

TELESMART SCS LIMITED

**INDEPENDENT AUDITOR'S REPORT AND FINANCIAL
STATEMENTS**

For the Financial Year Ended March 31, 2022

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Independent Auditor's Report

Balance Sheet as at March 31, 2022

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

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Notes annexed to and forming part of the Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Telesmart SCS Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Telesmart SCS Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022 and the Statement of Profit and Loss (including 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 and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and loss (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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.

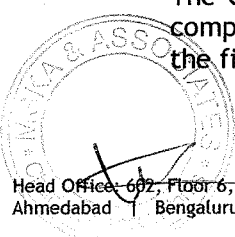
Material Uncertainty related to Going Concern

We draw attention to Note 56 to the financial statements which states that Company has incurred losses of Rs. 35.68 lakhs (previous year Rs. 71.65 lakhs) during the year ended March 31, 2022 and, as of that date, has accumulated loss of Rs. 448.77 lakhs (Previous year Rs. 413.09 lakhs). Further, the Company's net worth is completely eroded as on that date. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the management has reasonable expectation, based on the estimate of future cash flow projections that support the carrying value of the tangible and intangible assets of the Company as at March 31, 2022 and committed financial support from the Holding company and the promoters, that the Company would have adequate resources to continue its operational existence for the foreseeable future. Accordingly, the financials have been prepared on going concern basis and no impairment provision has been recognised.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures 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.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

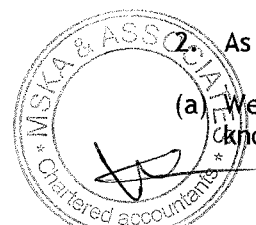
We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" 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.



MSKA & Associates

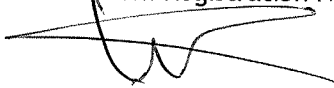
Chartered Accountants

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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 are disqualified as on March 31, 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (1) The Management has represented that, to the best of it's 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 by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (2) The Management has represented, that, to the best of it's 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, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.



3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Darryl Frank
Partner
Membership No. 104096
UDIN: 22104096AIOAWI6056



Place: Panaji, Goa
Date: May 06, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF TELSMART SCS LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



MSKA & Associates

Chartered Accountants

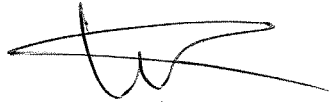
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Darryl Frank

Partner

Membership No. 104096

UDIN: 22104096AIOAWI6056



Place: Panaji, Goa

Date: May 06, 2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TELESMAART SCS LIMITED FOR THE YEAR ENDED MARCH 31, 2022

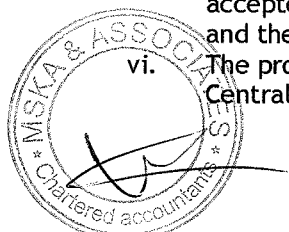
[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i.
 - (a) A. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

B. The Company has maintained proper records showing full particulars of intangible assets.
 - (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
 - (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including right of use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
 - (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii.
 - (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.
 - (b) According to the information and explanations provided to us, the Company has not been sanctioned working capital limits from banks/financial institutions. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products



of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, duty of customs, cess have been regularly deposited by the Company with appropriate authorities in all cases during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company

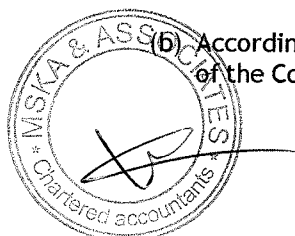
ix.

- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture, hence reporting under the clause (ix)(e) of the order is not applicable to the Company
- (f) The Company does not have any subsidiary, associate or joint venture, hence reporting under the clause (ix)(f) of the order is not applicable to the Company.

x.

- (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares



or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

- (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statements for the year ended March 31, 2022, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to Company.

xii.

- (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii.

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

In our opinion and based on our examination, the Company does not require to comply with provision of section 138 of the Act. Hence, the provisions stated in paragraph 3(xiv) (a) to (b) of the Order are not applicable to the Company.

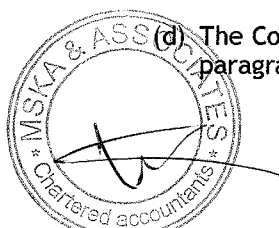
xv.

According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi.

- (a) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.

- (d) The Company does not have more than one CIC as a part of its group. Hence, the provisions stated in paragraph clause 3 (xvi)(d) of the Order are not applicable to the Company.

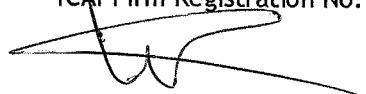


- xvii. Based on the overall review of financial statements, the Company has incurred cash losses in the current financial year and in the immediately preceding financial year. The details of the same are as follows:

Particulars	March 31, 2022 (Current year)(in lakhs)	March 31, 2021 (Previous Year) (in lakhs)
Cash loss	4.22	25.85

- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that a material uncertainty exists as on the date of audit report. However, the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Further, the Holding company and Promoters have provided necessary financial support to enable the company to continue as a going concern. In view of the above, the financial statements of the Company have been prepared on a going concern basis.
- xx. According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.
- xxi. According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Darryl Frank
Partner
Membership No. 104096
UDIN: 22104096AIOAWI6056



Place: Panaji, Goa
Date: May 06, 202

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TELESMAART SCS LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

Opinion

We have audited the internal financial controls with reference to financial statements of Telesmaart SCS Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements 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 (ICAI) (the "Guidance Note").

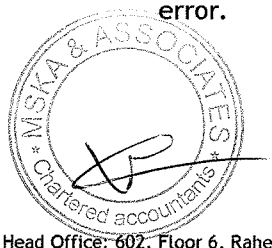
Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with 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. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.


Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 With reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W


Darryl Frank
Partner
Membership No. 104096
UDIN: 22104096AIOAWI6056



Place: Panaji, Goa
Date: May 06, 2022

TELESMART SCS LIMITED
BALANCE SHEET AS ON MARCH 31, 2022
(Amount in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	5	66.44	111.99
Other intangible assets	6	3.56	11.13
Financial assets			
(i) Other financial assets	7	0.18	0.18
Other non-current assets	8	1.19	-
Total non-current assets		71.37	123.30
Current assets			
Inventories	9	99.94	61.46
Financial assets			
(i) Trade receivables	10	91.28	95.15
(ii) Cash and cash equivalents	11	4.26	4.07
(iii) Other financial assets	12	-	0.05
Other current assets	13	42.69	36.11
Total current assets		238.17	196.84
TOTAL ASSETS		309.54	320.14
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	360.00	360.00
Other equity	15	(439.12)	(405.14)
Total equity		(79.12)	(45.14)
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liability	16	-	16.56
Provisions	17	0.32	1.21
Deferred tax liability (net)	32	-	2.03
Total non-current liabilities		0.32	19.80
Current liabilities			
Financial liabilities			
(i) Borrowings	18	230.00	210.33
(ii) Lease Liability		18.66	25.30
(iii) Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		3.95	2.06
Total outstanding dues of creditors other than micro enterprises and small enterprises		133.47	98.11
(iv) Other financial liabilities	20	1.54	8.27
Other current liabilities	21	0.56	0.77
Provisions	22	0.16	0.64
Total current liabilities		388.34	345.48
TOTAL LIABILITIES		388.66	365.28
TOTAL EQUITY AND LIABILITIES		309.54	320.14
See accompanying notes to the financial statements		1-58	
The accompanying notes are an integral part of the financial statements			

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

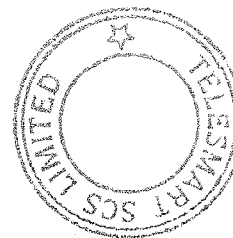
Darryl Frank
Partner
Membership No. 104096
Place: Panaji Goa
Date : May 6, 2022



For and on behalf of the Board of Directors
Telesmart SCS Limited
CIN : U31900GA2016PLC013046

K. R. Naik
Director
DIN: 00002013
Place: Verna-Goa
Date : May 6, 2022

Bhanubhai Patel
Director
DIN: 00223115
Place: Mumbai
Date : May 6, 2022



TELESMART SCS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in INR lakhs, unless otherwise stated)

Particulars	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
INCOME			
Revenue from Operations	23	583.33	414.73
Other Income	24	8.08	11.61
Total Income		591.41	426.34
EXPENSES			
Cost of raw materials consumed	25	481.90	313.15
Purchase of Stock-in-trade	26	0.68	8.59
Changes in inventories of finished goods and work-in-progress	27	(0.10)	0.86
Employee benefits expense	28	72.25	74.86
Finance costs	29	2.32	11.28
Depreciation and amortization expense	30	34.67	44.23
Other expenses	31	37.98	43.12
Total expenses		629.70	496.09
(Loss) before Exceptional item and tax		(38.29)	(69.75)
Exceptional items		-	-
(Loss) before tax		(38.29)	(69.75)
Tax expense			
Current tax		-	-
Deferred tax	32	(2.61)	1.89
Total income tax expense		(2.61)	1.89
(Loss) for the year		(35.68)	(71.64)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of net defined benefit liability		2.29	0.55
Income tax effect		(0.58)	(0.14)
Other comprehensive income for the year, net of tax		1.71	0.41
Total comprehensive income for the year		(33.97)	(71.23)
Earnings per Equity Share			
Basic earnings / (loss) per Equity Share	33	(0.99)	(1.99)
Diluted earnings / (loss) per Equity Share	33	(0.99)	(1.99)
See accompanying notes to the financial statements			
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration No.: 105047W

For and on behalf of the Board of Directors

Telesmart SCS Limited

CIN : U31900GA2016PLC013046

Darryl Frank -

Partner

Membership No. 104096

Place: Panaji Goa

Date : May 6, 2022

K. R. Naik

Director

DIN: 00002013

Place: Verna-Goa

Date : May 6, 2022

Bhanubhai Patel

Director

DIN: 00223115

Place: Mumbai

Date : May 6, 2022

TELESMART SCS LIMITED

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

(Amount in INR lakhs, unless otherwise stated)

(A) Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares (in lakhs)	Amount	No. of shares (in lakhs)	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid up				
Opening	36.00	360.00	36.00	360.00
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Closing	36.00	360.00	36.00	360.00

(B) Other equity

Particulars	Capital Contribution	Reserves and Surplus		Total
		Surplus / (Deficit) in the Statement of Profit and Loss	FVTOCI Reserve on Defined Benefits	
Balance as at April 01, 2020	8.54	(341.44)	(1.01)	(333.91)
Profit / (Loss) for the year	-	(71.64)	-	(71.64)
Other comprehensive income / (loss) for the year	-	-	0.41	0.41
Total comprehensive income for the year	-	(71.64)	0.41	(71.23)
Balance as at March 31, 2021	8.54	(413.08)	(0.60)	(405.14)

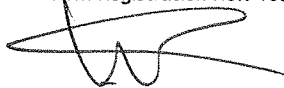
Particulars	Capital Contribution	Reserves and Surplus		Total
		Surplus / (Deficit) in the Statement of Profit and Loss	FVTOCI Reserve on Defined Benefits	
Balance as at April 01, 2021	8.54	(413.08)	(0.60)	(405.14)
Profit / (Loss) for the year	-	(35.68)	-	(35.68)
Other comprehensive income / (loss) for the year	-	-	1.71	1.71
Total comprehensive income for the year	-	(35.68)	1.71	(33.97)
Balance as at 31st March, 2022	8.54	(448.76)	1.11	(439.11)
See accompanying notes to the financial statements 1-58				
The accompanying notes are an integral part of the financial statements				

As per our report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration No.: 105047W



Darryl Frank

Partner

Membership No. 104096

Place: Panaji Goa

Date : May 6, 2022



For and on behalf of the Board of Directors

Telesmart SCS Limited

CIN : U31900GA2016PLC013046



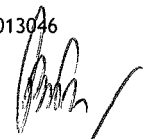
K. R. Naik

Director

DIN: 00002013

Place: Verna-Goa

Date : May 6, 2022



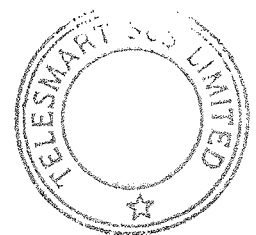
Bhanubhai Patel

Director

DIN: 00223115

Place: Mumbai

Date : May 6, 2022



TELESMART SCS LIMITED

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

(Amount in INR lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Cash flow from operating activities		
Net (loss) before tax	(38.29)	(69.75)
Adjustments for:		
Depreciation and amortization expenses	34.67	44.23
Finance cost	2.32	11.28
Interest income	(1.17)	(0.40)
Unrealised exchange differences	(0.60)	(0.33)
Waiver of Lease rental	(6.41)	(8.54)
Sundry Balances Written Off	0.01	-
Operating Profit /(loss) before working capital changes	(9.47)	(23.51)
Changes in working capital		
Decrease / (Increase) in inventories	(38.49)	10.70
Decrease / (Increase) in trade receivables	5.03	25.51
Decrease / (Increase) in other financial assets	(1.14)	0.11
Decrease / (Increase) in other current assets	(6.58)	2.14
(Decrease) / Increase in trade payables	37.86	(7.91)
(Decrease) / Increase in other financial liabilities	(6.91)	4.58
(Decrease) / Increase in other current liabilities	(0.22)	(0.58)
(Decrease) / Increase in provisions	0.93	0.29
Cash generated from / (used in) operations	(18.99)	11.33
Income tax paid	-	-
Net cash flows from / (used in) operating activities (A)	(18.99)	11.33
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	-	(0.23)
Net cash flows from / (used in) investing activities (B)	-	(0.23)
Cash flow from Financing activities		
Proceeds from short-term borrowings	30.00	-
Interest Payment	(10.82)	(0.59)
Lease Liability payments	-	(17.09)
Net Cash Flows from / (used in) Financing Activities (C)	19.18	(17.68)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	0.19	(6.58)
Cash and cash equivalents at the beginning of the year	4.07	10.66
Exchange differences on re-instatement of foreign currency Cash and cash equivalents	-	(0.01)
Cash and cash equivalents at the end of the year	4.26	4.07
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	3.91	3.71
Cash on hand	0.35	0.36
Total cash and cash equivalents at end of the year	4.26	4.07

Non Cash Movement in Financing Activity

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Borrowings (including current maturities of long term Debt)	(10.33)	6.27
Lease Liabilities	(23.20)	(4.22)

See accompanying notes to the financial statements

1-58

The accompanying notes are an integral part of the financial statements

As per our report of even date

For MSA & Associates

Chartered Accountants

Firm Registration No.: 105047W

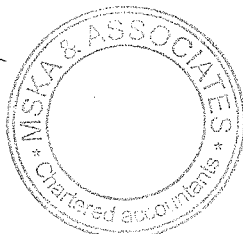
Darrly Frank

Partner

Membership No. 104096

Place: Panaji Goa

Date : May 6, 2022



For and on behalf of the Board of Directors

Telesmart SCS Limited

CIN : U31900GA2016PLC013046

K. R. Naik

Director

DIN: 00002013

Place: Verna-Goa

Date : May 6, 2022

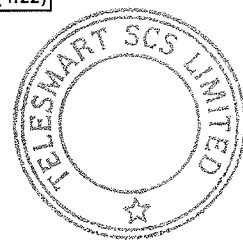
Bhanubhai Patel

Director

DIN: 00223115

Place: Mumbai

Date : May 6, 2022



TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

1 General Information

Telesmart SCS Limited ("Company") was incorporated on November 17, 2016 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at Plot No L-5, Verna Industrial Estate, Verna, Goa. The Company is in the business of manufacture of various categories of electronic and IT products.

2 Significant accounting policies

Significant accounting policies adopted by the Company are as under:

2.1 Basis of Preparation of Financial Statements**(a) Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Basis of measurement

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

Items	Measurement Basis
Certain Financial Assets and Financials Liabilities	Fair Value
Net Defined Benefit (asset) /liability	Present value of defined benefit obligation less fair value of plan assets

(c) Classification into current and non-current:

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

(d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for details on estimates and judgments.

(e) Functional and presentation currency

These financials are presented in Indian Rupees (INR), which is also the company's functional currency. All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

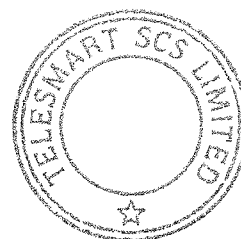
2.2 Property, plant and equipment

Property, plant and equipment, are stated at historical cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Freehold land is carried at cost and is not depreciated. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to it up to the date it is ready for its intended use. Cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date are shown under capital work-in-progress.

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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance costs are charged to Statement of Profit and Loss during the year in which they are incurred.

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 and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.



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TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

Depreciation methods, estimated useful lives

The Company depreciates Property, plant and equipments using the straight line method over their estimated useful lives as under :

Property, plant and equipment	Useful Lives (in years)
Plant and Equipments	8
Furniture & Fixtures	8
Computer Hardware	3
Office equipment	5

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful life
Technical Know-how	5 years
Computer Software *	4 years *

(* subject to license period)

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions**(a) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

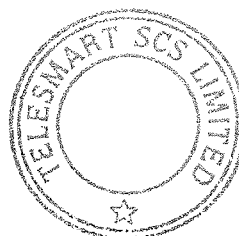
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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



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TELESMART SCS LIMITED**Notes forming part of the Financial Statements for the year ended March 31, 2022**

(Amount in INR lakhs, unless otherwise stated)

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement.

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 – Inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

2.6 Revenue Recognition

Revenue from contract with customers is recognised when the Company satisfies the performance obligation by transferring promised goods and services to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, goods and services tax and amounts collected on behalf of third party.

Rendering of Services

The Company primarily earns revenue from from job work and repair charges. Revenue is recognised in accordance with the terms of the contract with customers when the identified performance obligation is completed. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable and is net of Goods and Service Tax.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

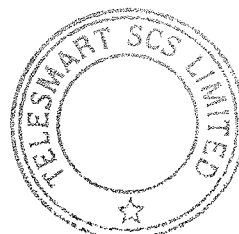
Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

2.8 Leases**As a lessee**

The Company's lease asset classes primarily consist of leases for office and factory premises. 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 contract 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 and
- (iii) the Company has the right to direct the use of the asset.



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TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

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.

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

2.9 Inventories

Inventories are valued at the lower of cost (on weighted average basis) and net realisable value.

Cost of inventories comprises of cost of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The net realizable value of work in progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed the net realizable value.

2.10 Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.11 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle 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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

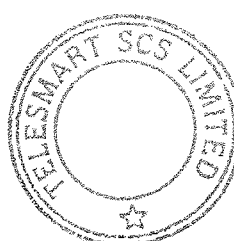
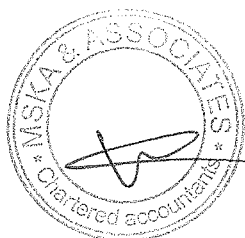
2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Financial instruments

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



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TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

(a) Financial assets

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

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

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at Fair value through profit and loss (FVTPL). For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

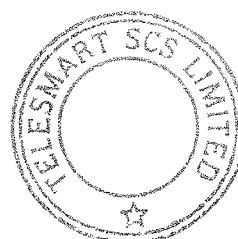
(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets.

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

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.



TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

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

(ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

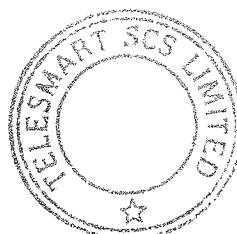
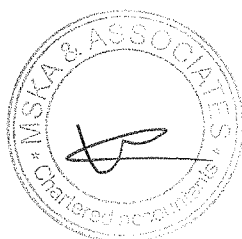
(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Employee Benefits

(a) Short-term obligations

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



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TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

(b) Defined Contribution schemes

- (i) Company's contribution to the provident fund and employee's state insurance fund are charged to the statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective authorities.

(ii) Defined benefit plans

Gratuity:

The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets(excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income ("OCI") in the period in which they occur.

Remeasurements are recognised in OCI is reflected immediately in Surplus / (Deficit) in the Statement of Profit and Loss and is not reclassified to profit or loss in subsequent periods.

(iii) Other long term employee benefits

Company's liabilities towards compensated absences to employees which are expected to be availed or encashed beyond 12 months from the end of the year are accrued on the basis of valuations ,as at the Balance sheet date, carried out by an independent actuary using Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss.

2.15 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, 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 year 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.

2.16 Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

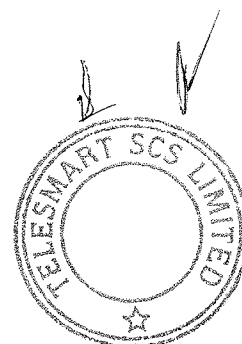
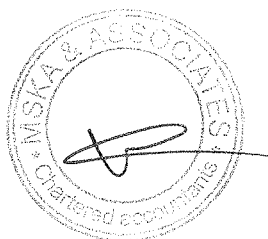
- a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.
- b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.17 Accounting for Government Grants

Government grants in terms of incentives are recognized only when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

The Government grant in the form of incentives are recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate and the achievement of the performance criteria for being eligible for receipt of the grant. The grants are presented under 'Other Operating Income' in the Statement of Profit and Loss.



TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

2.18 Events occurring after the balance sheet date

Where material, events occurring after the date of the balance sheet are considered up to the date of approval of accounts by the Board of Directors.

2.19 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

In the preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 are as below :

(a) Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortisation expense in future periods.

(b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward. Refer Note 32

(c) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. 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. Information about such valuation is provided in notes to the financial statements.

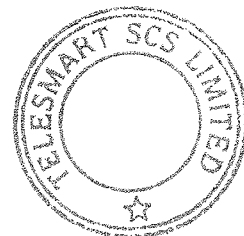
(d) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

4.1 Ministry of Corporate affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2022.

4.2 Standards that became effective during the year

There are no new Standards that became effective during the year. The Company has applied certain amendments that became effective during the year which are discussed below:



TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

(a) Interest Rate Benchmark Reform - Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments have no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods as and when it become applicable.

(b) Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments have no impact on the financial statements of the Company.

(c) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments have no impact on the financial statements of the Company.

(d) Ind AS 103: Business combination

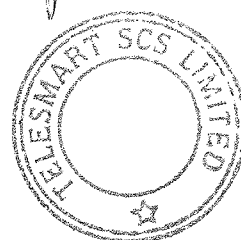
The MCA clarified that for the purpose of this Ind AS, acquirers are required to apply the definition of asset and liability given in the framework for preparation and presentation of financial statements with Indian Accounting standards rather than the conceptual framework. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments have no impact on the financial statements of the Company.

(e) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

In the definition of "Recoverable amount" the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments have no impact on the financial statements of the Company.



5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross block			Depreciation			Net block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021	Additions/ Adjustments	As at March 31, 2022	As at April 01, 2021
Plant and equipment	116.30	-	-	116.30	43.10	14.53	58.67	73.20
Furniture and fixture	2.78	0.01	-	2.79	1.41	0.35	1.03	1.37
Office equipment	0.62	-	-	0.62	0.48	0.12	0.02	0.14
Computers	2.19	-	-	2.19	2.09	0.10	-	0.10
Right of use assets	100.81	-	(18.45)	82.36	63.63	12.01	6.72	37.18
Total	222.70	0.01	(18.45)	204.26	110.71	27.11	66.44	111.99

Particulars	Gross block			Depreciation			Net block	
	As at April 01, 2020	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2021	As at April 01, 2020	Additions/ Adjustments	As at March 31, 2021	As at April 01, 2020
Plant and equipment	116.07	0.23	-	116.30	28.60	14.50	73.20	87.47
Furniture and fixture	2.78	-	-	2.78	1.06	0.35	1.37	1.72
Office equipment	0.62	-	-	0.62	0.36	0.12	0.14	0.26
Computers	2.19	-	-	2.19	1.78	0.31	0.10	0.41
Right of use assets	100.81	-	-	100.81	42.42	21.21	37.18	58.39
Total	222.47	0.23	-	222.70	74.22	36.49	111.99	148.25

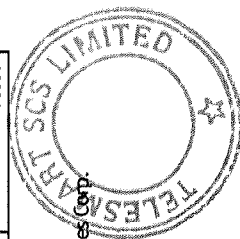
6 INTANGIBLE ASSETS

Particulars	Gross block			Amortisation			Net block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021	Additions/ Adjustments	As at March 31, 2022	As at April 01, 2021
Computer software-Acquired	0.82	-	-	0.82	0.79	0.02	0.01	0.03
Technical know-how	37.75	-	-	37.75	26.65	7.55	3.55	11.10
Total	38.57	-	-	38.57	27.44	7.57	3.56	11.13

Particulars	Gross block			Amortisation			Net block	
	As at April 01, 2020	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2021	As at April 01, 2020	Additions/ Adjustments	As at March 31, 2021	As at April 01, 2020
Computer software-Acquired	0.82	-	-	0.82	0.60	0.19	0.03	0.22
Technical know-how	37.75	-	-	37.75	19.10	7.55	11.10	18.65
Total	38.57	-	-	38.57	19.70	7.74	11.13	18.87

Footnote

Technical know-how of Rs.16,00,000/- lakhs was purchased in the Financial Year 2017-18 in lieu of 3,60,000 shares of Rs.10 each pursuant to technology transfer agreement entered into with Telebox Industries Corp.



TELESMART SCS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

7 OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	0.18	0.18
Total	0.18	0.18

8 OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Surplus in Gratuity fund (funded) (Refer note 36)	1.19	-
Total	1.19	-

9 INVENTORIES

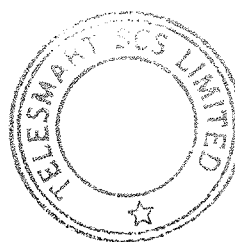
(Valued at the lower of cost and net realizable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials and components	95.18	52.28
Raw material in transit	-	1.32
Work-in-progress	0.39	0.84
Finished goods	0.62	0.07
Stores, spares and packing materials	3.75	6.95
Total	99.94	61.46

10 TRADE RECEIVABLES

Particulars	As at March 31, 2022	As at March 31, 2021
Secured, considered good	-	-
Unsecured		
-Considered good (Refer Note below)	91.28	95.15
-Considered doubtful	-	-
Less : Provision for doubtful debts	-	-
Total	91.28	95.15
Note:		
Receivable from related parties		
-Digisol Systems Limited	91.28	93.59

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Undisputed Trade receivables - considered good		
Unbilled Dues	-	-
Not Due	83.33	50.44
Less than 6 months	7.95	44.71
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	91.28	95.15



TELESMART SCS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

11 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
On current accounts	3.91	3.71
Cash on hand	0.35	0.36
Total	4.26	4.07

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

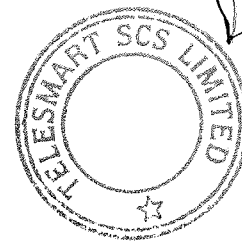
Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
On current accounts	3.91	3.71
Cash on hand	0.35	0.36
	3.90	3.88

12 OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to employees	-	0.05
Total	-	0.05

13 OTHER CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	4.27	0.92
Balance with government authorities	35.03	30.08
Advances to vendors	3.39	5.11
Total	42.69	36.11



TELESMA SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

14 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022	As at March 31, 2021
Authorized Share Capital		
36,00,000 (March 31, 2021 - 36,00,000) equity shares of Rs. 10/- each	360.00	360.00
	360.00	360.00
Equity shares		
Issued, subscribed and paid up		
36,00,000 (March 31, 2021 - 36,00,000) equity shares of Rs. 10/- each fully paid up	360.00	360.00
Total	360.00	360.00

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

Particulars	As at March 31, 2022 Number of shares	As at March 31, 2021 Number of shares
Outstanding at the beginning of the year	36,00,000	36,00,000
Add: Issued during the year	-	-
Outstanding at the end of the year	36,00,000	36,00,000

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of Equity shares having a par value of Re. 10/- per share. Each holder of Equity shares is entitled to one vote per share and each Equity share carries an equal right to dividend and in case of repayment of capital. 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.

Shares held by the holding company	As at March 31, 2022	As at March 31, 2021
Smartlink Holdings Limited		
Equity shares of Rs. 10/- each, fully paid up	288.00	288.00

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Name of the shareholder				
Equity shares of Rs. 10 each fully paid				
Smartlink Holdings Limited	28,80,000	80.00%	28,80,000	80.00%
Ray Chang	3,60,000	10.00%	3,60,000	10.00%
Telebox Industries Corp	3,60,000	10.00%	3,60,000	10.00%

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

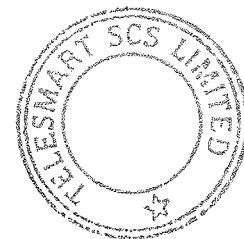
(e) Aggregate number and class of shares allotted as fully paid up pursuant to contract payment being received other than in cash.

Particulars	No. of Shares	Amount
Equity shares of Rs.10 each issued in Financial year 2017-18 to Telebox Industries Corp pursuant to the Technology transfer agreement.	3,60,000	36.00

(f) Details of Shares held by Promoters at the end of the year

Promoter name	As at March 31, 2022		
	No. Of Shares	% of total shares	% Change during the year
Smartlink Holdings Ltd.	28,80,000	80%	-
Total	28,80,000	80%	-

Promoter name	As at March 31, 2021		
	No. Of Shares	% of total shares	% Change during the year
Smartlink Holdings Ltd.	28,80,000	80%	-
Total	28,80,000	80%	-



TELESMAART SCS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

15 OTHER EQUITY
A. Capital Contribution *

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	8.54	8.54
Add: Additions during the year	-	-
Closing balance	8.54	8.54

* The Total Capital contribution of INR. 8.54 lakhs is on account of loan from Director at a lower rate than the market rate of interest.

B. FVTOCI reserve on defined benefits (net of tax) *

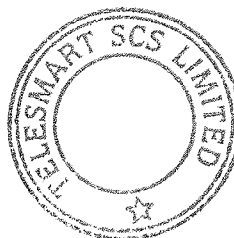
Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	(0.60)	(1.01)
Add: Addition during the year	1.71	0.41
Closing balance	1.11	(0.60)

* This represents remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) on employee defined benefit plans

B. Surplus / (Deficit) in the Statement of Profit and Loss

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	(413.09)	(341.44)
Add: Net Profit / (Loss) for the year	(35.68)	(71.64)
Closing balance	(448.77)	(413.08)

Total other equity	(439.12)	(405.14)
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TELESMAST SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

16 LEASE LIABILITY (NON CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Lease Liability	-	16.56
Total	-	16.56

17 PROVISIONS (NON-CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity (funded) (Refer note 36)	-	0.23
Provision for leave encashment (unfunded)	0.32	0.98
Total	0.32	1.21

18 BORROWINGS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loan from director	230.00	210.33
Total	230.00	210.33

Unsecured Loan

Loan from Director taken for a tenure of 365 days.

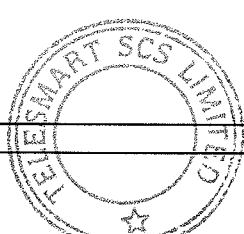
19 TRADE PAYABLES

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro, small and medium enterprises*	3.95	2.06
Total outstanding dues of creditors other than micro, small and medium enterprises	133.47	98.11
Total	137.42	100.17

*The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the Company.

Particulars	As at March 31, 2022	As at March 31, 2021
Outstanding principal amount and interest as on year end		
- Principal Amount	3.95	2.06
- Interest due thereon	0.36	0.19
Amount of interest paid along with the amounts of payment made beyond the appointed day	0.46	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid)	0.63	0.09
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.36	0.19
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under section 23 of the said Act	-	-

Particulars	As at March 31, 2022	As at March 31, 2021
(i) MSME		
Unbilled Dues	-	-
Payable Not Due	3.71	2.00
Less than 1 year	0.24	0.06
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	3.95	2.06
(i) Others		
Unbilled Dues	-	-
Payable Not Due	45.18	34.23
Less than 1 year	54.46	50.04
1-2 years	19.99	13.84
2-3 years	13.84	-
More than 3 years	-	-
Total	133.47	98.11



TELESMA SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

20 OTHER FINANCIAL LIABILITIES (CURRENT)

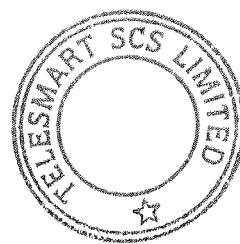
Particulars	As at March 31, 2022	As at March 31, 2021
Employee Payable	1.18	8.08
Interest accrued on delayed payment to MSME (Refer Note 19)	0.36	0.19
Total	1.54	8.27

21 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	0.56	0.77
Total	0.56	0.77

22 PROVISIONS (CURRENT)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity (funded) (Refer Note 36)	-	0.24
Provision for leave encashment (unfunded)	0.16	0.40
Total	0.16	0.64



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TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

23 REVENUE FROM OPERATIONS

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Sale of products	-	-
- Manufactured	582.16	401.99
- Traded	1.17	12.74
Total	583.33	414.73

Geographical markets	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Exports	-	-
Domestic	583.33	414.73
Total	583.33	414.73

24 OTHER INCOME

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Other Interest Income	1.17	0.40
Waiver of Lease rental	6.41	8.54
Miscellaneous income	0.50	-
Foreign exchange fluctuation	-	2.67
Total	8.08	11.61

25 COST OF RAW MATERIALS CONSUMED

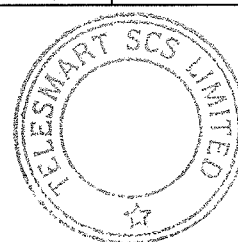
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Inventory at the beginning of the year	53.59	64.95
Add: Purchases	523.49	301.79
Less: Inventory at the end of the year	95.18	53.59
Total	481.90	313.15

26 PURCHASE OF STOCK-IN-TRADE

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Traded goods	0.68	8.59
Total	0.68	8.59

27 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Inventories at the beginning of the year		
Finished goods	0.07	-
Work-in-progress	0.84	1.77
	0.91	1.77
Less: Inventories at the end of the year		
Finished goods	0.62	0.07
Work-in-progress	0.39	0.84
	1.01	0.91
Net decrease/ (increase) in inventories	(0.10)	0.86



TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

28 EMPLOYEE BENEFITS EXPENSE

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Salaries, allowances, bonus and ex-gratia	65.25	69.51
Contribution to Provident and other funds (Refer note 36)	1.62	1.95
Contribution to Gratuity fund (Refer note 36)	0.65	0.97
Staff welfare and other employee expenses	4.73	2.43
Total	72.25	74.86

Refer note 57

29 FINANCE COSTS

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Interest on unsecured loan from director	-	6.78
Interest on lease liability	1.66	4.32
Interest on delayed Payments to MSME vendor (Refer note 19)	0.63	0.09
Interest on others	0.03	0.09
Total	2.32	11.28

30 DEPRECIATION AND AMORTISATION EXPENSE

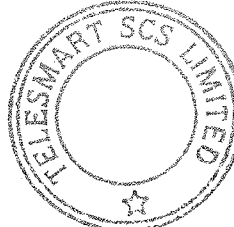
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Depreciation on property, plant & equipment	27.10	36.49
Amortisation on Intangibles	7.57	7.74
Total	34.67	44.23

31 OTHER EXPENSES

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Consumption of stores and spares	7.23	4.44
Power and fuel	5.95	5.60
Repairs and maintenance expenses		
Machinery	0.67	0.86
Others	0.57	0.77
Insurance charges	2.04	1.91
Rates and Taxes	0.28	0.24
Legal and professional charges	5.09	14.98
Conveyance and travelling expenses	0.81	1.69
Director's fees	6.53	5.89
Auditor's Remuneration*	2.00	2.04
Foreign exchange fluctuation	0.39	-
Computer consumables, software and maintenance charges	2.19	1.51
Printing and Stationery	0.11	0.03
Office Expenses	2.24	1.54
Sundry Balances Written Off	0.01	-
Bank charges and commission	0.63	0.58
Miscellaneous expenses	1.24	1.04
Total	37.98	43.12

*Note : The following is the break-up of Auditor's remuneration (excluding input credit of GST availed, if any)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
As auditor:		
Statutory audit	2.00	2.00
In other capacity:		
Reimbursement of expenses	-	0.04
Total	2.00	2.04



32 DEFERRED TAX ASSET / (LIABILITY) (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
(A) Deferred tax relates to the following:		
Deferred tax assets		
On provision for employee benefits	0.13	0.46
On provision for slow moving stock	1.19	1.38
On disallowance u/s 40A of Income Tax Act, 1961	0.19	0.05
On others	0.99	1.18
	2.50	3.07
Deferred tax liabilities		
On property, plant and equipment	2.50	5.06
On others	-	0.04
	2.50	5.10
Deferred tax asset / (liability) (net)	-	(2.03)

Deferred tax assets of Rs. 75.40 lakhs (March 31, 2021: INR 74.72 lakhs) and INR 27.92 lakhs (March 31, 2021: INR 23.89 lakhs) have not been recognized in respect of unabsorbed business losses and unabsorbed depreciation losses respectively, in the absence of reasonable certainty of generating adequate taxable profits to offset these losses.

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance as of April 01	(2.03)	-
Tax liability recognized in Statement of Profit and Loss	2.61	(1.89)
Tax assets / (liability) recognized in OCI		
On re-measurements gain/(losses) of post-employment benefit obligations	(0.58)	(0.14)
Tax asset recognized in Statement of Profit and Loss		
Closing balance as at March 31	-	(2.03)

(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Tax liability	-	(1.89)
Tax asset	2.61	-
	2.61	(1.89)

(D) Income tax expense reported in the statement of profit or loss

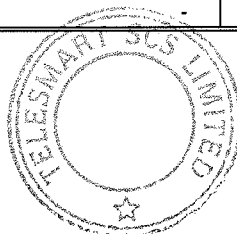
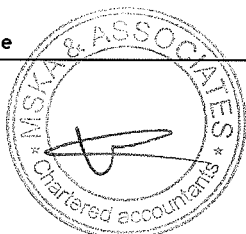
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
- Current tax taxes	-	-
- Adjustments in respect of current income tax of previous year	-	-
- Deferred tax charge / (income)	2.61	(1.89)
Income tax expense reported in the statement of profit or loss	2.61	(1.89)

(E) Income tax expense charged to OCI

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Net loss/(gain) on remeasurements of defined benefit plans	(0.58)	(0.14)
Income tax expense charged to OCI	(0.58)	(0.14)

(F) Reconciliation of tax charge

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Profit / (loss) before tax	(38.29)	(69.75)
Tax Rate	25.168%	25.168%
Income tax expense at tax rates applicable	-	-
Tax effects of:		
- Item not deductible for tax / (taxable)	-	-
-Others	-	-
Income tax expense	-	-



TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

33 EARNINGS/ LOSS PER SHARE

Basic earnings /(loss) per share amounts are calculated by dividing the profit /(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Ordinary equity shareholders		
(Loss) attributable to ordinary equity holders	(35.68)	(71.64)
Weighted average number of equity shares for basic EPS	36,00,000	36,00,000
Face Value per share	10.00	10.00
Basic earnings per share (INR)	(0.99)	(1.99)
Diluted earnings per share (INR)	(0.99)	(1.99)

34 CONTINGENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Disputed demand of Value Added Tax pending with Asst. Commissioner of Commercial Tax Office, Goa	2.52	-

35 CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Commitments	-	-
Other Commitments - Non-cancellation lease liabilities (Refer Note 37)	19.22	44.85

36 EMPLOYEE BENEFITS**(A) Defined Contribution Plans**

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss -

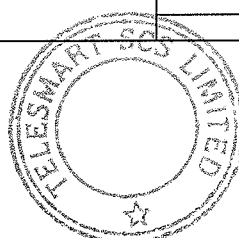
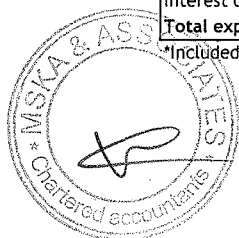
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Employers' Contribution to Provident Fund, Employee State Insurance and other funds (Refer note 28)	1.62	1.95

(B) Defined benefit plans**a) Gratuity payable to employees**

Particulars	As at March 31, 2022	As at March 31, 2021
i) Actuarial assumptions		
Discount rate (per annum)	6.86%	6.43%
Rate of increase in Salary	6.00%	5.00%
Expected average remaining working lives of employees (years)	8.03	8.09
Attrition rate	9.00%	9.00%
Mortality table used	IALM (2012-14) Ult.	IALM (2012-14) Ult.
ii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	2.49	2.05
Interest cost	0.15	0.13
Past service cost	-	-
Current service cost	0.64	0.95
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	(2.29)	(0.64)
Present value of obligation at the end of the year	0.99	2.49
iii) Change in the fair value of plan assets:		
Opening fair value of plan assets	2.02	1.26
Adjustment to Opening Fair Value of Plan Asset	0.02	-
Interest Income	0.14	0.11
Contributions by employer	-	0.74
Benefits paid	-	-
Return on plan assets excluding interest income	-	(0.09)
Closing fair value of plan assets	2.18	2.02

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
iv) Expense recognized in the Statement of Profit and Loss		
Current service cost	0.64	0.95
Past service cost	-	-
Interest cost (net)	0.01	0.02
Total expenses recognized in the Statement Profit and Loss*	0.65	0.97

*Included in Employee benefits expense (Refer Note 28).



Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
v) Expense recognized in Other comprehensive income		
Actuarial (gain) / loss on Obligation for the period	(2.29)	(0.64)
Return on plan assets excluding interest income	-	0.09
Net actuarial (gains) / losses recognised in OCI	(2.29)	(0.55)

Particulars	As at March 31, 2022	As at March 31, 2021
vi) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	0.99	2.49
Fair Value of Plan Assets at the end of the year	2.18	2.02
Net asset / (liability) recognized in Balance Sheet*	1.19	(0.47)
*Included in provision for employee benefits (Refer note 17 and 22) and Other non-current asset (Refer note 8)		
vii) Expected contribution to the fund in the next year is INR 0.36 lakhs		
viii) A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:		
Impact on defined benefit obligation		
Discount rate	As at March 31, 2022	As at March 31, 2021
1% increase	0.93	2.34
1% decrease	1.08	2.68
Rate of increase in salary	As at March 31, 2022	As at March 31, 2021
1% increase	1.08	2.67
1% decrease	0.93	2.34
ix) Maturity profile of defined benefit obligation		
Year	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Year 1	0.04	0.24
Year 2	0.10	0.23
Year 3	0.10	0.24
Year 4	0.09	0.23
Year 5	0.09	0.22
Year 6 to 10	0.42	0.97

37 LEASES**(A) Operating leases where Company is a lessee:**

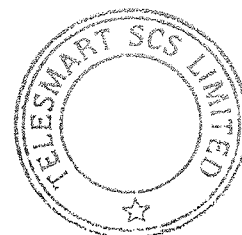
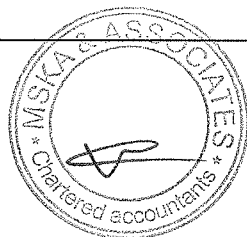
The Company has entered into lease transactions mainly for leasing of office / factory premise for periods between 1 to 6 years. The terms of lease include renewal, cancellation and increase in rents in future period, which are in line with general inflation and terms of cancellation. The amount with respect to operating leases in accordance with Ind AS 116 is as follows:

i. Right-of-use assets

Particulars	Amount
Balance as at April 01, 2020	58.39
Additions	-
Deletion	-
Depreciation	(21.21)
Balance as at March 31, 2021	37.18
Additions	-
Deletion	(18.45)
Depreciation	(12.01)
Balance as at March 31, 2022	6.72

ii. Lease liabilities

Particulars	Amount
Balance as at April 01, 2020	63.17
Additions	-
Finance cost accrued during the period	4.32
Payment of lease liability	(17.09)
Waiver of lease rental	(8.54)
Balance as at March 31, 2021	41.86
Additions /Adjustment	(18.45)
Finance cost accrued during the period	1.66
Payment of lease liability	-
Waiver of lease rental	(6.41)
Balance as at March 31, 2022	18.66



TELESMAST SCS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

iii. Break-up of current and non-current lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current Lease Liabilities	18.66	25.30
Non-current Lease Liabilities	-	16.56

iv. Maturity analysis of lease liabilities (Cash Outflow)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Not later than one year	19.22	25.63
b. Later than one year and not later than five years	-	19.22
c. Later than five years	-	-

v. Other details

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Amounts recognised in statement of Profit and Loss account - Interest on Lease Liabilities	1.66	4.32
Amounts recognised in statement of Cash Flows - Total Cash outflow for leases	-	(17.09)

vi. Salient features of lease

1. The lease term is for a definite period with no unconditional right with the Company to extend the lease period.
2. The lease agreements provide for an escalation in lease rent.
3. The agreements provide for a subleasing of the leased land with prior approval of the lessor.
4. The agreements provide for renewal option of the lease period. The option to be exercised within the time stipulated in the lease agreements.

38 RELATED PARTY DISCLOSURES:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company

Smartlink Holdings Limited

Entity under common control

Digisol Systems Limited

Synegra EMS Limited

Enterprises over which director is able to exercise significant control

Telebox Industries Corp

Key Management Personnel (KMP)

Mr. Kamalaksha R. Naik - Director

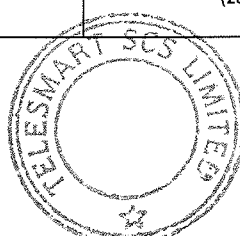
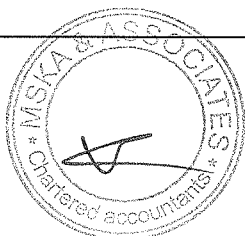
Mr. K. M. Gaonkar - Director

Mr. Bhanubhai Patel - Director

Mr. Ray Chang - Director

(B) Details of transactions with related party in the ordinary course of business for the year ended:

Nature of transactions	Holding Company	Entity under common control	Enterprises over which director is able to exercise significant control	Key management person	Total
Sale of Products					
Digisol Systems Limited	-	575.62	-	-	575.62
	-	(389.31)	-	-	(389.31)
Service Charges Income					
Digisol Systems Limited	-	0.50	-	-	0.50
	-	-	-	-	-
Interest Income					
Digisol Systems Limited	-	1.17	-	-	1.17
	-	(0.40)	-	-	(0.40)
Purchase of Material					
Digisol Systems Limited	-	36.35	-	-	36.35
	-	(7.36)	-	-	(7.36)
Telebox Industries Corp	-	-	0.68	-	0.68
	-	-	(28.64)	-	(28.64)



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TELESMA SCS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2022

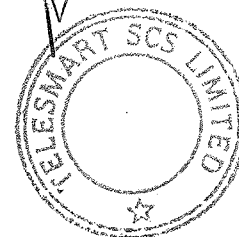
(Amount in INR lakhs, unless otherwise stated)

Nature of transactions	Holding Company	Entity under common control	Enterprises over which director is able to exercise significant control	Key management person	Total
Director Sitting Fees					
K. M. Gaonkar	-	-	-	2.00	2.00
	-	-	-	(2.00)	(2.00)
Bhanubhai Patel	-	-	-	2.00	2.00
	-	-	-	(2.00)	(2.00)
Ray Chang	-	-	-	2.00	2.00
	-	-	-	(1.50)	(1.50)
Loan from Director					
Mr. Kamalaksha R. Naik	-	-	-	30.00	30.00
	-	-	-	-	-
Interest Expense					
Digisol Systems Limited	-	0.56	-	-	0.56
	-	-	-	-	-
Mr. Kamalaksha R. Naik	-	-	-	-	-
	-	-	-	(6.78)	(6.78)
Rent Expense					
Smartlink Holdings Limited	-	-	-	-	-
	(17.09)	-	-	-	(17.09)
Electricity expenses paid					
Synegra EMS Limited	-	6.00	-	-	6.00
	-	(5.50)	-	-	(5.50)
Manpower expenses paid					
Synegra EMS Limited	-	-	-	-	-
	-	(2.27)	-	-	(2.27)
Amount due to/due from as at the year end					
<u>Amount due from</u>					
Digisol Systems Limited	-	91.28	-	-	91.28
	-	(93.59)	-	-	(93.59)
<u>Amount due to</u>					
Smartlink Holdings Limited	32.72	-	-	-	32.72
	(32.72)	-	-	-	(32.72)
Digisol Systems Limited	-	0.62	-	-	0.62
	-	(7.78)	-	-	(7.78)
Mr. Kamalaksha R. Naik - Unsecured Loan	-	-	-	230.00	230.00
	-	-	-	(210.33)	(210.33)

Figures in brackets pertain to the previous year

39 SEGMENT REPORTING

The Director of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (Ind AS 108), for purpose of assessing the financial performance and position of the Company, and make strategic decisions. As the Company's business activity falls within a single primary business segment of manufacturing various electronic and IT Products, and is a single geographical segment, the disclosure requirements of Ind AS 108 (Operating Segments) are not applicable.



40 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash, bank balances, short-term deposits, trade and other short-term receivables, trade payables, other current liabilities and other financial liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.
2. The fair value of non-current financial assets comprising of term deposits at amortised cost using Effective Interest Rate (EIR) are not significantly different from the carrying amount

41 FAIR VALUE HIERARCHY

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

•Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

•Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

•Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Particulars	Fair value hierarchy	As at March 31, 2022	As at March 31, 2021
Financial assets measured at amortized cost			
Trade receivables	Level 3	91.28	95.15
Cash and cash equivalents	Level 3	4.26	4.07
Bank balances other than cash and cash equivalent	Level 3	-	-
Other financial assets	Level 3	0.18	0.23
Financial liabilities measured at amortized cost			
Non current lease liability	Level 3	-	16.56
Current borrowings	Level 3	230.00	210.33
Current lease liability	Level 3	18.66	25.30
Trade payables	Level 3	137.42	100.17
Other financial liabilities	Level 3	1.54	8.27

There have been no transfers between Level 1 and Level 2 during the period

42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

(i) Interest rate risk

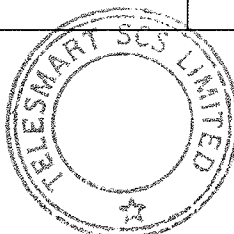
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rates as the Company's long-term debt obligations are with fixed interest rates.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

(a) The Company's exposure to foreign currency risk at the end of the year is as follows

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Trade Payables	INR	32.26	28.76
	USD	42,571	39,330



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TELESMAST SCS LIMITED
Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

(b) Foreign currency sensitivity

The following table details the Company's sensitivity to a INR 1 increase and decrease against the US Dollar. INR 1 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a INR 1 change in foreign currency rates.

Particulars	As at March 31, 2022	As at March 31, 2021
Impact of INR 1 strengthening - Decrease in Loss	0.43	0.39
Impact of INR 1 weakening - Increase in Loss	0.43	0.39

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amounts of financial assets represents maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables.

However, the credit risk arising on cash and cash equivalents is limited as the Company invest in deposits with banks and financial institution with credit ratings and strong repayment capacity.

Trade receivables

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

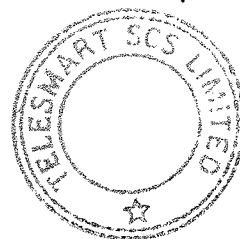
Particulars	As at March 31, 2022	As at March 31, 2021
Not Due	83.33	50.44
Past due 1 -180 days	7.95	44.71
Past due for more than 180 days	-	-

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

Particulars	Less than 3 months	3 months to 12 months	1 year to 5 years	More than 5 years	Total
As at March 31, 2022					
Short term borrowings	230.00	-	-	-	230.00
Short term lease liability	6.11	12.55	-	-	18.66
Long-term lease liability	-	-	-	-	-
Trade payables	137.42	-	-	-	137.42
Other financial liabilities	1.54	-	-	-	1.54
	375.07	12.55	-	-	387.62
As at March 31, 2021					
Short term borrowings	210.33	-	-	-	210.33
Short term lease liability	5.61	19.69	-	-	25.30
Long-term lease liability	-	-	16.56	-	16.56
Trade payables	100.17	-	-	-	100.17
Other financial liability	8.27	-	-	-	8.27
	324.38	19.69	16.56	-	360.63

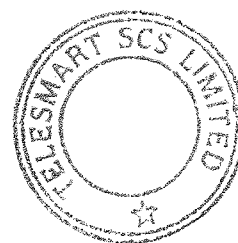


TELESMA SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

- 43 The Company has not given Loans or Advances in the nature of loans to Promoters, Directors, Key Management Personnels and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- 44 **Capital-Work-in Progress (CWIP)**
The company does not have any Capital work in progress during the current year and the previous year.
- 45 **Intangible assets under development**
The company does not have any Intangible assets under development during the current year and the previous year.
- 46 **Details of Benami Property held**
The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- 47 **Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions**
The company does not have any loan facility from any bank or financial Institution.
- 48 **Wilful Defaulter**
The company has not been declared a wilful defaulter by any bank or financial Institution.
- 49 **Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956**
The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 50 **Registration of charges or satisfaction with Registrar of Companies**
The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 51 **UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:**
(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

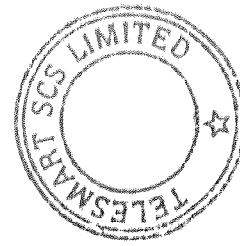
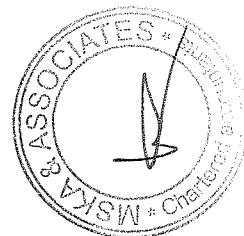


TELESMA SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022
(Amount in INR lakhs, unless otherwise stated)

52 RATIOS

S No.	Ratio	Formula	March 31, 2022		March 31, 2021		Ratio as on		Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	March 31, 2022	March 31, 2021		
(a)	Current Ratio	Current Assets / Current Liabilities	238.17	388.34	196.84	345.48	0.61	0.57	8%	
(b)	Debt-Equity Ratio	Debt / Equity	230.00	(79.12)	210.33	(45.14)	-2.91	-4.66	38%	Reduction in other equity on account of losses during the year.
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	1.31	5.85	(16.13)	26.32	0.22	-0.61	137%	Increase in revenue and margin during the year and reduction in finance cost.
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	(35.68)	360.00	(71.64)	360.00	-0.10	-0.20	50%	Increase in revenue and margin during the year
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	482.48	80.70	322.60	66.81	5.98	4.83	24%	
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	583.33	93.22	414.73	107.71	6.26	3.85	63%	Increase in revenue during the year.
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	523.49	118.80	301.79	104.29	4.41	2.89	52%	Increase in revenue during the year.
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	583.33	(149.41)	414.73	(124.24)	-3.90	-3.34	17%	
(i)	Net Profit Ratio	Net Profit / Net Sales	(38.29)	583.33	(69.75)	414.73	-0.0656	-0.17	61%	Increase in revenue and margin during the year
(j)	Return on Capital Employed	EBIT / Capital Employed	(35.97)	(78.80)	(58.47)	(25.34)	0.46	2.31	80%	Reduction in other equity on account of losses during the year.
(k)	Return on Investment	Net Profit / Net Investment	(38.29)	(79.12)	(69.75)	(45.14)	0.48	1.55	69%	Reduction in other equity on account of losses during the year.



TELESMART SCS LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2022

(Amount in INR lakhs, unless otherwise stated)

53 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

54 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

55 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans, long term and other strategic plans and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Equity (i)	360.00	360.00
Borrowings	230.00	210.33
Less: cash and cash equivalents	(4.26)	(4.07)
Adjusted Net Debt (ii)	225.74	206.26
Adjusted Net Debt to Equity ratio (ii)/ (i)	63%	57%

No material changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

- 56** The Company has incurred losses of INR 35.68 lakhs (March 31, 2021 INR 71.65 lakhs) and has accumulated loss of INR 448.77 lakhs (March 31, 2021 INR 413.09 lakhs). However, the management has reasonable expectation, based on the estimates of future cash flow projections that support the carrying value of the tangible and intangible assets of the company as at March 31, 2022 and committed financial support from the Holding company and the promoters, that the Company could have adequate resources to continue its operational existence for the foreseeable future. Accordingly, the financials have been prepared on going concern basis and no impairment provision has been recognised.

57 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

- 58** Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

Darryl Frank
Partner
Membership No. 104096

Place: Panaji Goa
Date : May 6, 2022



For and on behalf of the Board of Directors
Telesmart SCS Limited
CIN : U31900GA2016PLC013046

K. R. Naik
Director
DIN: 00002013

Place: Verna-Goa
Date : May 6, 2022

Bhanubhai Patel
Director
DIN: 00223115

Place: Mumbai
Date : May 6, 2022

