**-**
Other Comprehensive income	-		**-**
Net changes during the year	-	(20.66)	**(20.66)**
As at March 31, 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)**

PINNACLE TALENT INC

Notes to Standalone Financial Statements for the year ended March 31, 2021

1 CORPORATE INFORMATION:

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, 2021.

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.

Defferred 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 intial cost. Subsequently, carried at cost less accumulated amortization and accumulated impariment 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 discouting 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 refelects the considereation 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.

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.

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.

PINNACLE TALENT INC

Notes to financial statements for the year ended March 31, 2021

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

	Computers	Machinery & Systems	Office Equipment	Software	Total
Cost					
As at April 1, 2019	1.18	0.76	0.04	12.87	14.86
Additions	0.28	-	-	-	0.28
Disposals	-	-	-	-	-
At March 31, 2020	**1.46**	**0.76**	**0.04**	**12.87**	**15.13**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Other Adjustments	-	-	-	-	-
At March 31, 2021	**1.46**	**0.76**	**0.04**	**12.87**	**15.13**
Depreciation/Amortisation					
As at April 1, 2019	1.18	0.76	0.04	12.87	**14.86**
Charge for the year	0.28	-	-	-	0.28
Disposals	-	-	-	-	-
At March 31, 2020	**1.46**	**0.76**	**0.04**	**12.87**	**15.13**
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Other Adjustment	-	-	-	-	-
At March 31, 2021	**1.46**	**0.76**	**0.04**	**12.87**	**15.13**
Net Block					
At March 31, 2020	-	-	-	-	-
At March 31, 2021	-	-	-	-	-

PINNACLE TALENT INC

Notes to financial statements for the year ended March 31, 2021

4 Financial Assets- Non Current Assets

Particulars	March 31, 2021 Rs. In Millions	March 31, 2020 Rs. In Millions
ii) Loans (Unsecured, considered good)		
Security deposit	**0.13**	0.14
Total	**0.13**	**0.14**

Financial Assets- Current Assets

5 Trade Receivables

Particulars	March 31, 2021 Rs. In Millions	March 31, 2020 Rs. In Millions
Unsecured debtors	**73.02**	74.73
Unsecured Considered Doubtful	-	-
	73.02	74.73
Less:- Provision for doubtful debt		
Total	**73.02**	**74.74**
The above amount includes:		
- debts due by directors or other officers of the Company		
- debts due by firms/private companies in which a director is a partner or a director or a member	**60.91**	62.31

6 Cash and Bank Balance

Particulars	March 31, 2021 Rs. In Millions	March 31, 2020 Rs. In Millions
a) Cash and cash equivalents:-		
i) Balance with Banks		
- in current account*	**0.51**	0.39
- Cash in Hand		
	0.51	**0.39**
b) Other Bank Balance		
- in short term deposit	-	-
Total	**0.51**	**0.39**

* subject to confirmation from bank

7 Other Current Assets

Particulars	March 31, 2021 Rs. In Millions	March 31, 2020 Rs. In Millions
Prepaid expenses	**0.20**	0.54
Advance to Related Parties (considered good)	**16.75**	17.18
	-	-
Total	**16.95**	**17.72**

PINNACLE TALENT INC

Notes to financial statements for the year ended March 31, 2021

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

(Rs. In Millions)

Particulars	March 31, 2021	March 31, 2020
Authorised		
1,60,00,000 (As at March 31, 2020: 1,60,00,000) Equity shares of USD 0.01 each	**10.40**	10.40
Issued, Subscribed & Paid up		
1,60,00,000 (As at March 31, 2020: 1,60,00,000) Equity shares of USD 0.01 each	**10.40**	10.40
Total issued, subscribed and fully paid-up share capital	**10.40**	**10.40**

(a) Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of Rs.10 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, 2021		March 31, 2020	
	Nos.	Rs. In Millions	Nos.	Rs. In Millions
At the beginning of the year	**1,60,00,000**	**10.40**	1,60,00,000	10.40
Add:-Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,60,00,000**	**10.40**	1,60,00,000	10.40

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

Particulars	March 31, 2021		March 31, 2020	
	Nos.	% holding in class	Nos.	% holding in class
ASM Technoogies Limited	**1,60,00,000**	**100%**	1,60,00,000	100%
	1,60,00,000	**100%**	1,60,00,000	100%

PINNACLE TALENT INC

Notes to financial statements for the year ended March 31, 2021

9 Other Equity

Particulars	March 31, 2021 Rs. in Millions	March 31, 2020 Rs. in Millions
Foreign Currency Translation Reserve		
Opening balance	**(24.27)**	(3.61)
Add:- Addition during year	**1.67**	(20.66)
Closing at end of year	**(22.60)**	(24.27)
Retained Earning		
Opening balance	**(52.76)**	(66.80)
Add:- Addition during year	**(1.55)**	14.04
	(54.31)	(52.76)
Less:- Appropriations		
Total	**(54.31)**	**(52.76)**
Closing at end of year	**(76.91)**	**(77.03)**

Current liabilities and provisions:-

10 Financial liabilities:-

Particulars	March 31, 2021 Rs. in Millions	March 31, 2020 Rs. in Millions
Trade Payables:-		
Due from Micro small and medium enterprise		
Creditor for expenses	**157.12**	159.46
Total	**157.12**	**159.46**

11 Provisions

Particulars	March 31, 2021 Rs. in Millions	March 31, 2020 Rs. in Millions
Provision for expenses	-	0.15
Total	**-**	**0.15**

PINNACLE TALENT INC

Notes to financial statements for the year ended March 31, 2020

12 Revenue from operations

Particular	Current Year Rs. In Millions	Previous Year Rs. In Millions
Sale of services	**27.73**	29.16
Total	**27.73**	**29.16**

13 Other Income

Particular	Current Year Rs. In Millions	Previous Year Rs. In Millions
Government grant received	**1.69**	-
Total	**1.69**	**-**

14 Employee Benefit Expenses

Particular	Current Year Rs. In Millions	Previous Year Rs. In Millions
Salaries and wages	**17.85**	-
Staff welfare expenses	**7.18**	5.93
Contribution to:		
ADP Tax	**-**	1.23
Total	**25.03**	**7.16**

15 Finance Cost

Particular	Current Year Rs. In Millions	Previous Year Rs. In Millions
Other interest	**-**	-
Bank charges	**0.01**	-
Totall	**0.01**	**-**

16 Other Expenses

Particulars	Current Year Rs. In Millions	Previous Year Rs. In Millions
Advertisement and Business Promotions	**0.05**	0.87
Legal and Professional fees	**0.70**	0.01
Rates & Taxes	**0.02**	0.05
Communication expenses	**0.90**	1.16
Travelling and conveyance expenses	**1.56**	1.96
Rent expenses	**1.52**	1.43
Repair and Maintenance	**0.03**	0.02
Office Maintenance	**0.01**	-
State Fees	**0.04**	
Storage Rent	**-**	0.15
income tax Expense	**0.32**	1.91
Membership & subscription	**0.63**	0.29
Miscellaneous expenses	**0.14**	0.01
Total	**5.92**	**7.86**

PINNACLE TALENT INC

Notes to financial statements for the year ended March 31, 2021

16 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 Associates Inc	Fellow Subsidiary
Advanced Synergic Pte Limited	Fellow Subsidiary
ASM Technologies KK	Fellow Subsidiary
RV Forms and Gears LLP	Fellow Subsidiary
Rabindra Srikantan	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	Current Year	Previous Year
Sale of services		
ASM Technologies Limited	**27.73**	29.16

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

Particulars	As at March 31, 2021	As at March 31, 2021
ASM Technologies Limited- Receivable	**12.12**	12.43
ASM Technologies Limited (Payable)	**(157.13)**	(145.73)
Net Amount (Payable)	**(145.01)**	(133.31)
Advance Synergic Pte Ltd Receivable	**16.75**	
ESR Associates-Receivable	**60.91**	57.51

iii) Key Managerial Personnel:

Particulars	Relationship	March 31, 2020	March 31, 2019
Rabindra Srikantan	Director	**4.44**	4.33
Sundar Ramanathan	Key Managerial Personnel	**12.05**	10.73

*The remuneration to the key managerial personnel does not include the provisions made the gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties

The sales of services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

17 The Company's net worth has been completely eroded as at the end of year. The Companies current liabilities exceed by Rs. 66.64 million as compared to its to current assets. However, the company's holding company is authorized by its Board to infuse further funds as and when required. And the management has drawn up actions plan which would reduce the company's operating costs in the ensuing years. Based on this, the management is of the opinion that the going concern assumption in preparation of financial statements is appropriate.

18 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 earned Rs. 27.73 Millions (Previous year Rs. 29.16 Millions) from the business of software development.

ii) The Company operates only in USA, hence no geographical segments has been disclosed.

iii) The company earns its 100% (Previous Year- 100%) of revenue from a single customer.

19 The Company doesn't have any income tax expenses as it has incurred losses.

20 The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. 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 internally 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, 2021, are fully recoverable. The management has also estimated the future cashflows 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 the estimated as at the date of approval of these financial statements.

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, 2021, 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, 2021, 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.4.36 million during the year ended March 31, 2021 and as at that date, the Company's current liabilities exceeded its total assets by Rs.10.76 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, 2021. 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 21215398AAAABR8175

Place: Bangalore
Date: May 26, 2021

ASM TECHNOLOGIES KABUSHIKI KAISHA, JAPAN
Balance Sheet as at March 31, 2021

(Rs. in Millions)

	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
	ASSETS			
(1)	**Non-current assets**		-	-
(2)	**Current assets**		-	-
(a)	Financial Assets			
	Cash and cash equivalents	3	**4.46**	1.27
(b)	Other Current assets	4	**0.02**	0.02
	Total Assets		**4.48**	**1.29**
	EQUITY AND LIABILITIES			
(1)	**Equity**			
(a)	Equity Share Capital	5	**0.63**	0.63
(b)	Other Equity	6	**(11.39)**	(7.02)
	Total Equity		**(10.76)**	(6.39)
(2)	**Liabilities**			
(a)	Non- Current Borrowings	7	**9.51**	6.76
(b)	Current Liabilities			
	Trade Payables	7	**4.48**	0.67
	Other current liabilitiees	8	**1.25**	0.25
	Total Current Liablities		**15.24**	**7.68**
	Total Equity and Liabilities		**4.48**	**1.29**

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

Place: Bangalore
Date: May 26, 2021

ASM TECHNOLOGIES KABUSHIKI KAISHA, JAPAN

Statement of Profit and Loss Account for the year ended March 31, 2021

(Rs, in Millions)

Particulars	Note No.	Current Year	Previous Year
Income			
Revenue from operations	9	**4.07**	2.89
Other Income	10	**1.50**	0.24
Total Revenue		**5.57**	**3.13**
Expense			
Employee Benefit expenses	11	**3.69**	3.67
Other Expenses	12	**6.24**	4.01
Total Expenses		**9.93**	**7.68**
Profit/(Loss) before tax		**(4.36)**	(4.55)
Tax expenses			
(i) Current tax		**-**	-
(ii) Deferred tax		**-**	-
Total tax expense		**-**	-
Profit/(Loss) for the year		**(4.36)**	(4.55)
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		**(4.36)**	(4.55)

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

Place: Bangalore
Date: May 26, 2021

ASM TECHNOLOGIES KABUSHIKI KAISHA, JAPAN

Cash Flow Statement for the year ended March 31, 2021

(Rs. In million)

	Particulars	Current Year	Previous Year
(A)	**Cash flows from operating activities**		
	Profit / (loss) before tax	**(4.37)**	(4.55)
	Adjustment to reconcile profit before tax to net cash flows:	**(0.00)**	(0.60)
	Operating profit before working capital changes	**(4.37)**	**(5.15)**
	Movements in working capital :		
	Increase/ (decrease) in trade payables	**3.79**	5.94
	Increase/ (decrease) in other Current liabilities	**1.00**	0.25
	Decrease / (increase) in other current assets	**0.00**	(0.02)
	Cash generated from /(used in) operations	**0.42**	**1.02**
	Direct taxes paid, net		-
	Net cash flow from/ (used in) operating activities (A)	**0.42**	**1.02**
(B)	**Cash flows from investing activities**		
	Net cash flow from/ (used in) investing activities (B)	**-**	-
(C)	**Cash flows from financing activities**		
	Introduction of Capital	**-**	-
	Net cash flow from/ (used in) in financing activities (C)	**-**	-
(D)	Net increase/(decrease) in cash and cash equivalents (A + B + C)	**0.42**	1.02
(E)	Cash and cash equivalents at the beginning of the year	**1.27**	0.25
(F)	**Cash and cash equivalents at the end of the year**	**1.69**	**1.27**

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

Place: Bangalore
Date: May 26, 2021

ASM TECHNOLOGIES KABUSHIKI KAISHA, JAPAN

Statement of Changes in Equity for the year ended March 31, 2021

a. Equity Share Capital

Particulars	Equity Share Capital
Issued during the year	0.63 -
As at March 31, 2020	**0.63**
Issued during the year	
As at March 31, 2021	**0.63**

b. Other Equity

Particulars	Foreign Currency Translation Reserve	Retained earnings	Total
As at April 01, 2019	0.02	(1.89)	(1.87)
Profit/(loss) for the year	-	(4.55)	(4.55)
Dividend declared during the year	-	-	-
Other Comprehensive income	-	-	-
Net changes during the year	(0.60)	-	-0.60
As at March 31, 2020	**(0.58)**	**(6.44)**	**(7.02)**
Profit/(loss) for the year	(0.00)	(4.37)	(4.37)
Dividend declared during the year		-	-
Other Comprehensive income	-	-	-
Net changes during the year		-	-
As at March 31, 2021	**(0.58)**	**(10.81)**	**(11.39)**

ASM TECHNOLOGIES KABUSHIKI KAISHA, JAPAN
Notes to Financial Statement for the year ended March 31, 2021

1 CORPORATE INFORMATION

ASM Technologies Kabushiki Kaisha ("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. The financial statements of the Company is approved by its board of directors on May 26, 2021.

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

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

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

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

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

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

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

(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

(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.

ASM TECHNOLOGIES KABUSHIKI KAISHA, JAPAN
Notes to Financial Statement for the year ended March 31, 2021

3 Financial Assets

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
Cash and Cash Equivalents		
i) Balance with Banks		
On current accounts	**4.44**	1.25
Short term Deposit with bank	**0.02**	0.02
Total	**4.46**	**1.27**

4 Other current assets

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
Prepaid expenses	**0.02**	0.02
	-	-
Total	**0.02**	**0.02**

5 Equity Share Capital

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
Authorised		
10,000 Equity shares of JPY 100 each	**0.63**	0.63
Issued, Subscribed & Paid up		
10,000 equity shares of JPY 100 each	**0.63**	0.63
Total issued, subscribed and fully paid-up share capital	**0.63**	**0.63**

(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	
	Nos.	Rs. In Millions
At the beginning of the year	**10,000**	**0.63**
Add:-Issued during the year		
Outstanding at the end of the year	**10,000**	**0.63**

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

Particulars	As at March 31, 2021	
	Nos.	% holding in class
ASM Technologies Limited	**10,000**	100%
	10,000	**100%**

6 Other Equity

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
Foreign Currency Translation Reserve		
Opening balance	**-0.58**	0.02
Add:- Addition during year	**-**	-0.60
Closing at end of year	**-0.58**	-0.58
Retained Earning		
Opening Balance	**-6.44**	-1.89
Add:-addition during year	**-4.37**	-4.55
	-	-
Closing at the end of the year	**-10.81**	-6.44
Closing at end of year	**-11.39**	**-7.02**

7 Non - Current Borrowings:

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
Loan from holding company	**9.51**	6.76
	9.51	**6.76**

Additional Information:

Loan from holding company is unsecured and no specific repayment period is specified. Further, the loan carries and interest of 6% per annum

7 Financial liabilities

a) Trade Payables

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
	-	-
Creditor for expenses	**4.48**	0.68
Total	**4.48**	**0.68**

8 Other Current Liabilities

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
Employee Benefit Expenses liability	**0.05**	0.09
Statutory Dues CL	**0.13**	-0.06
Interest Payable	**0.70**	0.18
Provision for Expenses	**-**	0.04
Loans Payables	**0.37**	
Total	**1.25**	**0.25**

ASM TECHNOLOGIES KABUSHIKI KAISHA, JAPAN

Notes to Financial Statement for the year ended March 31, 2021

9 Revenue from operations

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
		-
Sale of services	**4.07**	2.89
Total	**4.07**	**2.89**

10 Other Income

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
Difference in Exchange	**0.14**	-
Miscellenous income	**1.36**	0.24
Total	**1.50**	**0.24**

11 Employee Benefit Expenses

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
Salaries and wages	**3.21**	3.12
Staff welfare expenses	**0.49**	0.55
Total	**3.70**	**3.67**

12 Other Expenses

Particulars	As at March 31, 2021 Rs. In Millions	As at March 31, 2020 Rs. In Millions
Travelling and conveyance expenses	-	0.14
Communication expenses	**0.06**	0.07
Legal and Professional fees	**3.31**	2.83
other interest expenses	**0.54**	0.17
Rent expenses	**0.24**	0.16
Repair and Maintenance	**-**	0.01
Advertisement and Business Promotions	**1.98**	0.50
Office Maintenance	**-**	-
Rates & Taxes	**-**	0.08
Miscellaneous expenses	**0.05**	0.04
Income tax Expenses	**0.05**	-
Printing & stationary	**-**	-
Total	**6.23**	**4.00**

13 Earnings per share:

Profit/ (Loss) for the year	**(4.36)**	(4.55)
Weighted average number of Equity shares	**10,000**	10,000
Earning per share basic and diluted (in Rs.)	**(436.00)**	(454.96)
Face value per equity share (in JPY)	**100**	100

13 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 Advanced Synergic Pte Limited Pinnacle Talent Inc. RV Forms and Gears LLP	Fellow Subsidiary
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	**0.54**	0.17
ASM Technologies Limited	Professional Charges	**3.25**	2.61

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, 2021	As at March 31, 2020
ASM Technologies Limited	Capital Contribution	**0.63**	0.63
	Loan Repayable	**9.52**	6.76
	Interest on Loan Payable	**0.70**	0.18
ASM Technologies Limited - USA	Loan Repayable	**0.37**	-

14 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 earned Rs.4.07 Millions (Previous year Rs. 2.89 Millions) from the business of software development.

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

iii) 100% of revenue is derived from one customer (Previous year 100% from 2 customers).

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

17 The Company's net worth has been completely eroded as at the end of year. The Companies current liabilities exceed by Rs.10.76 million as compared to its to current assets. However, the company's holding company is authorized by its Board to infuse further funds as and when required. And the management has drawn up actions plan which would reduce the company's operating costs in the ensuing years. Based on this, the management is of the opinion that the going concern assumption in preparation of financial statements is appropriate.

ASM TECHNOLOGIES KABUSHIKI KAISHA, JAPAN
Notes to financial statements for the year ended March 31, 2021

18 Covid - 19 Impact:

The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. 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 internally 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, 2021, are fully recoverable. The management has also estimated the future cashflows 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 the estimated as at the date of approval of these financial statements.

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

(Karun Malhotra)
Director

Place: Bangalore
Date: May 26, 2021

INDEPENDENT AUDITOR'S REPORT

To the Partners of RV Forms & Gears LLP

Report on Audit of the Standalone Financial Statements

Opinion:

We have audited the standalone Ind AS financial statements of RV Forms & Gears LLP ("the Firm") which comprise of balance sheet as at March 31, 2021, 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, 2021, profits 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 by Institute of Chartered Accountants of India. 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.

Other Matters:

Attention of the partners is drawn to note 36 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.

Responsibilities of Management and Those Charged with Governance for the financial statement:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity'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 charged with governance are also responsible for overseeing the entity'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.
- 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 entity 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 entity 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 consolidated 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.

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

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 21215398AAAABO4046

Place: Bangalore
Date: May 26, 2021

RV Forms and Gears LLP
Balance sheet as at March 31, 2021

(Rs. In Millions)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets :			
Property, plant and equipment	3	**45.59**	42.40
Capital work in progress		**3.81**	3.42
Other Intangible assets	4	**38.48**	40.97
Product Under Development		**21.00**	8.41
Financial assets		**-**	
Other financial assets	6	**0.94**	0.82
Deferred tax assets (net)	5	**4.51**	1.05
Non current assets	7	**0.83**	0.65
		115.16	**97.72**
Current assets :			
Inventories	8	**59.59**	37.76
Financial assets			
Trade receivables	9	**48.15**	7.06
Cash and cash equivalent	10 (i)	**0.01**	0.08
Bank balances other than cash & cash equivalents	10 (ii)	**2.62**	2.04
Other current financial assets	11	**0.34**	0.01
Other Current Assets	12	**17.12**	5.90
		127.83	**52.85**
Total assets		**242.99**	**150.57**
EQUITY AND LIABILITIES			
Capital:			
Partner's Capital Account	13	**23.11**	18.11
Current Account	14	**(6.71)**	(8.11)
Capital Reserve	15	**2.74**	
Total Capital		**19.14**	**10.00**
Non-current liabilities :			
Borrowings	16	**57.15**	19.33
Non current financial liabiliteis	17	**14.52**	10.80
Long term provisions	18	**3.66**	0.94
		75.33	**31.07**
Depreciation(Including Amortization of ROU)			
Amortisation on Intangible Assets			
Financial Liabilities			
Short term Borrowings	19	**65.54**	61.59
Trade payables	20	**64.99**	32.45
Other current liabilities	21	**14.49**	13.09
Short term provisions	22	**3.50**	**2.36**
		148.52	**109.50**
Total equity and liabilities		**242.99**	**150.57**
		-	-

In accordance with our report of attached

For B K Ramadhyani & Co. LLP
Chartered Accountants

For and on behalf of RV Forms and Gears LLP

(CA Deepak C R)
Partner

Rabindra Srikantan
Nominee of ASM Technologies Limited
DIN: 00024584

Reji Varghese
Partner
DIN: 08099673

Place: Bengaluru
Date: May 26, 2021

RV Forms and Gears LLP

Statement of profit and loss for the Year Ended March 31, 2021

(Rs. In Millions)

Particulars	Notes	Current Year	Previous Year
Revenue from operations	24	**158.32**	78.24
Other income	25	**0.68**	2.68
Total income		**159.00**	**80.92**
Expenses			
Cost of raw material and components consumed	26	**45.97**	40.19
Changes in inventories of work in progress and finished goods	27	**(21.83)**	(12.91)
Finance Cost	28	**12.32**	7.50
Depreciation	29	**8.92**	6.95
Employee Benefit Expenses	30	**56.12**	23.61
Other expenses	31	**57.16**	34.87
Total expense		**158.66**	**100.21**
Profit before tax		**0.34**	**(19.29)**
Tax Expense:	**5**		
(1) Current tax			
(2) Adjustment of tax relating to earlier periods			
(3) Deferred tax		**(3.18)**	(1.63)
Current Tax Liability(Net)		**(3.18)**	(1.63)
Profit for the year		**3.52**	**(17.66)**
Other comprehensive income			
Re-measurement gains/ (losses) on defined benefit plans		**(0.86)**	**(0.67)**
Income tax effect		**0.27**	**0.21**
		(0.59)	**(0.46)**
Total comprehensive income for the year, net of tax attributable to Partners		**2.93**	**(18.12)**
Depreciation(Including Amortization of ROU)			
Attributable to Partners:			
ASM Technologies Ltd		**2.04**	(12.68)
Reji Varghese		**0.88**	(5.44)
Susan Varghese		-	-

In accordance with our report of attached

For B K Ramadhyani & Co. LLP

Chartered Accountants

For and on behalf of RV Forms and Gears LLP

(CA Deepak C R)
Partner

Rabindra Srikantan
Nominee of ASM
DIN: 00024584

Reji Varghese
Partner
DIN: 08099673

Place: Bengaluru
Date: May 26, 2021

RV Forms and Gears LLP
Statement of Cash Flows for the period ended March 31, 2021

Particulars	Current Year 31-Mar-21	Previous 31-Mar-20
Operating activities		
Profit before tax from continuing operations	0.34	(19.29)
Profit/(loss) before tax from discontinued operations		
Profit before tax	**0.34**	**(19.29)**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment	4.27	4.45
Amortization and impairment of intangible assets	2.49	2.50
Working capital adjustments:		
Movements in provisions, gratuity and other provisions	3.86	(0.38)
(Increase)/ Decrease in trade and other receivables and prepayments	(52.95)	37.29
(Increase)/Decrease in inventories	(21.83)	(12.91)
Freight Charges	37.66	(30.87)
	(26.16)	**(19.21)**
Income tax paid	3.46	1.84
Net cash flows from operating activities	**(29.62)**	**(21.05)**
Investing activities		
Purchase of property, plant and equipment	(20.45)	(51.41)
(Increase)/decrease in other bank balances	(0.58)	(2.04)
Net cash flows used in investing activities	**(21.03)**	**(53.45)**
Financing activities		
Movement in capital account	5.00	
Movement in current account	1.07	10.55
Proceeds from short term borrowings	3.95	61.59
Proceeds from Long term borrowings	37.82	
Subsidy received	2.74	
Net cash flows from/(used in) financing activities	**50.58**	**72.14**
Net increase in cash and cash equivalents	(0.07)	(2.36)
Cash and cash equivalents at the beginning of the year	0.08	2.44
Cash and cash equivalents at year end	**0.01**	**0.08**

In accordance with our report of attached

For B K Ramadhyani & Co. LLP
Chartered Accountants

For and on behalf of RV Forms & Gears LLP

(CA Deepak C R)

Partner
Finance Charges - Ind AS
Place: Bengaluru
Date: May 26, 2021

Rabindra Srikantan

Nominee of ASM Technologies Limited
DPIN: 00024584

Reji Varghese
Partner

DPIN: 08099673

RV Forms and Gears LLP
Notes to Financial Statements

1 BACKGROUND:

RV Forms and Gears LLP ("the Firm") was incorporated as a limited liability partnership firm on the May 05, 2018. The Firm carries on the business of manufacturing of jigs, fixtures, welding jigs, machinery center fixtures, assembly fixtures and gauges etc. The Firm is a subsidiary of ASM Technologies Limited.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Preparation:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Firm has adopted Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. The standalone financial statements of the Firm 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 Firm 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.

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

c) Property, Plant and Equipment:

(i) Property, plant and equipment 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 property, plant and equipment 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 Firm 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 property, plant and equipment 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 property, plant and equipment 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.

(v) Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the income statement.

(vi) Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

(vii) Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

d) Depreciation:

Depreciation is calculated on straight line method using the following useful lives estimated by the management, as specified in Schedule II to the Companies Act, 2013 or estimated useful life which is as under:

Nature of Asset	Useful life
Plant & Machinery	15 years
Electric & Electronic equipments	10 years
Office & Other equipments	5 years
Computers & Software	3 Years
Leasehold Improvements	5 Years
Furniture & Fittings	8 years

e) Intangible Asset

(i) 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.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the firm has an intention and ability to compete and use or sell the software and the costs can be measured reliably. The cost which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

f) Investment Property:

(i) Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

(ii) The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Firm depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in income statement as and when incurred.

(iii) Though the Firm measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

(iv) Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in income statement in the period of de-recognition.

g) Impairment :

1) *Financial Asset:*

the Firm 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 Firm 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 Firm 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 Firm 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.

h) Leases:

Where the Firm is Lessee:

1 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

2 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.

3 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.

4 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.

5 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.

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

7 The borrowing rate applied to lease liabilities for discouting is 12.55%

i) Inventories:

Inventories are valued at cost determined on weighted average basis or net realizable values whichever is lower.

j) 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 firm 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.

The following specific recognition criteria must also be met before revenue is recognized:

(i) Sale of Goods:

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

> The company has transferred to the buyer, The significant risks and rewards of ownership of goods;

>The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

> The amount of revenue can be measured reliably;

> It is probale that the economic benefits associated with the transactions will flow to the company;

> The costs incurred or to be incurred in respect of the transaction can be measured reliably;

(ii) Income from services is recognised on rendering of services.

Interest is accounted as per effective interest method.

k) 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 Firm has contributed to state governed provident fund scheme, employee's state insurance scheme and employee pension 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 Firm 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 Firm 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 Firm 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 Firm 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 Firm 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.

l) 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.

m) Segment reporting:

i) Indentification of segments:

the Firm's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Firm operate.

ii) Unallocated items

Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

iii) Segment accounting policies

the Firm prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Firm as a whole.

n) Earnings per share:

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.

o) Provisions and Contingent liabilities:

A provision is recognized when the Firm 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 confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Firm 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 Firm does not recognize a contingent liability but discloses its existence in the financial statements.

p) Financial Instruments:

Financial assets and liabilities are recognized when the Firm 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 Firm 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 Firm 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 Firm 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 Firm 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 Firm'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 Firm'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 Firm 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 Firm. 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.

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Notes forming part of financial statements

3. Property, Plant and Equipment

Particulars	Plant & Machinery	Computers	Furniture & Fittings	Office Equipments	Leasehold Improvements	Right of Use Asset	Total
Cost							
At April 1,2019	23,94,955	13,45,619	11,25,600				48,66,173
Additions	-	-	-				-
Disposals	-	-	-				-
At April 1, 2020	2,61,18,672	23,20,947	12,45,343	6,52,301	46,39,346	1,23,38,893	4,73,15,502
Additions	9,70,021	26,76,588		70,208	5,75,778	55,82,379	98,74,973
Disposals	-	-	-	-	-		-
At March 31, 2021	**2,70,88,693**	**49,97,535**	**12,45,343**	**7,22,509**	**52,15,124**	**1,79,21,272**	**5,71,90,475**
Depreciation							
At April 1, 2019	-	-	-				-
Charge for the year	1,12,633	2,51,975	1,06,383	-	-		4,70,991
Disposals	6,33,892	7,75,292	1,64,709	81,892	4,46,092	23,50,264	44,52,141
At April 1, 2020	7,46,525	10,27,267	2,71,092	81,892	4,46,092	23,50,265	49,23,133
Charge for the year	19,50,245	9,42,500	1,39,249	1,58,368	10,79,937	24,16,717	66,87,016
Disposals	-	-	-	-	-		-
At March 31, 2021	**26,96,770**	**19,69,767**	**4,10,341**	**2,40,260**	**15,26,029**	**47,66,982**	**1,16,10,149**
Net book value							
As at 1 April 2019							
As at April 1, 2020	**2,53,72,147**	**12,93,680**	**9,74,251**	**5,70,409**	**41,93,254**	**99,88,628**	**4,23,92,369**
As at March 31, 2021	**2,43,91,923**	**30,27,768**	**8,35,002**	**4,82,249**	**36,89,095**	**1,31,54,290**	**4,55,80,326**

4. Intangible Assets:

Particulars	Goodwill & Intellectual Property
Cost	
At April 1,2019	-
Additions	-
Disposals	-
At April 1, 2020	4,53,00,000
Additions	
Disposals	-
At March 31, 2021	**4,53,00,000**
Depreciation	
At April 1,2019	-
Charge for the year	-
Disposals	-
At April 1, 2020	43,33,778
Charge for the year	24,94,997
Disposals	-
At March 31, 2021	**68,28,775**
Net book value	
As at 1 April 2019	**-**
As at April 1, 2020	**4,09,66,222**
As at March 31, 2021	**3,84,71,225**

RV Forms and Gears LLP
Notes forming part of financial statements

3. Property, Plant and Equipment

Particulars	Plant & Machinery	Computers	Furniture & Fittings	Office Equipments	Leasehold Improvements	Right of Use	Total
Cost							
As at April 1,2019	2.39	1.35	1.13				4.87
Additions	23.72	0.98	0.12	0.65	4.64	12.34	42.45
Disposals	-	-	-				-
As at March 31, 2020	26.11	2.33	1.25	0.65	4.64	12.34	47.32
Additions	0.97	2.68	-	0.07	0.58	5.58	9.88
Disposals	-	-	-	-	-		-
As at March 31, 2021	**27.08**	**5.01**	**1.25**	**0.72**	**5.22**	**17.92**	**57.20**
Depreciation							
At April 1, 2019	0.11	0.25	0.11	-	-	-	0.47
Freight Charges	0.63	0.78	0.16	0.08	0.45	2.35	4.45
Disposals							-
As at March 31, 2020	0.74	1.03	0.27	0.08	0.45	2.35	4.92
Charge for the year	1.95	0.94	0.14	0.16	1.08	2.42	6.69
Disposals	-	-	-	-	-		-
As at March 31, 2021	**2.69**	**1.97**	**0.41**	**0.24**	**1.53**	**4.77**	**11.61**
As at March 31, 2020	**25.37**	**1.30**	**0.98**	**0.57**	**4.19**	**9.99**	**42.40**
As at March 31, 2021	**24.39**	**3.04**	**0.84**	**0.48**	**3.69**	**13.15**	**45.59**

4. Intangible Assets:

Particulars	Goodwill	Intellectual Property	Total
Cost			
As at April 1,2019	20.35	24.95	45.30
Additions			
Disposals	-		
As at March 31, 2020	20.35	24.95	45.30
Additions			
Disposals	-		
As at March 31, 2021	**20.35**	**24.95**	**45.30**
Depreciation			
As at April 1,2019	-	1.83	1.83
Charge for the year	-	2.50	2.50
Disposals	-		-
As at March 31, 2020	-	4.33	4.33
Charge for the year		2.49	2.49
Disposals	-		
As at March 31, 2021	**-**	**6.82**	**6.82**
Net book value			
As at March 31, 2020	**20.35**	**20.62**	**40.97**
As at March 31, 2021	**20.35**	**18.13**	**38.48**

RV Forms and Gears LLP
Notes forming part of financial statements

Note 5

Income Tax	**As at March 31, 2021**	**As at March 31, 2020**
	(Rs. In millions)	
a) Deferred tax		
Deferred tax liabilities		
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	**7.21**	9.17
Gross deferred tax liabilities	***7.21***	***9.17***
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	**2.23**	0.82
Impact of brought forward losses	**9.49**	9.40
Gross deferred tax assets	***11.72***	***10.22***
Net deferred tax Assets	**4.51**	**1.05**

b) Current tax

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	**(3.45)**	(1.63)
Income tax expense reported in the statement of profit or loss	**(3.45)**	**(1.63)**
OCI section		
Deferred tax related to items recognised in OCI during in the year:		
Net loss/(gain) on remeasurements of defined benefit plans	**(0.27)**	
Income tax charged to OCI	**(0.27)**	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2020:

Accounting profit before income tax	**0.34**	(19.29)
At India's statutory income tax rate of (31.2%)	**0.11**	(6.02)
Non-deductible expenses for tax purposes:		
Depreciation difference	**0.95**	1.84
On account of Ind AS adjustments	**(0.05)**	4.28
Income tax expense reported in the statement of profit and loss	**(0.79)**	**(12.14)**

Note 6: Non - Current Financial Asset:	**As at March 31, 2021**	**As at March 31, 2020**
	(Rs. In millions)	
Seurity Deposit	**0.94**	0.82
	0.94	**0.82**

Note:7 Finance Charges - Ind AS	**As at March 31, 2021**	**As at March 31, 2020**
	(Rs. In millions)	
Deferred rental	**0.83**	0.65
	0.83	**0.65**

RV Forms and Gears LLP
Notes forming part of financial statements

	(Rs. In millions)	
Note 8 : Inventories	**As at March 31, 2021**	**As at March 31, 2020**
Work in progress - fixtures	**59.59**	37.76
	59.59	**37.76**

	(Rs. In millions)	
Note 9	**As at March 31, 2021**	**As at March 31, 2020**
Trade receivables		
Unsecured and considered good		
Outstanding more than six months	**3.91**	
Others	**44.24**	7.06
Less: Allowance for doubtful receivables		
	48.15	**7.06**

	(Rs. In millions)	
Note 10	**As at March 31, 2021**	**As at March 31, 2020**
i) Cash and cash equivalents		
Cash on hand	-	0.06
Balance with banks in current accounts	**0.01**	0.02
	0.01	**0.08**
ii) Bank balances other than cash & cash equivalents:		
Balance with banks in deposit accounts (includes Margin money and letter of credit)	**2.62**	2.04
	2.62	**2.04**

	(Rs. In millions)	
Note 11	**As at March 31, 2021**	**As at March 31, 2020**
Other current financial assets		
Security deposit	**0.23**	-
Electricity Deposit	**0.11**	
Advance to Capital Suppliers		
	0.34	**-**

	(Rs. In millions)	
Note 12	**As at March 31, 2021**	**As at March 31, 2020**
Other Current Assets		
Advance to Suppliers	**2.11**	4.05
Prepaid expenses	**0.49**	0.33
Others	**14.22**	0.76
GST Receivable	**0.3**	0.76
	17.12	**5.90**

	(Rs. In millions)	
Note 13	**As at March 31, 2021**	**As at March 31, 2020**
DETAILS OF PARTNERS CAPITAL ACCOUNT		
ASM Technologies Ltd		
Opening Balance	**18.00**	18.00
Add: Additions during the year	**3.50**	-
Less: Payment during the Year	**-**	-
Closing Balance	**21.50**	**18.00**
Reji Varghese		
Opening Balance	**0.08**	0.08
Add: Additions during the year	**1.50**	-
Less: Payment during the Year	**-**	-
Closing Balance	**1.58**	**0.08**

Susan Varghese		
Opening Balance	**0.03**	0.03
Add: Additions during the year	**-**	-
Less: Payment during the Year	-	-
Closing Balance	**0.03**	**0.03**
Total	**23.11**	**18.11**

Note 14
DETAILS OF PARTNERS CURRENT ACCOUNT

	(Rs. In millions)	
	As at March 31, 2021	**As at March 31, 2020**
ASM Technologies Ltd		
Opening Balance	**(11.48)**	1.21
Add: Profit/(loss) for the year	**2.04**	(12.68)
Add: Additions during the year	**-**	-
Less: Payment during the Year	**-**	-
Closing Balance	**(9.44)**	**(11.47)**
Reji Varghese		
Opening Balance	**3.36**	8.81
Add: Profit/(loss) for the year	**0.88**	(5.43)
Add: Additions during the year	-	0.57
Less: Payment during the Year	**(1.50)**	(0.59)
Closing Balance	**2.74**	**3.36**
Susan Varghese		
Opening Balance	**-**	**-**
Add: Profit/(loss) for the year	-	-
Add: Additions during the year	**-**	-
Less: Payment during the Year	**-**	-
Closing Balance	**-**	**-**
Total	**(6.70)**	**(8.11)**

Note 15: Capital Reserve

Grant received for purchase of Machinery	**3.00**
Less: Withdrawn to the extent of depreciation	**0.26**
	2.74

	(Rs. In millions)	
Note 16: Long term borrowings:	**As at March 31, 2021**	**As at March 31, 2020**
`- From holding company	**57.15**	19.33
	57.15	**19.33**

Additional Information:
Loan from holding company is unsecured, carries an interest of 10.2% P.A and there is not repayment specified. Accordingly,the same is reported as non current borrowing.

Note 17
Non current finanical liabilities

	(Rs. In millions)	
	As at March 31, 2021	**As at March 31, 2020**
Lease Liabilities(Ind AS 116)	**14.52**	10.80
Total	**14.52**	**10.80**

Note 18
Long Term Provisions

	(Rs. In millions)	
	As at March 31, 2021	**As at March 31, 2020**
Provision for Gratuity- Non Current	**1.53**	0.94
Provision for Leave Encashment-Non current	**2.13**	
Total	**3.66**	**0.94**

RV Forms and Gears LLP
Notes forming part of financial statements

Note 19	(Rs. In millions) As at March 31, 2021	As at March 31, 2020
Short term Borrowings (Secured)		
- Working Capital loans from banks	**65.54**	61.59
	65.54	**61.59**

Additional Information:

i) Details of Security for secured loans:		
a. Working capital loans from banks are secured against receivables and stocks fo the Firm and guaranteed by its holding Company ASM Technologies Limited and personal guarantee of Mr. Rabindra Srikantan		
b. Working capital loans secured against fixed deposits of ASM Technologies Limited	**65.54**	61.59

ii) Interest Rate:

Cash credit facility from State Bank of India repayable on demand and carries an interest rate of MCLR + 4%

Note 20	(Rs. In millions) As at March 31, 2021	As at March 31, 2020
Trade payables		
(A) total outstanding dues of micro and small enterprises	-	-
(B) total outstanding dues of creditors other than micro and small enterprises	**64.99**	**32.45**
	64.99	**32.45**

Additional Information:

The Firm is in the process of obtaining Confirmation from Suppliers regarding their registration under the Micro, Small and Medium Enterprises Development Act, 2006. The suppliers are not registered wherever confirmations are received and in other cases, the Company is not aware of their registration status. Hence, information relating to outstanding balances or interest due is not disclosed as it is not determinable and relied upon by the auditors.

Note 21	(Rs. In millions) As at March 31, 2021	As at March 31, 2020
Other current liabilities		
Accrued expenses	**11.48**	1.61
Statutory liabilities	**1.96**	0.38
Advance from cutomers	**0.87**	10.90
Book Overdraft	**-**	-
Defered Revenue-Ind AS	**0.18**	0.20
	14.49	**13.09**

Note 22	(Rs. In millions) As at March 31, 2020	As at March 31, 2019
Provisions		
Provision for employee benefits	**0.66**	0.66
Provision for Gratuity	**2.61**	1.70
Provision for Leave Encashment	**0.23**	
	3.50	**2.36**

Note 23: Contingent Liabilities and Commitments:	(Rs. In millions) As at March 31, 2021	As at March 31, 2020
(i) Contingent Liabilities		
(to the extent not provided for)		
i) Bank Guarantees	**9.56**	7.96

The management believes, based on internal assessment and / or legal advice, that the probability of an ultimate adverse decision and outflow of resources of the Firm is not probable and accordingly, no provision for the same is considered necessary.

(ii) Commitments:		
i) Capital commitments (Net of advances)	**Not Ascertained**	Not Ascertained

RV Forms and Gears LLP
Notes forming part of financial statements

Note 24

Revenue from operations	**Current Year**	**Previous Year**
	(Rs. In millions)	
Revenue from contract with customers		
-Sale of goods	**90.75**	77.84
-Sale of services	**67.15**	
Other Operative income:	**0.42**	0.40
	158.32	**78.24**

Note 24.1: Disagreegated Revenue:

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

	Current Year	**Previous Year**
	(Rs. In millions)	
Revenue from contracts with customers:		
Revenue from goods		
- sale of fixtures	**90.75**	77.84
Sale of onsite services	**67.15**	-
	157.90	**77.84**

Note 24.2: Contract balances:

	Current Year	**Previous Year**
	(Rs. In millions)	
Contract Assets		
Trade Receivables	**48.15**	7.06
Unbilled Revenue	**12.25**	-
	60.40	**7.06**
Contract liabilities		
- Deferred Revenue	**0.18**	0.20
- Advance from customers	**0.87**	10.90
	1.05	**11.10**

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

Contract liabilities include advances received from customers as well as deferred revenue representing transaction price allocated to unsatisfied performance obligations.

Revenue recognised in the reporting period that was included in the deferred revenue balance at the beginning of the period	**0.20**

Note 24.3: Perforance obligations:

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the current year*

Revenue to be recognised at a point in time	**0.18**

* The entity expects to satisfy the performance obligations when installation of the fixtures is completed.

Note 25

Other income

	(Rs. In millions)	
	Current Year	**Previous Year**
Interest from bank	**0.11**	1.01
Exchange Fluctutation	**0.35**	-
Amortisation of Interest income (Ind AS)	**0.12**	0.10
Warranty Additonal received	**-**	0.02
Interest Received(Others)	**-**	-
Excess provision written back	**0.10**	1.55
	0.68	**2.68**

Note 26

Cost of raw material and components consumed

	(Rs. In millions)	
	Current Year	**Previous Year**
Import Purchases	**13.84**	8.64
Interstate Purchases	**20.14**	17.40
Local Purchases	**11.99**	14.15
	45.97	**40.19**

Note 27

	Current Year	**Previous Year**
Changes in inventories of finished goods and work in progress:		
Stocks at the end of the year:		
Work in progress	**59.59**	37.76
Stocks at the beginning of the year:		
Work in progress	**37.76**	24.85
Net (increase)/decrease	**(21.83)**	**(12.91)**

Note 28	**(Rs. In millions)**	
Finance Cost	**Current Year**	**Previous Year**
Interest on bank loan	**6.70**	5.25
Finance Charges - Ind AS	**1.45**	1.60
Interest on statutory dues	**0.07**	
Bank Charges	**0.39**	0.65
Interest on Loan(ASM)	**3.71**	-
	12.32	**7.50**

Note 29	**(Rs. In millions)**	
Depreciation	**Current Year**	**Previous Year**
Depreciation	**4.27**	2.10
Amortisation of intangible assets	**2.49**	2.50
Amortisation on ROU	**2.42**	2.35
Less: Depreciation withdrawn on government grant	**(0.26)**	
	8.92	**6.95**

Note 30	**(Rs. In millions)**	
Employee benefits expense	**Current Year**	**Previous Year**
Salaries, wages & other allowances	**47.96**	20.13
Contribution to provident & other funds	**3.03**	1.39
Gratuity (Refer Note 33)	**0.66**	0.48
Staff welfare expenses	**2.11**	1.61
Leave Encashment Expenses	**2.36**	
	56.12	**23.61**

Note 31	**(Rs. In millions)**	
Other expenses	**Current Year**	**Previous Year**
Power & fuel	**1.30**	1.43
Clearing & Forwarding Charges	**0.58**	0.49
Audit Fees	**0.30**	0.33
Freight	**1.78**	0.28
Repairs & Maintainance	**1.49**	2.60
Insurance	**0.12**	0.22
Sponsorship Expenses	**0.03**	
Professional charges	**34.69**	11.14
Selling expenses	**0.29**	0.36
Security & Housekeeping expenses	**0.31**	0.30
Contract Labour Charges	**7.54**	7.69
Packing Charges	**0.18**	0.49
Communication expenses	**0.30**	0.31
Printing & Stationery	**0.52**	0.78
Conveyance	**0.32**	0.35
Licence and Renewal	**0.41**	0.02
Transportation Charges	**6.74**	6.00
Miscellaneous Expenses	**0.26**	0.54
Trade receivables written off	-	1.54
	57.16	**34.87**

RV Forms and Gears LLP
Notes to Financial Statement

32 Related Party Disclosure:

a) List of Related Parties;

Sl No.	Name of the Related Parties	Nature of Relation Ship
1	ASM Technologies Ltd	Holding Company
2	Reji Varghese	Designated Partner
3	Susan Varghese	Partner
4	Annu Varghese	Relative of a Partner

b) Transactions with related parties: (Rs. In millions)

Particulars	Current Year	Previous Year
Capital Introduced:		
-ASM Technoligies Limited	**3.50**	-
-Reji Varghese	**1.50**	-
-Susan Varghese	**0.00**	-
Engineering Services Provided:		
-ASM Technoligies Limited	**22.22**	8.41
-Reji Varghese	**3.00**	3.00
Design Charges		
-Annu Varghese	**0.70**	
Rent		
-Reji Varghese	**3.00**	3.00

c) Balance outstanding at the end of the year: (Rs. In millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance due to ASM Technologies Limited- Current Account	**(9.44)**	19.82
Balance due to Reji Varghese- Current Account	**2.74**	3.36
Balance due from Susan Varghese- Current Account	**-**	-
Balance due to Reji Varghese- Engineering Services	**0.28**	0.27
Balance due from Reji Varghese- Rent Advance	**1.50**	1.50
Balance due to Annu Varghese-Design Charges	**0.09**	-
Balance due to ASM Technologies Limited- Loan Amount	**57.15**	-

33 Confirmation of balance from sundry debtors, with whom the Firm has transactions and creditors have been called for and awaited. The Firm does not expect to have any material effect on the operating results pending receipt of confirmation of balance and reconciliation with the books of account.

34 Segment Information:

i) Managing Partner of the Firm has been identified as the Chief Operating Decision Maker ("CODM") as defined in Ind AS 108, Operating Segments. The Firm is engaged in the business of selling of machine fixtures and providing onsite services to certain customers. The Firm's financing activities (including finance costs and finance income) and income taxes are managed at entity level and not allocated to operating segments.

	(Rs. In millions)			
	Current Year			
	Sale of goods	**Sale of services**	**Unallocated**	**Total**
Revenue				
External Customers	**91.17**	**67.15**		**158.32**
Other Income			**0.68**	**0.68**
	91.17	**67.15**	**0.68**	**159.00**
Expenses				
Cost of goods sold	**24.14**	**-**		**24.14**
Employee benefits	**27.82**	**26.78**	**1.52**	**56.12**
Finance Cost			**12.32**	**12.32**
Depreciation and Amortisation	**6.50**	**-**	**2.42**	**8.92**
Other expenses	**30.27**	**20.49**	**6.87**	**57.63**
Segment Profit	**2.44**	**19.88**	**(22.45)**	**(0.13)**
Income tax expense			**(3.45)**	**(3.45)**
Segment Assets	**156.25**	**39.41**	**47.33**	**242.99**
Segment Liabilities	**31.88**	**-**	**191.97**	**223.85**
Capital expenditure	**4.30**	**-**	**5.58**	**9.88**

Previous Year figures has not been furnished since the Firm had only single segment i.e. sale of goods

ii) **Significant Clients:**

The Firms's 55% of revenue is derived from four customers (Previous year: 82% of revenue from four customers).

(All amounts in Indian Rupees except as otherwise stated)

35 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 not funded.

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	March 31, 2021 Rs.	March 31, 2020 Rs.
Current service cost	0.48	0.39
Past service cost	-	-
Interest cost	0.18	0.11
Net Benefit Expense	**0.66**	**0.50**

Balance Sheet
Benefit Asset/ Liability:

Particulars	March 31, 2021 Rs.	March 31, 2020 Rs.
Present value of defined benefit obligation	7.72	6.45
Fair value of plan assets	3.58	3.81
Plan asset/(liability)	**(4.14)**	**(2.64)**

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

Particulars	March 31, 2021 Rs.	March 31, 2020 Rs.
Opening defined benefit obligation	6.45	5.32
Current service cost	0.48	0.39
Past service cost	-	-
Interest cost	0.44	0.40
Liability transferred out/divestments	-	-
Benefits paid directly by employer	-	-
Benefits paid directly by fund	(0.47)	0.30
Remeasurements	-	-
Actuarial loss/(gain) from changes in demographic assumptions	-	-
Actuarial loss/(gain) from changes in financial assumptions	0.01	0.30
Actuarial loss/(gain) from experience over the past period	0.81	0.33
Closing defined benefit obligation	**7.72**	**6.45**

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.80%	6.82%
Employee turnover rate	5.00%	5.00%
Salary escalation rate	7.00%	7.00%

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		March 31, 2021	March 31, 2020
Discount rate	Increases 1%	(0.55)	(0.41)
	Decreases 1%	0.64	0.47
Employee turnover	Increases 1%	(0.04)	(0.01)
	Decreases 1%	0.04	0.01
Salary escalation rate	Increases 1%	0.63	0.46
	Decreases 1%	(0.56)	(0.42)

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

Projected Benefits Payable in Future Years From the Date of Reporting	March 31, 2021	March 31, 2020
1st following year	0.48	0.78
2nd following year	0.37	0.31
3rd following year	1.00	0.42
4th following year	1.03	0.87
5th following year	0.50	0.90
Sum of years 6 to 10	3.53	2.80

ii) Leave benefits:

An actuarial valuation of leave benefits is carried out by an independent actuary. Based on that, the Company is carrying a liability of Rs 23.57 Lakhs.

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

Particulars	31-Mar-21
Salary Escalation rate	7.00% p.a.
Discount rate	6.80% p.a.
Attrition rate	5.00% p.a.

36 Impact of COVID-19 on Business:-

The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. 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 internally 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, 2021, are fully recoverable. The management has also estimated the future cashflows 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 the estimated as at the date of approval of these financial statements.

37 Previous year figures have been regrouped/recasted wherever necessary to conform with the current year figures.

In accordance with our report of attached
For B K Ramadhyani & Co. LLP
Chartered Accountants

For and on behalf of RV Forms & Gears LLP

(CA Deepak C R)

Partner

Membership No.: 215398
Place: Bengaluru
Date: May 26, 2021

Rabindra Srikantan
Nominee of ASM Technologies Ltd
DPIN:00024584

Reji Varghese
Designated partner
DPIN:08099673

RV Forms & Gears LLP

Notes to Financial Statements for the year ended March 31, 2021

Regrouping Workings

The firm has to disclose the bills payable and loan payable to the partner(ASM Technologies Ltd) under Sundry creditors and Loan fund respectively, but the firm has transferred all the pending Bills and loan payable to the ASM Technologies Ltd a/c, Hence the same has been rectified for proper disclosure and shown below:-

Classifications shown in the 2018-19 books

particulars	Opening Balance	Net of Transactions During the year	Closing Balance
ASM Technologies Ltd-70%	1,80,00,000.00		1,80,00,000.00
ASM Technologies Ltd	-	2,30,95,280.32	2,30,95,280.32
Total	1,80,00,000.00	2,30,95,280.32	4,10,95,280.32

Closing balance as on 31/03/2019 after reclassification:

Particulars	Amount	Remarks
ASM Technologies Ltd-70%	1,80,00,000.00	Partner Fixed Capital
ASM Technologies Ltd	12,09,431.62	Profit for the year
ASM Technologies(Sundy Creditors)	28,75,848.70	Bills pending during the year
ASM Technologies Ltd-Fund	1,90,10,000.00	Loan Fund
Total	4,10,95,280.32	

Reclassification in the year 2019-20

Particulars	Opening Balance	Net of Transactions During the year	Closing Balance
ASM Technologies Ltd-70%	1,80,00,000.00		1,80,00,000.00
ASM Technologies Ltd-Fund	1,90,10,000.00	3,20,009.00	1,93,30,009.00
ASM Technologies Ltd	12,09,431.62	-1,26,84,816.43	-1,14,75,384.82
ASM Technologies(Sundy Creditors)	28,75,848.70	90,81,565.40	1,19,57,414.10
Total	2,30,95,280.32	-32,83,242.03	3,78,12,038.28

Reclassification in the year 2020-21

Particulars	Opening Balance	Net of Transactions During the year	Closing Balance
ASM Technologies Ltd-70%	1,80,00,000.00	35,00,000.00	2,15,00,000.00
ASM Technologies Ltd-Fund	1,93,30,009.00	3,78,20,000.00	5,71,50,009.00
ASM Technologies Ltd	(1,14,75,384.82)	20,43,624.89	(94,31,759.93)
ASM Technologies(Sundy Creditors)	1,19,57,414.10	1,87,97,448.00	3,07,54,862.10
Interest Payable		34,19,429.00	34,19,429.00
Total	1,98,12,038.28	6,20,80,501.89	8,18,92,540.17

INDEPENDENT AUDITOR'S REPORT

To the Members of ASM Digital Engineering Private Limited
(Formerly Known as Semcon India 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 (formerly known as Semcon India Private Limited) ("the Company") which comprise of balance sheet as at March 31, 2021, 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, 2021, 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.

Other Matters:

i) The comparative financial information of the Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 1, 2019 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2020 and March 31, 2019 dated September 30, 2020 and September 30, 2019 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

ii) Attention of the members is drawn to note 36 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 on the standalone financial statements

We have not modified our report in respect of above matters.

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

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:

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure - A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 and according to the information and explanation given to us, the Company the said provisions is not applicable to a private limited company.

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 doesn't 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.

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

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 21215398AAAABN7765

Place: Bangalore

Date: May 26, 2021

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 (FORMERLY KNOWN AS SEMCON INDIA PRIVATE LIMITED).

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment ("PPE").

   b) The management during previous year has not physically verified all the PPE. We have been informed by the management that the same will be carried out in the ensuing year.

   c) According to the information and explanation given to us by the Company doesn't have any immovable properties in the name of the Company, hence clause 3 (i) (c) of the Order is not applicable.

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

3. The Company has granted unsecured loan to its holding Company, terms and conditions of such loan is not prejudicial to the interest of the Company. There are no overdue instalments as at March 31, 2021 and interest overdue for the period more than 90 days.

4. Based on the information and explanations given to us, the Company has not granted any loans, made any investments, given guarantees and securities as referred in the provisions of section 185 and 186 of the Act during the year. Accordingly, clause 3(iv) of the Order is not applicable.

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, employees' state insurance, goods and service tax, customs duty, cess and any other statutory dues to the appropriate authorities as at March 31, 2021 barring certain delays in certain months. There are no undisputed statutory dues exceeding six months from the due date of payment as at March 31, 2021.

   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 as at March 31, 2021.

8. The Company has neither taken any loans from banks, financial institution or government nor issued any debentures. Accordingly, the provisions of clause 3 (viii) of the said Order is not applicable.

9. In our opinion based on the information and explanation given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments and term loans. Accordingly, the provisions of clause 3(ix) of the said Order are not applicable.

10. 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(x) of the said Order are not applicable.

11. The Company being a private limited company, the provisions of section 197 of the Act is not applicable to private company by virtue of exemption issued by the Ministry of Corporate Affairs. Accordingly, the provision of clause 3 (xi) 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. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the said Order are not applicable.

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. According to the information and explanation given, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

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

(CA C R Deepak)

Partner
Membership No. 215398
UDIN: 21215398AAAABN7765

Place: Bangalore
Date: May 26, 2021

ANNEXURE-B REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF ASM DIGITAL ENGINEERING PRIVATE LIMITED (FORMERLY KNOWN AS SEMCON INDIA 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 (Formerly known as Semcon India Private Limited)("the Company") as of March 31, 2021 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, 2021, 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".

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

(CA C R Deepak)
Partner
Membership No. 215398
UDIN: 21215398AAAABN7765

Place: Bangalore
Date: May 26, 2021

ASM Digital Engineering Private Limited
(Formerly known as Semcon India Private Limited)
Balance Sheet as at March 31, 2021

(Rs. In Millions)

Particulars	Note	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	3	**30.83**	40.52	4.83
(b) Intangible Assets	3	**1.00**	0.35	0.88
(c) Financial Assets	4	**3.05**	2.77	4.07
(d) Deferred tax assets (net)	5	**5.21**	4.18	3.43
(e) Other non-current assets	6	**17.72**	25.07	16.43
Total		**57.81**	**72.89**	**29.64**
(2) Current assets				
(a) Financial Assets				
(i) Trade receivables	7(i)	**68.28**	51.52	37.96
(ii) Cash and cash equivalents	7(ii)	**16.04**	14.34	11.86
(iii) Loans and advances	7(iii)	**22.52**	3.53	3.42
(iv) Others	7(iv)	**0.20**	-	-
(b) Other current assets	8	**30.54**	39.32	47.99
Total		**137.58**	**108.71**	**101.23**
Total Assets		**195.39**	**181.60**	**130.87**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share capital	9	**40.00**	40.00	40.00
(b) Other Equity	10	**79.92**	74.15	70.36
Total		**119.92**	**114.15**	**110.36**
LIABILITIES				
(1) Non-current liabilities				
(a) Other financial liabiliites	11	**20.28**	33.13	-
(b) Provisions	12	**7.12**	7.53	6.18
Total		**27.40**	**40.66**	**6.18**
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables	13	**16.22**	12.76	5.00
(b) Other current liabilities	14	**22.45**	8.29	5.10
(c) Provisions	15	**9.40**	5.74	4.23
Total		**48.07**	**26.79**	**14.33**
TOTAL EQUITY AND LIABILITY		**195.39**	**181.60**	**130.87**

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 Digital Engineering Private Limited

(CA C R Deepak)
Partner
Membership No: 215398

Rabindra Srikantan
Director
DIN- 00024584

Shekar Vishwanathan
Director
DIN- 01202587

Place: Bangalore
Date: May 26, 2021

ASM Digital Engineering Private Limited
(Formerly known as Semcon India Private Limited)
Statement of Profit and Loss for the year ended March 31, 2021

(Rs. In Millions)

Particulars	Notes	Current Year	Previous Year
Income			
Revenue from operations	16	**220.70**	229.88
Other income	16	**2.65**	0.42
Total Income (i)		**223.35**	**230.30**
Expenses			
Employee benefits expense	17	**157.99**	170.51
Finance costs	18	**3.11**	3.97
Depreciation and amortization expense	19	**12.05**	11.65
Other expenses	20	**37.75**	35.80
Total expenses (ii)		**210.90**	**221.93**
Profit/(Loss) before tax [(i)- (ii)]		**12.45**	**8.37**
Tax expenses			
(i) Current tax		**4.75**	3.63
(ii) Deferred tax		**(0.90)**	(0.46)
(iii) Previous Year Expenses		**2.42**	0.56
Total tax expense		**6.27**	**3.73**
Profit/(Loss) for the year		**6.18**	**4.64**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		**(0.54)**	(1.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Deferred tax on remeasurement of defined benefit plans		**0.14**	0.29
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			
Total Comprehensive Income for the year		**5.78**	**3.79**
Earnings per equity share [nominal value of share Rs.10 (March 31, 2020: Rs.10)]	**22**		
Basic and Diluted (in Rs.)		**1.55**	1.16

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 Digital Engineering Private Limited

(CA C R Deepak)
Partner
Membership No: 215398
Place: Bangalore
Date: May 26, 2021

Rabindra Srikantan
Director
DIN- 00024584

Shekar Vishwanathan
Director
DIN- 01202587

ASM Digital Engineering Private Limited
(Formerly known as Semcon India Private Limited)
Statement of Changes in Equity for the year ended March 31, 2021

(Rs. In Millions)

a. Equity Share Capital

Particulars	Equity Share Capital
As at April 1, 2019	**40.00**
Increase in share capital on issue	-
Effect of share based payments	-
As at March 31, 2020	**40.00**
Increase in share capital on issue	-
Effect of share based payments	-
As at March 31, 2021	**40.00**

b. Other Equity

Particulars	Security premium reserve	Retained earnings	Other Comprehesive Income	Total
As at April 1, 2019	**15.00**	**55.36**	**-**	**70.36**
Profit/(loss) for the year	-	4.63	-	**4.63**
Dividend declared during the year	-	-	-	**-**
Other Comprehensive income	-	-	(0.85)	**(0.85)**
Net changes during the year	-	-	-	**-**
As at March 31, 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

Shekar Vishwanathan
Director
DIN- 01202587

Place: Bangalore
Date: May 26, 2021

ASM Digital Engineering Private Limited
(Formerly known as Semcon India Private Limited)
Cash flow statement for the year ended March 31, 2021

		(Rs. In Millions)
	Current Year	**Previous Year**
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before tax	**12.46**	**8.37**
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization	**12.05**	11.65
(Profit)/ loss on sale of Property, Plant & Equipment & IP	**-**	-
Finance costs	**3.11**	3.97
Actuarial gain on gratuity and leave encashment reclassified as per Ind AS	**-0.54**	-1.14
Interest income		
Provision for doubtful debts	**-**	-
Provision for doubtful Advances	**-**	-
Operating profit before working capital changes	**27.08**	**22.85**
Movements in working capital :		
Increase/ (decrease) in trade payables	**3.46**	7.76
Increase/ (decrease) in other liabilities	**1.31**	36.32
Decrease / (increase) in trade receivables	**-16.76**	-13.56
Decrease/(Increase) in loans and advances	**-18.99**	-0.11
Decrease / (increase) in other financial assets	**-0.48**	1.30
Increase / (decrease) in provisions	**3.25**	2.86
Decrease / (increase) in other non current assets	**7.35**	-8.64
Decrease / (increase) in other current assets	**8.78**	8.67
Cash generated from /(used in) operations	**15.00**	**57.00**
Direct taxes paid (net of refund)	**-7.17**	-4.19
Net cash flow from/(used in) operating activities (A)	**8.00**	**53.00**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	**-3.01**	-46.81
Purchase of current investments		
Proceeds from sale of current investments		
(Increase)/decrease in other bank balances		
Interest received		
Dividends received		
Proceeds from sale of property, plant and equipment	**-**	-
Net cash flow (used in)/from investing activities (B)	**-3.00**	**-47.00**
C. CASH FLOWS FROM FINANCING ACTIVITIES	**-3.11**	**-3.97**
Net cash flow from financing activities (C)	**-3.11**	**-3.97**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**2.00**	**2.00**
Cash and cash equivalents at beginning of the year	**14.00**	11.86
Cash and cash equivalents at the end of the year	**16.00**	**14.00**
Components of cash and cash equivalents		
Balances with banks:		
- on current accounts	**16.04**	14.34
Total	**16.00**	**14.00**

Summary of significant accounting policies

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

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

(CA C R Deepak)	**Rabindra Srikantan**	**Shekar Vishwanathan**
Partner	Director	Director
Membership No.: 215398	DIN- 00024584	DIN- 01202587

Place: Bangalore
Date: May 26, 2021

ASM Digital Engineering Private Limited
(Formerly known as Semcon India Private Limited)
Notes to Financial Statements for the period ended March 31, 2021

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.

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 26, 2021.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Preparation:

a) Statement of Compliance:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 01 April 2019. The standalone financial statements of the Company, have been prepared and presented in accordance with Ind AS. Previous year numbers in the standalone financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of standalone financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of shareholders' equity as at March 31, 2021, March 31, 2020 and April 1, 2019 and of the total comprehensive income for the years ended March 31, 2021 and March 31, 2020.

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.

As these are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards, Ind AS 101, 'First-time adoption of Indian Accounting Standards' has been applied. An explanation of how the transition to Ind AS has effected the previously reported financial position, financial performance and cash flows of the Company is provided in note 23.

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 lives (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) Earnings per share

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, 2021

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, 2019	0.39	4.14	0.14	0.16	-	4.83	0.88	0.88
Additions during the year	0.54	7.16	0.15	0.06	38.89	46.80	0.01	0.01
Disposals during the year	-	-	-	-	-	-	-	-
As at March 31, 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					-	-		-
At March 31, 2021	**0.93**	**12.72**	**0.85**	**0.22**	**38.89**	**53.61**	**1.92**	**1.92**
Depreciation/Amortisation								
As at April 1, 2019					-	-		-
Charge for the year	0.10	3.44	0.07	0.05	7.45	11.11	0.54	0.54
Disposals during the year	-	-	-	-	-	-	-	-
As at March 31, 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	-	-	-	-	-	-	-	-
At March 31, 2021	**0.32**	**6.97**	**0.18**	**0.08**	**15.23**	**22.78**	**0.92**	**0.92**
Net Block								
At April 01, 2019	**0.39**	**4.14**	**0.14**	**0.16**	**-**	**4.83**	**0.88**	**0.88**
At March 31, 2020	**0.83**	**7.86**	**0.22**	**0.17**	**31.44**	**40.52**	**0.35**	**0.35**
At March 31, 2021	**0.61**	**5.75**	**0.67**	**0.14**	**23.66**	**30.83**	**1.00**	**1.00**

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Notes to financial statements for the ended March 31, 2021

4 Non current Financial Assets: (Rs. In Millions)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Security deposit	**3.05**	2.77	4.07
	3.05	**2.77**	**4.07**

5 Deferred tax assets			
On account of depreciation on PPE	**1.05**	0.70	0.38
On account of timing differences in recognition of expenditure	**4.16**	3.48	3.05
Net Deferred tax (liability)/asset	**5.21**	**4.18**	**3.43**
6 Other non-current assets			
Advance tax (net of provision for tax)	**16.78**	23.83	16.43
Deferred Security deposit	**0.94**	1.25	-
	17.72	**25.08**	**16.43**
Current Assets			
7 Financial Assets			
(i) Trade receivables			
- Outstanding for more than 6 months		0.34	0.11
- Others	**68.28**	51.52	38.19
	68.28	51.86	38.30
Less: Allowance for bad & doubtful trade receivables		0.34	0.34
	68.28	51.52	37.96
Additional Information:			
Unsecured considered good	**68.28**	51.52	37.96
Unsecured Considered Doubtful	**-**	0.34	0.34
	68.28	51.86	38.30
Less:- Provision for doubtful debt	**-**	0.34	0.34
	68.28	**51.52**	**37.96**
(ii) Cash and cash equivalents			
Balances with banks			
- in current accounts	**16.04**	14.34	11.86
	16.04	**14.34**	**11.86**
(iii) Loans and advances			
Security Deposit	**-**	2.95	2.95
Advances recoverable in cash or kind	**22.52**	0.78	0.67
	22.52	**3.73**	**3.62**
Less: Provision for doubtful advances		0.20	0.20
	22.52	**3.53**	**3.42**
(iv) Other Financial Assets			
Interest Receivable	**0.20**	-	-
	0.20	**-**	**-**
8 Other current assets			
Unbilled revenue	**26.66**	34.32	42.43
Prepaid expenses	**3.88**	5.00	5.56
Total	**30.54**	**39.32**	**47.99**

ASM Digital Engineering Private Limited
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Notes to financial statements for the ended March 31, 2021

9 Equity Share Capital (refer statement of changes in equity) (Rs. In Millions)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Authorised			
40,00,000 (As at March 31, 2020 - 40,00,000) (As atApril 1, 2019 - 40,00,000) equity shares of Rs. 10 each	**40.00**	40.00	40.00
Issued, Subscribed & Paid up			
39,99,971 (March 31, 2020 - 39,99,971) (As at April 1, 2019 - 39,99,971) equity shares of Rs. 10 each	**40.00**	40.00	40.00
Total issued, subscribed and fully paid-up share capital	**40.00**	**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, 2021		As at March 31, 2020		As at April 1, 2019	
	Nos.	Rs.	Nos.	Rs.	Nos.	Rs.
At the beginning of the year	**39,99,971**	**40.00**	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**	**39,99,971**	**40.00**

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

Particulars	As at March 31, 2021		As at March 31, 2020		As at April 1, 2019	
	Nos.	% holding in class	Nos.	% holding in class	Nos.	% holding in class
Semcon Sweden AB, Holding Company	-	-	39,99,970	99.99%	39,99,970	99.99%
ASM Technologies Limited , Holding Company	**39,99,970**	**99.99%**	-	-	-	-

(d) Other Information	No of share holders	No of shares	No of share holders	No of shares	No of share holders	No of shares
Equity shares held by non resident	-	-	2	39,99,971	2	39,99,971

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Notes to financial statements for the ended March 31, 2021

10 Other Equity (Rs. In Millions)

	Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
i)	**Security Premium reserve**			
	Opening Balance	**15.00**	15.00	15.00
	Add:-addition during year	**-**	-	-
	Closing at the end of the year	**15.00**	**15.00**	**15.00**
ii)	**Other Comprehensive Income**			
	Opening balance	**-0.85**	-	-
	Add:- Addition during year	**-0.41**	-0.85	-
	Closing at end of year	**-1.26**	**-0.85**	**-**
iii)	**Retained Earning**			
	Opening balance	**60.00**	55.36	50.24
	Add:- Addition during year	**6.18**	4.64	5.12
	Less:- Appropriations			-
	Closing at end of year	**66.18**	**60.00**	**55.36**
	Total Other Equity	**79.92**	**74.15**	**70.36**

ASM Digital Engineering Private Limited
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Notes to financial statements for the ended March 31, 2021

(Rs. In Millions)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
11 Non current financial liabilities			
Lease Liability	**20.28**	33.13	-
	20.28	**33.13**	**-**
12 Non current Provisions			
Gratuity	**7.12**	7.53	6.18
	7.12	**7.53**	**6.18**
Current liabilities and provisions			
13 Trade Payables			
- Total outstanding dues to micro enterprises and small enterprises;	**-**	-	-
- Total outstanding dues to creditors other than micro enterprises and small enterprises	**16.22**	12.76	5.00
	16.22	**12.76**	**5.00**

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" as at March 31, 2021, March 31, 2020 and April 01, 2019.

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
14 Other current liabilities:			
Salaries and bonus payable	**11.32**	1.12	0.85
Statutory dues payable	**5.08**	7.17	4.25
Lease liability	**6.05**	-	-
	22.45	**8.29**	**5.10**
15 Provisions:			
Provision for employee benefits			
Gratuity	**2.83**	1.62	1.04
Compensated absences	**6.57**	4.12	3.19
	9.40	**5.74**	**4.23**

ASM Digital Engineering Private Limited
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Notes to financial statements for the ended March 31, 2021

(Rs. In Millions)

	Particulars	Current Year	Previous Year
16	**Revenue from operations**		
	Sale of services	**220.70**	229.88
		220.70	**229.88**
	*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		
	Revenue from contracts with customers		
	Geographical location		
	- In India	**168.63**	167.52
	- In Outside India	**52.07**	62.36
		220.70	**229.88**
16.2	**Contract balances:**		
	Contract assets:		
	Trade Receivables	**68.28**	51.52
	Unbilled Revenue	**26.66**	34.32
		94.94	**85.84**
	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.		
16	**Other income**		
	Other non-operating income		
	Interest on		
	- income tax refund	**1.00**	0.42
	- Others	**0.22**	
	Provision for doubtful debts withdrawn	**0.54**	
	Other non operating income	**0.89**	
		2.65	**0.42**
17	**Employee benefit expenses**		
	Salaries, bonus and allowance	**145.12**	155.86
	Contribution to provident fund	**7.28**	8.18
	Gratuity and Leave encashment expenses	**0.98**	1.61
	Staff welfare expenses	**4.61**	4.86
		157.99	**170.51**
18	**Finance Costs**		
	Interest expense on overdraft facility	**-**	0.14
	Bank charges	**0.07**	0.13
	Amortisation of Financial liablity	**0.31**	0.30
	Interest on Financial Liablity	**2.73**	3.40
		3.11	**3.97**

ASM Digital Engineering Private Limited
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Notes to financial statements for the ended March 31, 2021

(Rs. In Millions)

	Particulars	Current Year	Previous Year
19	**Depreciation and amortisation expenses**		
	Depreciation of property, plant and equipments	**3.89**	3.66
	Amortization of ROU	**7.78**	7.45
	Amortisation of intangible assets	**0.38**	0.54
		12.05	**11.65**
20	**Other expenses**		
	Cost of software licences and others	**6.99**	12.28
	Power and fuel	**1.95**	1.77
	Rent expense	**1.26**	2.86
	Rates and taxes	**0.26**	0.47
	Insurance	**0.88**	0.93
	Repairs and maintenance		
	- Others	**4.27**	5.05
	Travelling and conveyance	**1.65**	4.06
	Communication costs	**1.43**	0.95
	Legal and professional fees	**13.51**	5.46
	Payment to auditors (refer details below)	**0.24**	0.21
	Exchange loss (net)	**0.76**	0.65
	Miscellaneous expenses	**4.55**	1.11
		37.75	**35.80**
	Payments to Auditor		
	Audit fee	**0.20**	0.20
	Other services	**0.04**	-
	Reimbursement of expenses	**-**	0.01
21	**Additional information:**		
i)	**Earnings in foreign currency:**		
	- Consultancy and deputation charges *	**3.63**	8.35

* excludes revenue of Rs.47.44 million (previous year Rs.54.01 million) towards export of services to Semcom Sweden AB and Semcon Norge AS where export proceeds realised in Indian Rupee, though a freely convertible vostro account of non resident bank

	Particulars	Current Year	Previous Year
ii)	**Expenditure in foreign currency:**		
	Legal & professional charges	**1.30**	2.58
	Software License Expense	**2.46**	5.59
	Others	**1.73**	4.43
22	**Earnings Per Share:**		
	Profit for the year	**6.18**	4.64
	Weighted average number of Equity shares	**39,99,971**	39,99,971
	Earning per share basic and diluted (in Rs.)	**1.55**	1.16
	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, 2021

23 Income taxes

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

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

Profit or loss section

Particulars	Current Year	Previous Year
Current income tax:		
Current income tax in Inida	**4.75**	3.63
Deferred tax:		
Relating to origination and reversal of temporary differences	**(0.90)**	(0.46)
Prior year tax	**2.42**	0.56
Income tax expense reported in the statement of profit or loss	**6.27**	**3.73**
OCI section	**Current Year**	**Previous Year**
Deferred tax related to items recognised in OCI during the year:	**0.14**	0.29
Income tax charged to OCI	**0.14**	**0.29**

ii) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:**

Particulars	Current Year	Previous Year
Accounting profit before income tax	**12.45**	8.37
Enacted income tax rate in India	**25.17%**	25.17%
Tax at the applicable tax rate of 25.17% (March 31, 2020: 25.17%)	**3.13**	2.11
Non-deductible expenses for tax purposes:		
Inadmissable expenses	**0.63**	-
Temporary differences not considered for current tax calculation (net of amounts recognised in other comprehensive income)	**0.36**	0.83
Difference in profit on account of Ind AS adjustments	**0.63**	0.69
Provision for tax relating to prior years	**2.42**	0.56
At the effective income tax rate of 25.17% (March 31, 2020: 25.17%) - Income tax expense recorded in the books	**7.17**	**4.19**

The tax rates under Indian Income Tax Act, for the year ended March 31, 2020 and March 31, 2020 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

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 Rs.	Previous Year Rs.
Current service cost	**2.44**	1.47
Past service cost	**-**	-
Interest cost	**0.24**	0.49
Net benefit expense	**2.68**	**1.96**

Balance sheet
Benefit asset/liability:

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
Present value of defined benefit obligation	**(9.95)**	(9.15)
Fair value of plan assets	**-**	-
Plan asset/(liability)	**(9.95)**	**(9.15)**

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

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
Opening defined benefit obligation	**9.15**	7.22
Current service cost	**2.44**	1.47
Past service cost	**-**	-
Interest cost	**0.24**	0.49
Liability transferred out/divestments	**-**	-
Benefits paid directly by employer	**-**	(0.82)
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	**0.42**	0.80
Actuarial loss/(gain) from experience over the past period	**0.10**	-
Closing defined benefit obligation	**9.96**	**9.16**

The amounts recognized in the Balance Sheet are as follows:

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
Present value of the obligation as at the end of the year	**9.96**	9.16
Fair value of plan assets as at the end of the year	**-**	-
Net liability/ (asset) recognized in the Balance Sheet	**9.96**	**9.16**

The principal assumptions used in

Particulars	Current Year	Previous Year
Discount rate	**5.18%**	5.70%
Employee turnover	**25.00%**	Under 30 years: 20% 30 - 50 years: 15% Above 50 years: 0%
Salary escalation rate	**8.50%**	6% for the first year starting 2020, 8% thereafter
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%	**(0.30)**	-
	Decreases 1%	**0.32**	-
Employee turnover	Increases 1%	**0.31**	-
	Decreases 1%	**(0.29)**	-
Salary escalation rate	Increases 1%	**(0.09)**	-
	Decreases 1%	**0.10**	-

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

Projected Benefits Payable in Future Years From the Date of Reporting	**Current Year**	**Previous Year**
1st following year	**2.83**	-
2nd following year	**1.60**	-
3rd following year	**1.20**	-
4th following year	**1.14**	-
5th following year	**0.99**	-
Sum of years 6 to 10	**2.77**	-

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

25 Disclosure on leases:

Transition:

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and calculated the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial aplication. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of "Right to Use Asset" and Lease Liability amounting to Rs.38.89 Millions. The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share. Ind AS 116 will result in an increase in cash in flows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

(i) The following is the movement of lease liabilities during the year ended March 31, 2021

(Rs. In millions)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Balance at the beginning of the year	**33.13**	
On account of implementation of Ind AS 116		38.89
Finance cost accrued during the year	**3.01**	3.65
Payment of lease liabilities	**9.81**	9.41
Balance at the end of the year	**26.33**	**33.13**

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, 2021 on undiscounted basis:

(Rs. In millions)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Less than one year	**6.05**	9.81
One to five years	**20.28**	26.33
More than five years	**-**	
Total	**26.33**	**36.14**

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26 Related Parties Transactions:

Sl No	Name of the Related Party	Relationship
1	ASM Technologies Limited Semcon Sweden AB, Sweden (upto November 6, 2020)	Holding Company
2	Semcon AB, Sweden (upto November 6, 2020)	Ultimate holding company
3	Pinnacle Talent Inc, USA Advanced Synergic Pte Ltd, Singapore ASM Technologies KK, Japan ESR Associates Inc, USA RV Forms & Gears LLP Semcon Engineering UKLtd., UK (upto November 6, 2020) Semcom Sweden AB, Sweden (Upto November 6, 2020) Semcom Norge AS, Norway (upto November 6, 2020)	Fellow Subsidiary
3	Rabindra Srikantan Markus Granlud Vipula S Sebastian Taxt Lamolle M R Vikram 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	**10.46**	
2	**Loan given**		
	ASM Technologies Limited	**22.50**	
3	**Sale of services**		
	ASM Technologies Limited	**1.19**	
	Semcon AB, Sweden	**28.29**	53.27
	Semcon Engineering UK Limited	**0.37**	0.30
	Semcon Norge AS	**1.94**	0.45
4	**Reimbursement of expenses**		
	Semcon Norge AS	**1.18**	2.99
	Semcon AB, Sweden	**5.88**	0.22
	Semcon Sweden AB	**0.25**	0.08
5	**Professional services**		
	Semcon AB, Sweden	**-**	8.17
6	**Remuneration paid ***		
	Sebastian Taxt Lamolle	**4.91**	18.69
	Vipula S	**0.94**	1.61
	* Remuneration to Key Managerial personnel does not include provisions made for gratuity and compensated absences as they are determined on acturial basis for the Company as a whole.		

(Rs. In Millions)

Balance with the Related Parties	As at March 31, 2021	As at March 31, 2020
Amount Receivable		
ASM Technologies Limited	**23.43**	
Semcon Norge AS	-	0.29
Semcon AB, Sweden	-	12.64
Semcon Engineering UK Limited	-	0.29
Amount Payable		
ASM Technologies Limited	**11.09**	
Semcon Norge AS	-	0.24
Semcon AB, Sweden	-	10.47
Semcon Sweden AB	-	0.07

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.

27 First time adoption of Ind AS:

These financial statements, for the year ended March 31, 2021 are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2020, the Company prepared its financial statements in accordance with generally accepted accounting in India (Indian GAAP).
Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended March 31, 2021, together with the comparative data as at and for the year ended March 31, 2020, as described in the summary of significant accounting policies. In preparing these financial statements, the Company’s opening balance sheet was prepared as at April 1, 2019, the Company’s date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the statement of financial position as at April 1, 2019 and the financial statements as at and for the year ended March 31, 2020.

Optional exemptions availed and mandatory exceptions

In preparing the financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exmeptions availed

i. Property, plant and equipment and intangible assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. This exemption can also be used for Intangible assets covered by Ind AS 38.
Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value including revaluation reserve of land carried out in an earlier year.

ii. Fair value measurement of financial assets or liabilities at initial recognition

The Company has applied the requirements of Ind AS 109, “Financial Instruments: Recognition and Measurement”, wherever applicable.”

iii. Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, associates and joint arrangements) as at fair value through other comprehensive income (FVOCI) based on facts and circumstances at the date of transition to Ind AS (rather than at initial recognition). Other equity investments are classified at fair value through profit or loss (FVTPL).

The Company has opted to avail this exemption to designate certain equity investments as FVOCI on the date of transition i.e. April 1, 2019 on the basis of facts and circumstances existed at the date of transition to Ind AS.

B. Mandatory exceptions:

i. Estimates:

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement.

ii. Derecognition of financial assets and financial liabilities:

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the derecognition principles of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS as suggested under Ind AS 101.

iii. Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

C Reconciliation of equity between Previous GAAP and Ind AS:

(Rs. In millions)

	Particulars	Notes	As at March 31, 2020	As at April 1, 2019
i.	Equity as per previous GAAP		115.17	110.36
	Interest on Financial Liability		-3.40	
	Amortisation of Financial Liability		-0.30	
	Amortisation of Right to Use Asset		-7.45	
	Rental Expenses		9.41	
	Reversal of Rent equalisation as per AS - 19		0.26	
	Deferred Tax Expenditure		0.46	
	Equity as per Ind AS		**114.15**	**110.36**

ASM Digital Engineering Private Limited
(Formerly known as Semcon India Private Limited)
Notes to financial statements for the ended March 31, 2021

F Reconciliation of Total Comprehensive Income for the year ended on March 31, 2020

Particulars	Notes	Year ended March 31, 2021
Net profit/(loss) for the year under Previous GAAP		**4.81**
Depreciation on right of use asset as per Ind AS 116		(7.44)
Interest expenditure on lease liability as per Ind AS 116		(3.70)
Rent as per Ind AS 116		9.41
Reversal of lease equalisation as per AS - 19		0.26
Deferred tax Impact		0.17
Effect of re-measurement on actuarial (gain) or losses on defined benefit plans reclassified under OCI		1.14
Net profit/(loss) for the year under Ind AS		**4.64**
Other Comprehensive income (net of deferred tax asset)		
- Re-measurement gains/ (losses) on defined benefit plans (net of deferred ta		(0.85)
- Fairvalue changes in investments (net of deferred ta)		-
Profit for the year under Ind AS		**3.79**

<u>Notes:</u>

1 In accordance with Ind AS, financial assets representing investment in equity shares of entities other than associates and joint venture as well as investments in mutual funds have been fair valued. The Company has designated certain investments classified as fair value through profit or loss with certain other designated as at fair value through other comprehensive income as permitted under Ind AS 109. Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost and any diminution in value of current investments were provided as per previous GAAP which has been reversed.

2 As per Ind AS - 109, financial assets/ liabilities in the form of interest free security deposit paid to lessor / paid by lessee need to be accounted as per amortised cost.

3 Based on Ind AS 109, financial assets in the form of loans to employees at nominal interest rate which is less then market rate as per the employment scheme to be accounted at amortised cost considering the market interest rate.

4 Under Previous GAAP, rental expenses to be recognised on straight-line basis by equalising the rental payments payable over non-cancellable lease period as against incremental mode of actual payment agreed upon. However, as per Ind AS, equalising the rental expenses over the non-cancellable period of lease is not required if the increment contracted for is for compensating general inflation in cost of maintaining the property of the lessor. Accordingly, rent equalisation reserve earlier recognised for equalising rent has been reversed.

5 With effect from April 1, 2019,Ministry of Corporate affairs had notified application of 'Leases'. As per the standard, a single lessee accounting model which requires a lessee to recognise assets and liabilities for all operating leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.
Lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion.

6 As per Ind AS - 116, the lessor should present an asset given on operating lease in its balance sheet under investment property, lease income from operating leases should be recognised in statement of profit and loss on a straight line basis over the lease term.

7 Under Ind AS, all actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP the Company recognised actuarial gains and losses in profit or loss. However, this has no impact on the total comprehensive income and total equity as on April 1, 2019 or as on March 31, 2020

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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, 2021, 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.

29 Previous year Figures have been regrouped/recasted wherever necessary to confirm with the current year figures

Non current liabilities and provisions

12 Provisions

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Gratuity	71,23,064	75,29,407	61,79,337
Lease Liability	2,63,30,895	3,31,25,812	-
Total	**3,34,53,959**	**4,06,55,219**	**61,79,337**

Current liabilities and provisions

13 Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
- Total outstanding dues to micro enterprises and small enterprises;	-	-	-
- Total outstanding dues to creditors other than micro enterprises and small enterprises	1,62,17,556	1,27,59,350	49,95,383
Total	**1,62,17,556**	**1,27,59,350**	**49,95,383**

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" as at March 31, 2021, March 31, 2020 and April 01, 2019.

14 Other current liabilities and provisions

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
Salaries and bonus payable	1,13,23,951	11,24,194	8,61,671
Statutory dues payable	50,77,378	71,71,751	42,50,238
Rent equalisation reserve	-	-	-
Total	**1,64,01,329**	**82,95,945**	**51,11,909**

15 Current Provisions:

Provision for employee benefits			
Gratuity	28,30,354	16,23,538	10,40,447
Compensated absences	65,68,762	41,22,842	31,87,587
Total	**93,99,116**	**57,46,380**	**42,28,034**