

Saankhya Labs Private Limited

Audited Consolidated Financial Statements March 31, 2022

Saankhya Labs Private Limited

Directors

Dr. Vishwakumara Kayaragadde
Mr. Parag Balwant Naik
Mr. Mark Andrew Aitken

Registered Office

3rd Level, Mezaninne Floor,
No.3, Infantry Road, Vasanth Nagar,
Embassy icon Building, Bangalore - 560001

Auditors

Singhi & Co Chartered Accountants
28, V.S.Raju Road, Palace Guttahalli,
Near BDA Head Office, Kumara Park,
Bangalore 560020

Bankers

State Bank of India
HDFC Bank
ICICI Bank
Indian Overseas Bank

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INDEPENDENT AUDITOR'S REPORT

To
The Members of Saankhya Labs Private Limited
Bangalore

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **Saankhya Labs Private Limited** (hereinafter referred to as "the company"), which comprises the Consolidated Balance Sheet as at 31st March 2022, and the Consolidated Statement of Profit and Loss for the year ended as on date and Cash Flow Statement for the year ended as on date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2022 and its Profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statement for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated Financial Statement 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.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statement section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statement. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statement.

Key audit matters	How our audit addressed the key audit matters
<p>Revenue recognition</p> <p>The company majorly generated revenue from designing and delivering the technology used in Television Broadcasting, 5G communication and satellite communication. The company recognizes revenue in accordance with AS-9 Revenue recognition.</p> <p>Certain terms in sales arrangements relating to timing for transfer of control to the customer and delivery specifications, involves significant judgment in determining whether the revenue is recognised in the correct period.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Read and evaluated the Company's policy for revenue recognition and assessed its compliance with AS 9 'Revenue Recognition'. • Assessed the design and tested the operating effectiveness of internal controls related to revenue. • On selected specific and statistical samples of contracts, we tested that the revenue recognized is in accordance with the revenue recognition accounting standard including— <ol style="list-style-type: none"> i) Evaluated the identification of performance obligations and the ascribed transaction price; ii) For testing Company's computation of the estimation of contract costs and onerous obligations, if any. iii) We: <ol style="list-style-type: none"> (1) assessed that the estimates of costs to complete were reviewed and approved by appropriate designated management personnel; (2) inspected underlying documents and performed analytical procedure; (3) performed a retrospective analysis of costs incurred with estimated costs to identify significant variations and the same considered in estimating the remaining costs to complete the contract; and (4) assessed the appropriateness of work in progress on balance sheet date by evaluating the underlying documentation to identify possible changes in estimated costs to complete the remaining performance obligations;
<p>Capital Work in Progress</p> <p>As at 31st March 2022, the company has significant amounts of Capital work in progress being carried at cost.</p> <p>Recoverability of capital work in progress, being carried at cost has been identified as a key audit matter due to:</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Assessed through an analysis of internal and external factors impacting the Company, whether there were any indicators of impairment in line with AS 28. • We have vouched expenses capitalized

<ul style="list-style-type: none">• The significance of the carrying value of assets being assessed• Overdue projects in terms of completion within time• Withdrawal of party from joint development agreement	<p>during the year to CWIP on a sample basis.</p> <ul style="list-style-type: none">• Testing for clerical accuracy
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Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the Consolidated financial statements and our auditor's report thereon.

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

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, Board of Directors are 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process

Auditor's Responsibility for Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 Board of Directors.
- Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting in preparation of Consolidated financial statements 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 Consolidated 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.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the

adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2.
 - A. As required by Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. As per the notification no. G.S.R. 583 (E) dated 13/06/2017 issued by Ministry of Company Affairs – Exemptions to Private Companies under Section 462 of Companies Act 2013 read with notification no. G.S.R. 464 (E) dated 05/06/2015, certain private companies are exempt from reporting on adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls. The company meets the criteria specified in the above notification. Therefore, reporting requirements with respect to internal financial controls over financial reporting are not applicable.
 - B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements.
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - c. The requirement of transferring amounts to the Investor Education and Protection Fund is not applicable to the Company.
 - d. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (d) (i) and (d) (ii) contain any material mis-statement.
- e. The company has not declared or paid dividend during the year.
- C. With respect to the matter to be included in the Auditors' Report under section 197(16): In our opinion and according to the information and explanations given to us, the Company is incorporated as a private company and thus the provision of section 197(16) of the Act are not applicable to the Company.

For Singhi & Co.
Chartered Accountants,
(Firm's Registration No.302049E)


CA. Vijay Jain
Partner
(Membership No.077508)



UDIN: 22077508 AMS DVO8219
Date: 01-07-2022
Place: Bengaluru.

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi). With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Company, we report that there are no qualifications or adverse remarks by us in the CARO reports of the said companies included in the consolidated financial statements, except the following:

Name of the entities	CIN	Holding Company/subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
Saankhya Labs Private Limited	U72200KA2006PTC041339	Subsidiary	i. Clause- xx(b)

For Singhi & Co.
Chartered Accountants,
(Firm's Registration No.302049E)


CA. Vijay Jain
Partner

(Membership No.077508)
UDIN: 22077508AMSDV08219
Date: 01-07-2022
Place: Bengaluru



Saankhya Labs Private Limited

3rd Level, Mezaninne Floor, No.3, Infantry Road, Embassy icon Building Bengaluru 560001

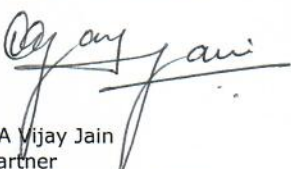
CIN: U72200KA2006PTC041339

Consolidated Balance Sheet as at 31st March, 2022

(All amounts in ₹ Lakhs except otherwise stated)

Particulars	Notes	As at 31 Mar 2022 ₹	As at 31 Mar 2021 ₹
<u>EQUITY AND LIABILITIES</u>			
Shareholder's funds			
Share Capital	3	4,164.08	4,163.59
Reserves and Surplus	4	10,127.93	7,844.74
		14,292.01	12,008.33
Non-current liabilities			
Long Term Provisions	5	125.98	75.29
		125.98	75.29
Current liabilities			
Trade Payables	6		
(a) Dues to micro and small enterprises		451.48	106.58
(b) Dues to creditors other than micro and small enterprises		810.63	379.26
Other Current Liabilities	7	2,218.67	493.42
Short Term Provisions	5	68.98	26.29
		3,549.76	1,005.56
		17,967.75	13,089.17
TOTAL			
<u>ASSETS</u>			
Non-current assets			
Property, Plant and Equipment & Intangible Assets	8		
Property, Plant and Equipment		664.87	575.44
Intangible Assets		249.30	209.56
Capital Work in Progress	9	6,245.29	4,177.93
Long-term loans and advances	10	860.14	1,903.52
Other Non-current Assets	11	352.43	453.76
Deferred tax Assets (net)	12	151.07	145.17
		8,523.09	7,465.39
Current assets			
Inventories	13	1,880.25	1,363.44
Trade receivables	14	2,810.89	908.81
Cash and Cash equivalents	15	2,974.13	3,071.89
Short-term loans and advances	10	461.47	263.79
Other Current Assets	16	1,317.90	15.86
		9,444.65	5,623.78
		17,967.75	13,089.17
TOTAL			

Summary of significant accounting policies 2

The accompanying Notes are an integral part of financial statements
(As per our report event date attached)**For Singhi & Co**Chartered Accountants
Firm Reg No.: 302049E

CA Vijay Jain
Partner
Membership No.: 77508

UDIN: 22077508AMSDVO8219

**For and on behalf of Board of Directors**


Dr. Vishwakumara Kayargadde
Director
DIN: 00751260



Parag Naik
Director
DIN: 01055996



CS Anusha H
Company Secretary
M. No. A29509
Bengaluru
01 Jul 2022
Bengaluru
01 Jul 2022

Saankhya Labs Private Limited

3rd Level, Mezaninne Floor, No.3, Infantry Road, Embassy icon Building Bengaluru 560001

CIN: U72200KA2006PTC041339

Consolidated Statement of Profit and Loss for the year ended 31st March, 2022

(All amounts in ₹ Lakhs except otherwise stated)

Particulars	Notes	Current Year	Previous Year
		FY 2021-22	FY 2020-21
		₹	₹
Revenue from operations	17	10,874.53	3,704.02
Other income	18	255.91	266.05
Total Income		11,130.44	3,970.06
Expenses			
Cost of material and services consumed	19	3,144.95	1,195.72
Changes in inventory	20	(250.36)	(76.02)
Employee benefits expense	21	3,486.64	1,862.69
Finance Costs	22	8.14	-
Other expenses	23	1,535.08	1,075.00
Depreciation and amortization Expense	8	190.35	136.29
Total Expenses		8,114.81	4,193.68
Profit Before Tax (PBT)		3,015.63	(223.62)
Tax expenses			
Current tax Expense		730.41	-
Less: Excess/(Short) provision of taxes in earlier years		-	63.72
Net Current Tax		730.41	(63.72)
Deferred tax Expense		(5.90)	40.96
Profit After Tax for the year		2,291.12	(200.86)
Earnings per equity share of ₹10 each	24		
-Basic		38.05	(3.34)
-Diluted		23.12	(3.34)

Summary of significant accounting policies 2
The accompanying Notes are an integral part of financial statements
(As per our report event date attached)

For Singhi & Co
Chartered Accountants
Firm Reg No.: 302049E

CA Vijay Jain
Partner
Membership No.: 77508
UDIN: 22077508AMSDY08219



For and on behalf of Board of Directors

Dr. Vishwakumara Kayargadde
Director
DIN: 00751260

Parag Naik
Director
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CS Anusha H
Company Secretary
M. No. A29509
Bengaluru
01 Jul 2022



Bengaluru
01 Jul 2022

Saankhya Labs Private Limited

3rd Level, Mezaninne Floor, No.3, Infantry Road, Embassy Icon Building Bengaluru 560001

CIN: U72200KA2006PTC041339

Consolidated Cash Flow Statement for the year ended 31st March 2022

(All amounts in ₹ Lakhs except otherwise stated)

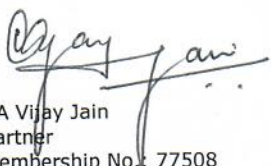
Particulars	As at 31 Mar 2022 ₹	As at 31 Mar 2021 ₹
A. Cash flows from operating activities		
Net profit before tax	3,015.63	(223.62)
Adjustments for		
Depreciation and amortization	190.35	136.29
Balances Written Back	-	(0.37)
Employee Compensation Expense	(15.38)	389.67
Bad Debts	3.14	30.73
Provision for Dividend	(0.00)	(0.00)
Net loss/(gain) on foreign currency translation	7.45	(7.08)
Interest income	(61.70)	(212.41)
Operating profit before working capital changes	3,139.50	113.22
(Increase)/Decrease in trade and other receivables	(1,905.23)	651.12
(Increase)/Decrease in Inventory	(516.82)	(1,179.09)
(Increase)/ Decrease in Loans & Advances	(1,085.42)	(405.19)
Increase/ (Decrease) in Current liability	2,501.52	(483.53)
Increase/ (Decrease) in other Non Current liability	93.38	(0.11)
Cash generated from operations	2,226.93	(1,303.57)
Net cash (Used in) / Generated from operating activities	2,226.93	(1,303.57)
B. Cash flows from investing activities		
Purchase of Property, Plant and Equipment	(319.51)	(442.05)
Capital Work In Progress	(2,067.36)	(3,114.66)
Interest received	61.70	212.41
Net cash used in investing activities	(2,325.18)	(3,344.30)
C. Cash flows from financing activities		
Proceeds from issue of shares	-	2.55
Proceeds from ESOP Trust	0.49	(2.55)
Net cash generated used in financing activities	0.49	-
	(97.76)	(4,647.88)
Add: Cash and cash equivalents at the beginning of the year	3,071.89	7,719.76
Cash and cash equivalents at the end of the year	2,974.13	3,071.89

Summary of significant accounting policies

The accompanying notes are an integral part of financial statements.

2

For Singhi & Co
Chartered Accountants
Firm Reg No.: 302049E


CA Vijay Jain
Partner
Membership No.: 77508
UDIN: 22077508AMSJY08219

**For and on behalf of Board of Directors**


Dr. Vishwakumara Kayargadde
Director
DIN: 00751260


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Director
DIN: 01055996




CS Anusha-H
Company Secretary
M. No. A29509
Bengaluru
01 Jul 2022



Bengaluru
01 Jul 2022

1 System Of Accounting

The financial statements have been prepared on the historical cost convention based on the accrual concept and in accordance with applicable Accounting Standards referred to in sub-section 129 of the Companies Act, 2013 and generally accepted accounting principles and the provisions of the Companies Act, 2013. The accounting is on the basis of a going concern concept.

2 Principles of Consolidation

The consolidated financial statements relate to Saankhya Labs Private Limited ('the Company') and its subsidiary company Saankhya Inc. Two Associate companies (company with common directors) namely Vaayavya Labs Pvt Ltd and Sonic Chips Inc in which the company either directly or indirectly does not have any investment, are not considered for consolidation. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
 - b) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Exchange Fluctuation Reserve.
 - c) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
 - d) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
 - e) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.
- 2.2** Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

2.3 Other Significant Accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.



3 Share Capital

(All amounts in ₹ Lakhs except otherwise stated)

	As at 31 Mar 2022 ₹	As at 31 Mar 2021 ₹
Authorized		
7,000,000 (31 Mar 2021: 7,000,000) equity shares of ₹10 each	700.00	700.00
3,685,700 (31 Mar 2021: 3,685,700) Series C Preference shares of ₹100 each	3,685.70	3,685.70
	4,385.70	4,385.70
Issued, Subscribed and fully Paid-up		
6,022,127 (31 Mar 2021: 6,022,127) equity shares of ₹10 each	602.21	602.21
Less : Recoverable from ESOP Trust 1,238,242 (31 Mar 2021: 1,243,180) equity shares of ₹ 10 each)	(123.82)	(124.32)
3,685,694 (31 Mar 2021: 3,685,694) Preference shares of ₹ 100 each	3,685.69	3,685.69
	4,164.08	4,163.59

EQUITY SHARE CAPITAL - Additional details

Reconciliation of number of Equity Shares of ₹ 10 each outstanding at beginning and at end of the reporting period:

	As at 31 Mar 2022		As at 31 Mar 2021	
	Number	₹	Number	₹
Shares at the beginning of the year	6,022,127	602.21	5,996,627	599.66
Add: Shares issued during the year	-	-	25,500	2.55
Shares outstanding at the end of the year	6,022,127	602.21	6,022,127	602.21

Rights, preferences and restrictions attached to Equity Shares of ₹ 10 each:

The Company has only one class of equity shares having face value of ₹ 10 each. Holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after meeting all liabilities of the Company, in proportion to the number of shares held by them.

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years preceding the reporting date is NIL

Equity Shares of ₹ 10 each of the Company are held as detailed below:

	As at 31 Mar 2022		As at 31 Mar 2021	
	Number	%	Number	%
Parag Naik	569,953	9.5%	569,953	9.5%
Parag Naik/ Padmaja Naik	35,538	0.6%	35,538	0.6%
Hemanth Mallapur	367,167	6.1%	367,167	6.1%
Hemanth Mallapur/ Jasmina Mallapur	76,400	1.3%	76,400	1.3%
Vishawakumara Kayargadde	304,500	5.1%	304,500	5.1%
Vishawakumara Kayargadde/ Chethana Kayargadde	89,000	1.5%	89,000	1.5%
Saankhya Labs Pvt Ltd ESOP Trust	1,238,242	20.6%	1,243,180	20.6%
One Media 3.0 LLC, USA *	1,169,138	19.4%	1,169,138	19.4%
Anindya Saha	348,600	5.8%	348,600	5.8%
Other Shareholders (each holding less than 5%)	1,823,589	30.3%	1,818,651	30.2%
	6,022,127	100.0%	6,022,127	100.0%

As per the register of shareholders the above shareholding represents both legal and beneficial ownership.

* One Media 3.0 LLC, USA - a foreign entity has acquired 1,169,138 equity shares of ₹ 10 each through FDI under automatic route. One Media 3.0 LLC, USA is holding 19.4% of the total paid-up equity shares of the Company as on reporting date. Balance 4,827,489 equity shares forming 80.6% of the total paid-up equity shares are held by other Indian shareholders as per the Register of Shareholders of the Company.



PREFERENCE SHARE CAPITAL - Additional details

Series A and Series B Compulsorily Convertible Preference Shares (CCPS) are fully extinguished during earlier years. Hence, no details relating to the same need to be provided.

Series C Compulsorily Convertible Preference Shares (CCPS) of ₹ 100 each

	As at 31 Mar 2022		As at 31 Mar 2021	
	Number	₹	Number	₹
Shares at the beginning of the year	3,685,694	3,685.69	3,685,694	3,685.69
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	3,685,694	3,685.69	3,685,694	3,685.69

Rights, preferences and restrictions attached to Series C Compulsorily Convertible Preference Shares of ₹ 100 each

In the event of liquidation of the Company, each holder of Series C Compulsorily Convertible Preference Share shall be entitled to receive in respect of each Preference Share then held by such holder, prior and in preference to any distribution of any assets or funds to the other shareholders including holders of the Equity Shares.

Holders of Series C Compulsorily Convertible Preference Shares are entitled for the dividend of 0.0001%. The Preference dividend is cumulative and shall be paid in prior and in preference to any dividend or distribution payable upon Shares of any other class or series in the same fiscal year.

1,692,024 Compulsorily Convertible Preference Shares may be converted into fully paid up Equity Shares at any time within 19 years from 17 Nov 2017 in the ratio of 1:1 with suitable modifications, if any, as per the terms of Share Holders Agreement dated 23rd October 2017.

1,993,670 Compulsorily Convertible Preference Shares may be converted into fully paid up Equity Shares at any time within 19 years from 24 Dec 2019 in the ratio of 1:1 with suitable modifications, if any, as per the terms of the Share Holders Agreement dated 24th December 2019.

Subject to Applicable Laws, the holders of Series C Compulsorily Convertible Preference Shares shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the shareholders of the Company including the holders of Equity Shares.

Series C Compulsorily Convertible Preference Shares of ₹ 100 each of the Company are held as detailed below:

	As at 31 Mar 2022		As at 31 Mar 2021	
	Number	%	Number	%
One Media 3.0 LLC, USA	3,685,694	100%	3,685,694	100%
	3,685,694	100%	3,685,694	100%

As per the register of shareholders the above shareholding represents both legal and beneficial ownership.

SHARE HOLDING ON FULLY DILUTIVE BASIS

Dilutive shares reserved for issue under options and/or contracts

	As at 31 Mar 2022		As at 31 Mar 2021	
	Number	₹	Number	₹
Management Stock Option Plan Scheme 2012 & 2013	200,000	20.00	200,000	20.00
Series C Compulsorily Convertible Preference Shares of ₹ 100 each issued to One Media 3.0 LLC, USA	3,685,694	3,685.69	3,685,694	3,685.69
Dilutive shares - Total	3,885,694	3,705.69	3,885,694	3,705.69
Equity shares fully paid up - Total	6,022,127	602.21	6,022,127	602.21
Total shares on fully dilutive basis	9,907,821	4,307.91	9,907,821	4,307.91

On fully dilutive basis One Media 3.0 LLC, USA - a foreign entity will be eligible for 4,854,832 equity shares of ₹ 10 each forming 49% of the total equity shares of the Company on fully dilutive basis. Balance 5,052,989 equity shares forming 51% of the total equity shares on fully dilutive basis are held by other Indian shareholders of the Company.

4 Reserves and surplus

	As at 31 Mar 2022 ₹	As at 31 Mar 2021 ₹
General reserve		
Balance at the beginning of the year	192.90	192.90
Add: Transfer from Stock Options Outstanding Account	-	-
Balance at the end of the year	(A) 192.90	192.90
Securities Premium		
Balance at the beginning of the year	11,737.18	11,737.18
Add: Exercise of ESOP	9.97	-
Balance at the end of the year	(B) 11,747.15	11,737.18

Notes to the Consolidated Financial Statements (Cont'd)**Balance in the Statement of Profit and Loss**

Balance at the beginning of the year		(6,509.42)	(6,308.56)
Add: Profit/(Loss) for the year		2,291.12	(200.86)
Less: Appropriations			
Dividend on preference shares		0.00	0.00
Balance at the end of the year	(C)	(4,218.30)	(6,509.42)
Stock options outstanding			
ESOP		1,819.65	1,845.00
MSOP		521.28	521.28
Balance at the end of the year	(D)	2,340.93	2,366.28
Exchange Fluctuation Reserve			
Opening Balance		57.80	64.88
Add: Reserve for the year - Net investment in non Integral foreign Operation		5.03	53.92
Add: Reserve for the year - Currency transaction of Subsidiary Financial		2.42	(61.00)
Closing Balance	(E)	65.25	57.80
Total	(A+B+C+D+E)	10,127.93	7,844.74

5 Provisions

	As at 31 Mar 2022		As at 31 Mar 2021	
	Non Current	Current	Non Current	Current
Provision for employee benefits	₹	₹	₹	₹
Gratuity (Net of Fair value of Plan Assets)	12.78	45.83	-	19.68
Compensated absences	113.19	23.15	75.29	6.61
	125.98	68.98	75.29	26.29

Employee benefits**Gratuity**

Disclosures as required by AS 15 - Accounting for Employee benefits, are as under:

	As at 31 Mar 2022	As at 31 Mar 2021
1. The amounts recognised in the Balance Sheet are as follows:		
Present value of funded obligation		
Fair value of plan assets as at beginning of the year	253.15	219.91
Net liability recognised in the Balance Sheet	272.83	245.81
2. The amounts recognised in the Statement of Profit and		
Current service cost	62.39	37.28
Interest cost	19.12	16.79
Net actuarial losses/(gains) recognised	72.32	(27.04)
Administrative Expenses	0.32	
Actual Interest	(15.54)	(8.23)
Expense recognised in the Statement of Profit and Loss	138.62	18.79
3. Changes in the present value of defined benefit obligation		
Defined benefit obligation as at the beginning of the year	272.83	245.81
Service cost	62.39	37.28
Interest cost	19.12	16.79
Benefits settled	(14.42)	-
Actuarial losses/(gains)	72.32	(27.04)
Defined benefit obligation as at the end of the year	412.25	272.83
4. Reconciliation of opening & Closing Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	253.15	219.91
Difference in Opening Value	-	-
Employer Contribution	99.69	25.00
Employer direct benefit Contributions	-	-
Expected Interest income of assets	21.30	15.87
Benefit Payments from Employer	(14.42)	-
Admin expenses/Taxes Paid	(0.32)	-
Actuarial gain/(loss)	(5.76)	(7.64)
Fair Value of assets at the end of the year	353.64	253.15
Actual Return of Plan Assets	15.54	8.23



The assumptions used in the above valuation are as under:

Discount rate	7.47%	7.20%
Salary escalation rate	10.00%	7.00%
Attrition rate	15.00%	7.00%
Retirement age (years)	60	60
Mortality	5.00%	5.00%

Indian Assured Lives(2012-2014)
Ultimate Mortality Table

ii **Compensated absences**

Disclosures as required by AS 15 - Accounting for Employee benefits, are as under:

	As at 31 Mar 2022	As at 31 Mar 2021
1. The amounts recognised in the Balance Sheet are as follows:		
Present value of unfunded obligation		
Fair value of plan assets as at end of the year		
Net liability recognised in the Balance Sheet	136.34	81.90
2. The amounts recognised in the Statement of Profit and Loss are as follows:		
Current service cost	29.88	17.95
Interest cost	5.43	4.54
Net actuarial losses/(gains) recognised	32.04	(5.25)
Expense recognised in the Statement of Profit and Loss	67.36	17.25
3. Changes in the present value of defined benefit obligation		
Defined benefit obligation as at the beginning of the year	81.90	68.40
Service cost	29.88	17.95
Interest cost	5.43	4.54
Benefits settled	(12.91)	(3.75)
Actuarial losses/(gains)	32.04	(5.25)
Defined benefit obligation as at the end of the year	136.34	81.90

The assumptions used in the above valuation are as under:

Interest rate	0.00%	0.00%
Discount rate	7.47%	7.20%
Salary escalation rate	10.00%	7.00%
Attrition rate	15.00%	6.00%
Retirement age (years)	60	60
Mortality	5.00%	5.00%

Indian Assured Lives(2012-2014)
Ultimate Mortality Table

Maximum carry forward leave per year is increased to 45 days from 30 days as per the labour laws.

iii **Defined contribution plan**

The Company makes contributions to the statutory provident fund under the Employees' Provident Funds. These are defined contribution plans as per AS 15. Contributions made during the year ended 31 March 2022 amounted to ₹ 49.39 Lakhs (2021: ₹ 40.18 Lakhs).

6 **Trade Payables**

	As at 31 Mar 2022	As at 31 Mar 2021
	₹	₹
Dues to micro enterprises and small enterprises**	451.48	106.58
Other trade payables	810.63	379.26
Total	1,262.00	486.00

** Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them.

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). However the amount is not overdue for more than 45 days as at the reporting date. The disclosures pursuant to the said MSMED Act are as follows:

Particulars

1) The principal amount remaining unpaid to any supplier at the end of the year.	451.48	106.58
2) Interest due remaining unpaid to any supplier at the end of the year.	-	-
3) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
4) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
5) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
6) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

Aging of Trade Payables - As at 31 March 2022

Particulars	Outstanding for following periods from due date of Payment				
	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
MSME	451.48	-	-	-	451.48
Others	808.14	2.49	-	-	810.63
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- others	-	-	-	-	-

Aging of Trade Payables - As at 31 March 2021

Particulars	Outstanding for following periods from due date of Payment				
	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
MSME	106.58	-	-	-	106.58
Others	379.26	-	-	-	379.26
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- others	-	-	-	-	-

7 Other Current Liabilities

	As at 31 Mar 2022 ₹	As at 31 Mar 2021 ₹
Statutory Dues Payable		
Tax Deducted at Source	197.31	122.47
GST	14.86	21.24
Provident Fund	11.46	-
Professional Tax	0.49	-
Equalisation levy	0.37	-
Preference Dividend Payable	0.01	0.01
CSR to be Deposited	15.61	-
CSR unspent	7.39	-
Employee Dues Payables	22.83	-
Unearned Income	1,861.61	-
Accrued Expenses	86.73	349.70
Total	2,218.67	493.42

8 Property, Plant and Equipment & Intangible Assets

	As at 01-Apr-2021 ₹	Additions ₹	Deletions ₹	As at 31-Mar-2022 ₹
A. Gross Block				
Property, Plant and Equipment				
Computers & Peripherals	224.85	101.97	110.84	215.98
Electrical Installations and equipment	1,017.71	113.65	534.85	596.51
Office equipment	17.75	8.49	2.39	23.84
Furniture & Fixtures	31.75	-	6.52	25.23
Leasehold Improvements	17.14	-	2.58	14.56
Sub-total	1,309.19	224.11	657.18	876.12
Intangible Assets				
Computer Software	391.00	7.67	286.37	112.30
Patents	211.96	87.74	-	299.70
TV modulator, Demodulator chips and TV white space modem	1,674.99	-	1,674.99	-
Trade Marks	0.38	-	0.38	-
Sub-total	2,278.33	95.41	1,961.75	411.99
Total	3,587.52	319.51	2,618.93	1,288.11
Previous Year (As on 31st March 2021)	3,145.47	442.05	-	3,587.52



B. Accumulated Depreciation	As at	Additions	Deletions	As at
	01-Apr-2021			31-Mar-2022
	₹	₹	₹	₹
Property, Plant and Equipment				
Computers & Peripherals	131.84	63.81	110.84	84.82
Electrical Installations and equipment	580.95	57.81	534.85	103.91
Office equipment	3.14	5.43	2.39	6.18
Furniture & Fixtures	9.88	3.28	6.52	6.63
Leasehold Improvements	7.94	4.35	2.58	9.71
Sub-total	733.75	134.69	657.18	211.25
Intangible Assets				
Computer Software	328.53	25.91	286.37	68.06
Patents	64.89	29.74	-	94.63
TV modulator, Demodulator chips and TV white space modem	1,674.99	-	1,674.99	-
Trade Marks	0.36	0.02	0.38	-
Sub-total	2,068.77	55.67	1,961.75	162.69
Total	2,802.52	190.35	2,618.93	373.95
Previous Year (As on 31st March 2021)	2,666.22	136.29	-	2,802.52

C. Net Block	As at	As at
	31 Mar 2022	31 Mar 2021
	₹	₹
Property, Plant and Equipment		
Computers & Peripherals	131.17	93.01
Electrical Installations and equipment	492.60	436.76
Office equipment	17.66	14.60
Furniture & Fixtures	18.60	21.88
Leasehold Improvements	4.84	9.20
Sub-total	664.87	575.44
Intangible Assets		
Computer Software	44.24	62.47
Patents	205.06	147.07
TV modulator, Demodulator chips and TV white space modem	-	-
Trade Marks	-	0.02
Sub-total	249.30	209.56
Total	914.17	785.01
Previous Year (As on 31st March 2021)	785.01	479.25

There is no impairment loss on property, plant and equipment on the basis of review carried out by the management in accordance with Accounting standard (AS) - 28 Impairment of assets.

9 Capital Work in Progress

Product Development in Progress	As at	As at
	31 Mar 2022	31 Mar 2021
	₹	₹
	6,245.29	4,177.93
Total	6,245.29	4,177.93

Schedule as on 31st March 2022

a. Capital Work in progress- Ageing Analysis

Particulars	Outstanding for following periods from due date of Payment				Total
	<1 Year	1-2 Years	2-3 Years	>3 Years	
Projects in progress	2,067.36	3,114.66	772.04	291.24	6,245.29
Projects Temporarily suspended	-	-	-	-	-

b. Capital Work in progress- Completion schedule	To be Completed in				Total
	<1 Year	1-2 Years	2-3 Years	>3 Years	
Project in					
5G ORAN Radio Unit	1,917.29	-	-	-	1,917.29
SATCOM	594.12	-	-	-	594.12

*The company does the budgetary planning at organization level and not at the project levels. The above disclosed projects are overdue from the actual time lines only.

Schedule as on 31st March 2021

a. Capital Work in progress- Ageing Analysis

Particulars	Amount in CWIP for a period of				Total
	<1 Year	1-2 Years	2-3 Years	>3 Years	
Projects in progress	3,114.66	772.04	170.53	120.70	4,177.93
Projects Temporarily suspended	-	-	-	-	-

b. Capital Work in progress - Completion Schedule

There are no overdue projects as on 31st March 2021



10 Long term Loans and Advances

	As at 31 Mar 2022		As at 31 Mar 2021	
	Non-current	Current	Non-current	Current
	₹	₹	₹	₹
Unsecured, considered good:				
Balance with government authorities				
Income Tax Refund Receivables	267.91	-	254.45	-
Predeposit for GST Appeal	34.33	-	-	-
Tax Deducted at Source Receivable	-	62.54	-	52.56
MAT Credit	-	-	334.37	-
GST Credit	556.07	-	1,314.56	-
Prepaid Expenses	1.68	205.63	-	143.06
Advances to Supplier	-	178.62	-	66.98
Salary Advances	-	14.69	-	1.20
Gratuity trust	0.15	-	0.15	-
Total	860.14	461.47	1,903.52	263.79

11 Other Non-current Assets

	As at 31 Mar 2022		As at 31 Mar 2021	
	Non-current	Current	Non-current	Current
	₹	₹	₹	₹
Unsecured, Considered good				
Security Deposits	352.43	-	453.76	-
Total	352.43	-	453.76	-

12 Deferred Tax Asset (Net)

	As at	As at
	31 Mar 2022	31 Mar 2021
	₹	₹
Deferred tax asset / (liability) arising on account of:		
Depreciation	95.31	118.76
Employee Benefits	55.76	26.41
Total	151.07	145.17

13 Inventories

	As at	As at
	31 Mar 2022	31 Mar 2021
	₹	₹
Raw Materials	1,536.81	1,270.35
Finished Goods	343.45	93.08
Total	1,880.25	1,363.44

14 Trade receivables

	As at	As at
	31 Mar 2022	31 Mar 2021
	₹	₹
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	51.57
Unsecured, considered doubtful	-	-
Provision for doubtful receivables	-	51.57
Other receivables		
Unsecured, considered good	2,810.89	857.24
Unsecured, considered doubtful	-	-
Sub-total	2,810.89	857.24
Total	2,810.89	908.81

Aging of Trade Receivables as at 31, Mar 2022

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months to 1 Years	1-2 Years	2-3 Years	>3 Years	
Undisputed trade receivables- Considered good	2,810.89	-	-	-	-	2,810.89
Undisputed trade receivables- Considered Doubtful	-	-	-	-	-	-
Disputed trade receivables- Considered good	-	-	-	-	-	-
Disputed trade receivables- Considered Doubtful	-	-	-	-	-	-



Aging of Trade Receivables as at 31, Mar 2021

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months to 1 Years	1-2 Years	2-3 Years	>3 Years	
Undisputed trade receivables- Considered good	857.24		51.57	-	-	908.81
Undisputed trade receivables- Considered Doubtful	-	-	-	-	-	-
Disputed trade receivables- Considered good	-	-	-	-	-	-
Disputed trade receivables- Considered Doubtful	-	-	-	-	-	-

15 Cash and Cash equivalents

		As at 31 Mar 2022 ₹	As at 31 Mar 2021 ₹
Cash on hand	(A)	2.73	2.47
Balances with Banks			
- in current accounts		139.27	269.63
- in exchange earners foreign currency account		702.50	878.99
- Deposits with original maturity of less than 3 months		1,911.99	1,475.00
Sub-total	(B)	2,753.76	2,623.62
Earmarked balances with banks			
HDFC Bank Account No. 50200060349672 - Unspent CSR	(C)	7.39	-
Other bank balances			
Deposits with original maturity of more than 3 months but less than 12 months		203.46	237.58
Deposits with original maturity of more than 12 months		6.80	6.80
Sub-total	(D)	210.26	244.38
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments		-	201.42
Sub-total	(E)	-	201.42
Total	(A+B+C+D+E)	2,974.13	3,071.89

16 Other Current Assets

	As at 31 Mar 2022 ₹	As at 31 Mar 2021 ₹
Unbilled Debtors	1,302.08	-
Accrued Interest	15.82	15.86
Total	1,317.90	15.86




Notes to the Consolidated Financial Statements (Cont'd)

(All amounts in ₹ Lakhs except otherwise stated)

17 Revenue from operations

	Current Year FY 2021-22 ₹	Previous Year FY 2020-21 ₹
Sale of Products		
- Domestic	57.41	-
- Export	81.16	876.91
Sale of Services		
- Domestic	5,504.85	828.93
- Export	5,231.11	1,998.17
Total	10,874.53	3,704.02

18 Other income

	Current Year FY 2021-22 ₹	Previous Year FY 2020-21 ₹
Interest on Fixed deposit's	61.70	212.41
Sublease Rent	89.19	42.78
Recovery of Expenses	83.55	0.46
Interest on Income Tax Refund	-	8.04
Business Gift, Prize & Awards	-	2.00
Foreign Exchange Gain	20.80	-
Recoveries from Employee	0.68	-
Balances Written Back	-	0.37
Total	255.91	266.05

19 Cost of Material & Services Consumed

	Current Year FY 2021-22 ₹	Previous Year FY 2020-21 ₹
Raw materials & Consumables at the beginning of the year	1,270.35	167.28
Add: Purchases (net of returns)	3,379.67	2,266.07
Add: Handling Charges	31.74	32.72
Less: Raw materials & Consumables at the end of the year	1,536.81	1,270.35
Total	3,144.95	1,195.72

20 Changes in inventory of Finished Goods

	Current Year FY 2021-22 ₹	Previous Year FY 2020-21 ₹
Finished Goods at the beginning of the year	93.08	17.07
Less: Finished Goods at the end of the year	343.45	93.08
Total	(250.36)	(76.02)

21 Employee benefits expense

	Current Year FY 2021-22 ₹	Previous Year FY 2020-21 ₹
Salaries, wages and bonus	3,110.38	1,284.34
Contribution to provident fund and defined contribution funds	49.39	40.42
Gratuity Expenses	138.62	18.79
Leave Expenses	67.36	17.41
Medical Insurance	54.11	71.53
Performance Incentives	16.00	-
Employees Share Based Compensation Expenses **	(15.38)	389.67
Staff welfare	66.16	40.51
Total	3,486.64	1,862.69

** ESOP expense recognised during the year ₹ 158.27 Lakhs and ESOP expense reversed during the year pertaining to options lapsed and forfeited is ₹ 173.65 Lakhs.



Notes to the Consolidated Financial Statements (Cont'd)

(All amounts in ₹ Lakhs except otherwise stated)

22 Finance Costs

	Current Year FY 2021-22 ₹	Previous Year FY 2020-21 ₹
Interest on delayed payment of Statutory Dues	8.14	-
Total	8.14	-

23 Other expenses

	Current Year FY 2021-22 ₹	Previous Year FY 2020-21 ₹
Frieght charges - export	3.28	2.42
Software Expenses	69.99	6.96
Insurance Expenses	62.46	50.63
Rent	432.39	415.39
Equipment Rent	166.69	90.16
Electricity Charges & Water Charges	56.77	40.27
Marketing Expenses	173.79	96.33
Repairs and Maintenance		
- General	70.11	38.92
- Computer	0.61	1.65
Telecommunication & Broadband Expenses	28.17	16.63
Security Charges	33.41	22.55
Housekeeping Charges	51.42	42.72
Administration Expenses	5.64	2.93
Office Expenses	12.89	6.73
Subscription Charges	35.84	36.10
Professional Charges	94.98	70.14
Auditor Remuneration	4.00	2.00
Meetings, Training & Seminars	21.22	3.50
Travel and Conveyance	68.83	21.00
Rates & Taxes	13.20	16.57
Statutory Expenses	67.12	20.96
CSR Expenditure	31.25	3.00
Bank Charges	10.02	9.55
Bad Debts	3.14	30.73
Miscellaneous Expenses	17.87	7.80
Foreign Exchange Loss	-	19.37
Total	1,535.08	1,075.00



Saankhya Labs Pvt. Ltd.
Bangalore

(All amounts in ₹ Lakhs except otherwise stated)

24 Earnings / (Loss) per share

Basic earnings/ (loss) per share is calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

The computation of earnings per share is as follows:

Particulars	Current Year FY 2021-22 ₹	Previous Year FY 2020-21 ₹
Weighted average number of shares outstanding during the year	6,022,127	6,022,127
Net profit after tax attributable to equity shareholders	2,291	(201)
Earnings per share:		
- Basic	38.05	(3.34)
Nominal value per share	₹ 10	₹ 10
Weighted average number of dilutive potential equity shares outstanding during the year	9,907,821	9,907,821
Net profit after tax attributable to equity shareholders	2,291	(201)
Earnings per share:		
- Diluted	23.12	(3.34)

25 Related party disclosures

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Name of the Party	Nature of Relationship
i. Parties where control exists	
Vayavya Labs Private limited	Entity owned or significantly influenced by key management Personnel
Saankhya Strategic Electronics Pvt Ltd	Entity owned or significantly influenced by key management Personnel
Sinclair Broadcast Group	Entity owned or significantly influenced by key management Personnel
ii. Key Management Personnel	
Mr. Parag Naik	Member and Director
Dr. Vishwakumara Kayargadde	Member and Director
Mr. Mark Andrew Aitken	Director
CS Anusha H	Company Secretary

iii. Transactions with related parties during the year

Nature of transactions	Nature of relationship	Current Year FY 2021-22 ₹	Previous year 2020-21 ₹
Purchase of services			
Vayavya Labs Private limited	Entity owned or significantly influenced by Key Management Personnel	998.11	565.88
Saankhya Strategic Electronics Pvt Ltd	Entity owned or significantly influenced by Key Management Personnel	25.00	-
Sale of goods			
Sinclair Broadcast Group	Entity owned or significantly influenced by Key Management Personnel	10.43	95.81
Sale of Services			
Sinclair Broadcast Group	Entity owned or significantly influenced by Key Management Personnel	4,140.32	1,990.79
Saankhya Strategic Electronics Pvt Ltd	Entity owned or significantly influenced by Key Management Personnel	68.55	61.85



Saankhya Labs Private Limited
Notes to the Consolidated Financial Statements (Cont'd)

CIN: U72200KA2006PTC041339

(All amounts in ₹ Lakhs except otherwise stated)

Sublease Rent

Vayavya Labs Private limited	Entity owned or significantly influenced by Key Management Personnel	12.35	7.26
Saankhya Strategic Electronics Pvt Ltd	Entity owned or significantly influenced by Key Management Personnel	76.84	35.52
Directors' Remuneration			
Mr. Parag Naik	Member and Director	75.91	67.75
Dr. Vishwakumara Kayargadde	Member and Director	76.11	67.75

Company Secretary Remuneration

CS Anusha H	Company Secretary	9.30	6.38
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Note: The above figures do not include provision for compensated absences, gratuity and other defined benefits payable for directors & Company Secretary, as the same is determined on actuarial valuation basis for the Company as whole and separate figures for directors are not available.

iv. Balances at the year end
Nature of transactions

Nature of transactions	Nature of relationship	As at	As at
		31 Mar 2022	31 Mar 2021
		₹	₹
Trade Payables			
Vayavya Labs Private limited	Entity owned or significantly influenced by key management personnel	208.18	61.67
Trade Receivables			
Sinclair Broadcast Group	Entity owned or significantly influenced by Key Management Personnel	1,918.41	453.11
Saankhya Strategic Electronics Pvt Ltd	Entity owned or significantly influenced by Key Management Personnel	19.86	50.10
Vayavya Labs Private limited	Entity owned or significantly influenced by key management personnel	2.27	0.26
Unearned Income			
Sinclair Broadcast Group	Entity owned or significantly influenced by Key Management Personnel	1,861.61	-
Unbilled Income			
Sinclair Broadcast Group	Entity owned or significantly influenced by Key Management Personnel	168.30	-

26 Supplementary statutory information

a) Auditors' remuneration

	Current Year FY 2021-22	Previous year 2020-21
	₹	₹
(i) As Auditor:		
Statutory Audit	4.00	2.00
Tax Audit	0.25	0.25
	<u>4.25</u>	<u>2.25</u>

Note: Above stated expenses are exclusive of Goods and Service Tax



27 Leases

Company has entered into leasing agreement for the operational locations in Bangalore under operating lease. An agreed amount to be paid every month.

Future Minimum Lease Payments	As at 31 Mar 2022	As at 31 Mar 2021
Not Later than One Year	438.73	418.57
Later than one year and not later than five years	503.89	942.62
Later than Five Years	-	-

28 Contingent Liabilities

Particulars	FY 2017-18	FY 2016-17	FY 2015-16
Demand raised by the income tax department, which is under appeal before CIT (Appeals)*	480.42	-	45.62
Demand raised by the GST department, which is under appeal **	571.71	-	-

* Note: Company is eligible for tax refund of ₹ 45.62 Lakhs for the AY 2018-19 and ₹ 148.19 Lakhs for the AY 2020-21. However, the same was withheld against the above orders

** Note: Company has made pre-deposit of ₹ 34.33 Lakhs in the AY 2022-23.

29 Analytical Ratios

Ratio	Basis of Ratio	Current Year FY 2021-22	Previous year 2020-21	% Variance	Reasons
Current Ratio (in times)	Total current asset/total current liabilities	2.66	5.59	-52%	There were no unearned and unbilled revenue recognised during the previous year.
Return on Equity Ratio (in %)	Net Profits after taxes/ Share Capital	55%	-5%	-1241%	Company has incurred losses during previous year and the profit in the current year. Hence, the variance is exceeding 25%
Inventory Turnover Ratio (in times)	Cost of goods sold/avg inventory	1.94	1.55	26%	The purchases are more in the current year against which the sales will be expected in the future years
Trade Receivables Turnover Ratio (in times)	Sales/ Avg Trade Receivable	5.85	2.96	97%	There are additional customers during the year
Trade Payables Turnover Ratio (in times)	Purchases/ Avg Trade Payables	3.87	2.48	56%	The Payable in 2019-20 is more. Hence, the average Trade payable is more in previous year as compared to current year.
Net capital turnover ratio (in times)	Sales/Avg working capital	2.07	0.57	266%	There are additional customers during the year
Net profit ratio (in %)	Net profits/sales	21%	-5%	-507%	Company has incurred losses during previous year and the profit in the current year. Hence, the variance is exceeding 25%
Return on capital employed (in %)	Earnings before taxes/capital employed	21%	-2%	-1233%	Company has incurred losses during previous year and the profit in the current year. Hence, the variance is exceeding 25%



30 Note on current technologies being developed during the FY21-22:

Company has developed product ready version of ATSC, BRH and 5G technology for Commercialisation and expects to generate revenue from this product in future. In compliance with Accounting Standard - 26, the Company has considered development expenses for the said Various Products incurred during the FY 2021-2022 as intangible assets under development to the extent of ₹ 6245.28 Lakhs (PY 4177.92 Lakhs). The expenses incurred include Employee costs, outsourced cost, material costs which are directly attributable to the said product development. Admin and other indirect costs are not capitalised since the same cannot be allocated reasonably. Pending final completion of the product development, no amortisation has been envisaged during the year.

31 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are eradicating hunger, poverty and malnutrition, promoting preventive health care including preventive health care, ensuring environmental sustainability education, promoting gender equality and empowering women and other activities. The amount has been expended on the activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	As at 31 March 2022 ₹	As at 31 March 2021 ₹
Average net profit before tax for last immediately preceding 3 years (A)	780.41	931.52
Percentage to be provided for CSR Expenditure (B)	2.00%	2.00%
Expenditure required to be spent during the year on CSR activity (C=A*B)	15.61	18.63
Less: Amount spent during the year	-	3.00
Less: Amount spent during FY 21-22 against FY 20-21 shortfall	-	8.26
Shortfall/ (excess) in CSR expenditure	15.61	7.37

Where the company covered under section 135 of the companies act, the following shall be disclosed with regard to CSR activities:-

- amount required to be spent by the company during the year - ₹ 15.61 Lakhs
- amount of expenditure incurred - Nil
- shortfall at the end of the year - 15.61 Lakhs
- total of previous years shortfall - 7.37 Lakhs
- reason for shortfall -

i. For FY 2020-21: The company has identified a Lake rejuvenation project in Belgaum, due to Covid the company could not spend the amount on the said ongoing Project. Hence, the company has transferred ₹ 15.64 Lakhs in a separate Bank account with HDFC Bank Ltd on 17th August 2021. The company has spent ₹ 825.63 Lakhs on 17th January 2022 and intends to spend remaining amount within next 2 years.

ii. For FY 2021-22: The company has accrued the current year shortfall and is in the process of transferring amount to unspent CSR bank account. The same will be spent within next 3 years.

(f) nature of CSR activities - Lake rejuvenation project

(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard, - NA

(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the

The image shows a blue circular stamp with the text 'Saankhya Labs Pvt. Ltd.' around the top and 'Bangalore' at the bottom. In the center of the stamp is a stylized 'S' logo. Overlaid on the stamp is a handwritten signature in blue ink.

32 Employee Stock Option Plan Disclosure

The company has introduced the Equity settled Employees Stock Option Plan (ESOP) Scheme 2008 effective from 1st February, 2008. The total Pool size of the scheme 2008 is 200,000 options, with an exercise price of ₹10/- each and with an exercise period of 20 years from the vesting date. Pursuant to the ESOP scheme 2008, the company has given various grants to employees from time to time. The ESOP Scheme 2008 is revised on 22nd December, 2011 with retrospective effect by incorporating a change in the frequency of vesting and other vesting conditions. The life of the options granted is 4 years with annual 25% vesting under the original scheme 2008. As per the revised Scheme 2012, there is a change in the vesting, i.e. after the first annual vesting, all subsequent vesting are on a quarterly basis.

The company has introduced a new Equity settled ESOP Scheme 2012 on 22nd December, 2011 with immediate effect. The total Pool size of the scheme 2012 was with 100,000 options with an exercise price of ₹10/- each and with an exercise period of 20 years from the vesting date. The scheme provides for the grade vesting, upon completion of 1st year 25% and 6.25% every quarter thereafter. The total pool size is increased to 11,00,000 options in November 2018

The Company as on 8th March 2012, has established Saankhya Labs Private Ltd ESOP Trust ® and brought both the ESOP Scheme 2008 and Scheme 2012 under this trust for the purpose of administration of the schemes.

For the purpose of administration of Employee Stock Option Plans, the Company have established ESOP Trusts. The company has accounted for the cost of ESOPs in the books of the company in terms of the Guidance Note on Accounting for Employee Shares Based Payments issued by the Institute of Chartered Accountants of India. Under the said Guidance Note, the set of accounting entries for the scheme administered through the Trust. However, the guidance notes is silent in the case where the Company allots to the ESOP Trust at one point of time and the Trust in turn allots at different point of time to different employees and hence, the fair value at which the ESOP is allotted to the trust and to the employees will vary. Therefore, we have recognized the share premium for the entire pool size of both the schemes by debiting the ESOP Outstanding account including unutilized ESOP Pool at the fair value on the date of allotment to the Trust and as and when the options are granted to the employees, the fair value on the date of the grant is considered to recognise the expense.

Company has used fair value method to account for the ESOP. Fair value of shares have been asserted using valuation report from merchant banker.



The image shows a circular blue ink stamp of Saankhya Labs Pvt. Ltd. Bangalore. The stamp contains the company name and a stylized 'S' logo. Overlaid on the stamp is a handwritten signature in blue ink.

The details of the options granted, forfeited, vested and exercised at the beginning of the year are as under.

Particulars	Weighted average Exercise price	Year 2021-22		Total
		ESOP Scheme 2008	ESOP Scheme 2012	
Pool Size (No of options)	10	200,000	1,125,500	1,325,500
Granted	10	210,200	1,475,700	1,685,900
Laps of unvested options	10	(22,785)	(345,645)	(368,430)
Forfeiture of vested, unexercised options	10	(29,340)	(53,671)	(83,011)
Net outstanding grants at the beginning of the year	10	158,075	1,076,384	1,234,459
Total Exercised at the beginning of the year	10	(40,275)	(42,045)	(82,320)
Vested and exercisable at the beginning of the year	10	-	-	-
Unutilised ESOP Pool at the beginning of the year		41,925	49,116	91,041

The details of the increase in pool, options granted, forfeited, vested and exercised and lapsed during the year are as under.

Particulars	Weighted average Exercise price	Year 2021-22		Total
		Old scheme 2008	New scheme 2012	
Increase in Pool Size (No of options)	10	-	-	-
Granted during the year	10	-	144,000	144,000
Laps of unvested options	10	-	(26,312)	(26,312)
Forfeiture of vested, unexercised options	10	(9,000)	(64,600)	(73,600)
Exercised during the year	10	-	(4,938)	(4,938)

The details of the options granted, vested, exercised, forfeited and lapsed at the end of the year are as under:

Particulars	Weighted average Exercise Price	Year 2021-22		Total
		ESOP Scheme 2008	ESOP Scheme 2012	
Pool Size (No of options)	10	200,000	1,125,500	1,325,500
Granted	10	210,200	1,619,700	1,829,900
Laps of unvested options	10	(22,785)	(371,957)	(394,742)
Forfeiture of vested, unexercised options	10	(38,340)	(118,271)	(156,611)
Forfeiture & Lapsed options transferred from 2008		50,925	(50,925)	-
Net outstanding grants at the end of the year	10	200,000	1,078,547	1,278,547
Total Exercised up to the end of the year	10	(40,275)	(48,111)	(88,386)
Unutilised ESOP Pool at the end of the year		-	46,953	46,953

The range of exercise price is ₹ 10/- and the weighted average remaining contractual life (comprising vesting period and exercise period) is 2 years

Method of valuation of fair value of options:

ESOP Scheme 2008:

Having regard to the nature of business of the company and the fact that it is not listed on any stock exchange and in accordance with the Guidance Note on Accounting for Employee Shares Based Payments issued by the Institute of Chartered Accountants of India, the company has considered the market value based on the latest allotments made immediately preceding the date of each grants by the company as the fair value for the purpose of accounting in respect of ESOP Scheme 2008 (revised).

ESOP Scheme 2012:

In respect of ESOP Scheme 2012, the company has adopted the valuation as given by the Merchant Banker of Category I on each grant dates.

Accordingly the fair value for each grants are as under:

Particulars	No of options	Market price ₹	Exercise Price	Fair value of benefit ₹
1st Grant Feb. 2008	25,250	100.00	10	90.00
2nd Grant Aug. 2008	17,500	100.00	10	90.00
3rd Grant Feb. 2009	48,250	100.00	10	90.00
4th Grant Aug. 2009	3,500	100.00	10	90.00
5th Grant Feb 2010	55,000	100.00	10	90.00
6th Grant Feb 2011	6,500	240.00	10	230.00
7th Grant August 2011	25,000	240.00	10	230.00
8th Grant Feb 2012	25,400	248.23	10	238.23
8th Grant Feb 2012 (Scheme 2012)	33,900	248.23	10	238.23
9th Grant May 2012	3,500	255.31	10	245.31
10th Grant Aug 2012 (Scheme 2012)	70,800	268.10	10	258.10
10th Grant Aug 2012 (Scheme 2012)	3,800	268.10	10	258.10
11th Grant Nov 2012	-	270.19	10	260.19
12th Grant Feb 2013	80,900	284.26	10	274.26
12th Grant -May 13	171,400	284.55	10	274.55
13th Grant -November 13 for new Employees	114,000	272.07	10	262.07
15th Grant - August 2014	107,200	249.01	10	239.01
16th Grant - May 2015	18,200	259.49	10	249.49
17th Grant - August 2015	40,000	276.21	10	266.21
18th Grant - Feb 2016	166,800	240.00	10	230.00
19th Grant - Aug 2017	192,000	130.00	10	120.00
20th Grant - Feb 2018	177,000	142.08	10	132.08
21st Grant - May 2019	227,000	212.00	10	202.00
22nd Grant - August 2019	35,000	212.00	10	202.00
23rd Grant - May 2020	38,000	216.00	10	206.00
24th Grant - Aug 2021	129,000	240.00	10	230.00
25th Grant - Feb 2022	15,000	240.00	10	230.00

Method of recognition of Liability

The company has recognized 100% of the liability as on 31st March 2022 to the extent of the options actually vested during the year up to that date and in respect of the unvested options, the cost is allocated from the grant date till to the vesting date equally as per the graded vesting and considered the fair value of benefits based on the valuation methods as above.

The overall employee shares based compensation cost accounted during the year is as under:

Particulars	Expense for the year 2021-22	Expense for the year 2020-21
	₹	₹
Under Scheme 2008	-	-
Under Scheme 2012	(15.38)	389.67
Total	(15.38)	389.67
Less: Reversal during the year	-	-
Net Expenses	(15.38)	389.67

Movement of Vested Options during the year

Vested Options	As on 31st March 2022		As on 31st March 2021	
	2008 Scheme	2012 Scheme	2008 Scheme	2012 Scheme
	No of Shares	No of Shares	No of Shares	No of Shares
Outstanding as on April 1, 2021	117,800	1,034,339	117,800	1,021,839
Add: Granted during the year	-	144,000	-	38,000
Less: Exercised during the year		4,938		-
Less: Expired during the year		26,312		16,875
Less: Forefeited during the year	-	73,600		8,625
Outstanding as on March 31, 2022	117,800	1,073,489	117,800	1,034,339
Unvested options as on Mar 31,2022	-	223,310	-	216,309

The total expense recognized during the year arising from employee shares based payment plans in which the services received did not qualify for recognition as a part of the cost of an asset and hence were recognized immediately as an expense is NIL.



Particulars of Reversal of expense up on lapse of unvested options on resignations

Particulars	2021-22		2020-21	
	No of options	Amount ₹	No of options	Amount ₹
Under Scheme 2008	-	-	-	-
Under Scheme 2012	26,312	17.30	16,875	0.99

MSOP Schemes:

The MSOP Scheme 2012 has been introduced by the Company on 21st March 2012 with a pool size of 100,000 options and exercise price of ₹ 10/- each and the same is amended on 21st September 2012. Under the provisions of the Scheme key shareholders and critical employees are eligible. The vesting condition is on performance based, subject to the approval of its Investor. The investor approved the same with a condition that the same shall vest 100% up on closure of qualified financing of minimum 2Mn USD from non Intel Investors with in the specified time. The company has substantially fulfilled the said performance obligation before 31st March 2013 and 100% performance obligation is completed in April 2013 Then entire pool size of 100,000 options have been granted before 31st March 2013 and 100% vested in April 2013 and hence, the fair value of the benefit is accrued 100% during the year.

Particulars	No of options
No of Option in the pool	200,000
No of Options granted	200,000
No of Options lapsed	-
Total No of Options outstanding	200,000
No of Options vested during the year , but not exercised	22,000
No of Options vested till date	200,000
No of Options unvested	-
No of Options forfeited	-

MSOP Scheme 2013: The company has also introduced MSOP Scheme 2013 on 25th January 2013 with a pool size of 100,000 options with an exercise price of ₹ 10/- each and with a 4 years vesting , 25% vesting on the 1st anniversary and 6.25% per quarter thereafter till the entire options vest.



The image shows a circular blue ink stamp of Saankhya Labs Pvt. Ltd. Bangalore. The stamp contains the company name and a stylized 'S' logo. A handwritten signature in blue ink is written across the stamp.

33 Additional information to the financial statements

33.1 Enterprises consolidated as subsidiary in accordance with Accounting Standard 21-Consolidated Financial Statements

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
Saankhya Inc.	USA	100%

33.2 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

Name of the Enterprise	Net Assets i.e Total Assets minus Total liabilities		Share in profit and loss	
	As % of Consolidated Net assets	Amount in ₹	As % of Consolidated Profit or loss	Amount in ₹
Parent :				
Saankhya Labs Private limited	97.99%	14,004.63	105.78%	2,423.54
Subsidiaries :				
Saankhya Inc.	2.01%	287.38	-5.78%	(132.41)

33.3 SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT , 2013

Sr. No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments
1	Saankhya Inc.	INR	947.59	(643.93)	755.96	452.31	-
		USD	1,250,000	(849,437)	997,220	596,656	-

Sr. No.	Name of Subsidiary Company	Reporting Currency	Total turnover	Loss Before Taxation	Provision for Taxation	Loss After Taxation	Proposed Dividend	% of Shareholding
1	Saankhya Inc.	INR	131.68	(116.39)	-	(116.39)	-	100%
		USD	176,470	(155,980)	-	(155,980)	-	100%

34 Segment Report

The Company operates its business primarily through the following segments:

- a) **Products** - The business of developing, manufacturing, buying and selling of Electronic Equipments
b) **Software Development Services** - The division is engaged in the development of various customised software and other related services.

I Primary Segment Reporting:

The primary reporting disclosures for business segment, as envisaged in Accounting Standard (AS) 17 on 'Segment Reporting' as given below:

Particulars	Product		Software Development Services		Unallocable		Total	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
	₹	₹	₹	₹	₹	₹	₹	₹
Revenue								
External sales	138.57	876.91	10,735.96	2,828.07	-	-	10,874.53	3,704.98
Other income	-	-	-	-	255.91	266.05	255.91	266.05
Total revenue	138.57	876.91	10,735.96	2,828.07	255.91	266.05	11,130.44	3,971.03
Expenses								
Cost of Material & Services Consumed	392.67	124.28	2,352.91	425.14	149.01	570.29	2,894.59	1,119.70
Employee cost	-	476.78	2,620.88	734.49	865.76	651.42	3,486.64	1,862.69
Segment result	(254.11)	275.85	5,762.18	1,668.44	(758.86)	(955.66)	4,749.21	988.64
Corporate expenses	-	-	-	-	1,535.08	1,091.20	1,535.08	1,091.20
Finance cost	-	-	-	-	8.14	9.55	8.14	9.55
Depreciation	-	-	-	-	190.35	136.29	190.35	136.29
Income taxes	-	-	-	-	724.51	(22.76)	724.51	(22.76)
Profit after tax	(254.11)	275.85	5,762.18	1,668.44	(3,216.95)	(2,169.95)	2,291.12	(225.65)

In view of the close inter-link between the operating segments, it is not possible to make segment wise allocation of assets and liabilities. Hence, the related disclosures are not reportable.

II Secondary Segment Reporting:

The secondary reporting disclosures for business segment, as envisaged in Accounting Standard (AS) 17 on 'Segment Reporting' as given below:

Particulars	Outside Inida		Within India	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
	₹	₹	₹	₹
Revenue	5,312.27	496.39	5,562.26	3,206.80
Asset	9.48	9.18	1,278.63	3,578.35
Capital WIP	-	-	6,245.29	4,177.93



35 OTHER EXPLANATORY INFORMATION

i Going Concern Assumption:

The company has earned profit during the year as compared to the previous year. The company's EBIDTA is 27.09% in current year as compared to -5.63% in previous year, the reason being that the company is working on new development of technology and the revenue is increased in same manner as the cost.

As result of COVID-19 pandemic and due to lockdown initiated by respective governments during 2019-20 and 2020-21 the revenue were postponed and earned during the FY 2021-22 and there are many agreed projects for future years which was more than the current year revenue. Hence the pandemic has not impacted the Going concern assessment of the company.

ii COVID-19 Impact Assessment & Strategy:

Covid-19 is a pandemic which is equivalent to Force Majeure in all sense and understanding. The company enforced Work from home policies for the few of the employees and allowed most of the employees to work from office. Due to this company could complete the previous years orders with the resonable time. Company has requested to customer to further extend the timeline and customers duly agreed to it.

The company do not have any loan and do not have any debt obligation to repay and is having positive cashflows. The only impact on cash flow being extended credit limit to its customers.

A. Company is working on following strategies to improve the production, sales and pricing:

i. Diversification & Expansion - Saankhya Labs has diversified its area of operations by actively entering into 5G technology during this time.

Saankhya Labs also sees a huge revenues in the field of 5G Technology. Also company is in discussions with various business who wish to enter into this market.

ii. Extended Product Delivery Timeline - Saankhya Labs has gone back to the customers with a request to extend the timelines for delivery. All customers have agreed to our request and have provided additional time to fulfil our deliveries.

B. Impairment Testing- Financial Asset and Property, plant and equipment:

Company does not have significant financial assets exposed to impairment risk due to non recovery of the amount. Company has assessed the recoverability of trade receivable balance by approaching the customers and sought confirmation from them. Based on the analysis management assess that the amounts are recoverable in full to the extent. There is no changes required for property, plant and equipment and CWIP due to COVID-19 impact and hence there is no impairment.

C. Debt Repayment and Classification:

The company do not have any debt obligation.

D. Leases:

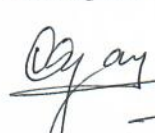

The company does not have significant assets on lease. The lease of office building premise is of long term in nature and there is no significant impact of changes in contractual terms due to COVID-19.

iii Prior year amounts have been regrouped / reclassified wherever necessary to conform to the current year's presentation to the extent of available information.

(As per our report event date attached)

For Singhi & Co

Chartered Accountants
Firm Reg No.: 302049E

CA Mijay Jain
Partner
Membership No.: 77508
Bengaluru
01 Jul 2022

For and on behalf of the Board of Directors




Dr. Vishwakumara Kayargadde
Director
DIN: 00751260




Parag Naik
Director
DIN: 01055996



CS Anusha H
Company Secretary
M. No. A29509
Bengaluru

VDIN: 72077508AMSDV08219