

INDEPENDENT AUDITOR'S REPORT

To the Members of Synegra EMS Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Synegra EMS Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, 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.

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 Board of Directors 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.

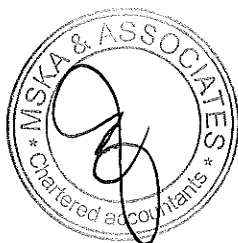
Auditor's Responsibilities for the Audit of the Financial Statements

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.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, (including other comprehensive income), 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.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 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.



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- 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.
 - v. The Company has neither declared nor paid any dividend during the year and therefore reporting compliance with section 123A of the Act is not applicable.
 - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.
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 prescribed under Section 197 of the Act and the rules thereunder.

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



Abhay M. Fadte
Partner
Membership No. 049939
UDIN: 23049939BHAHQ7503



Place: Mumbai
Date: May 17, 2023

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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.

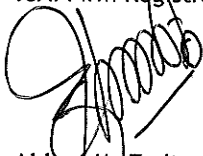
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



Abhay M. Fadte

Partner

Membership No. 049939

UDIN: 23049939BHAHQ7503



Place: Mumbai

Date: May 17, 2023

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Chartered Accountants

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SYNEGRA EMS LIMITED FOR THE YEAR ENDED MARCH 31, 2023
[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 and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.
 - (b) Property, Plant and Equipment and right-of-use assets 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 (other than lease hold land and buildings thereon wherein the Company is the lessee and the lease agreements for the lease hold land are duly executed in favour of the Company), 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 and procedure of such verification is reasonable and appropriate. having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification.
 - (b) According to the information and explanations provided to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account.
- 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. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security 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 nor 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.
- v. 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 to 76 of the Act and the rules framed there under.



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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, there are no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues as applicable in arrears as at March 31, 2023, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, 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 accounts 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, money raised by way of term loan during the year have been applied for the purpose for which they were raised.

(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.

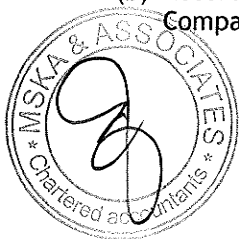
(f) The Company does not have any subsidiary, associate or joint venture, hence reporting under the Clause 3(ix)(f) of the order is not applicable to the Company

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,

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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 report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(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, 2023, 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. 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.

(a) 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 3 (xvi)(b) of the Order are not applicable to the Company.

(b) 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.

(c) 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 not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.



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- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 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 no material uncertainty exists as on the date of the audit report and 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.
- 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.

For M S K A and Associates

Chartered Accountants

ICAI Firm Registration No. 105047W


Abhay M. Fadte
Partner

Membership No. 049939

UDIN: 23049939BHAHQ7503



Place: Mumbai

Date: May 17, 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SYNEGRA EMS LIMITED FOR THE YEAR ENDED MARCH 31, 2023

[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 Synegra EMS Limited ("the Company") as of March 31, 2023 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, adequate internal financial control with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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.



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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


Abhay M. Fadte
Partner

Membership No. 049939

UDIN: 23049939BHAHQ7503



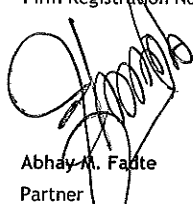
Place: Mumbai

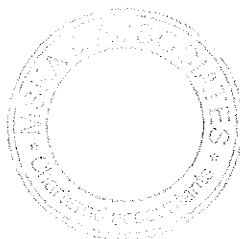
Date: May 17, 2023

SYNEGRA EMS LIMITED
BALANCE SHEET AS AT MARCH 31, 2023
(Amount in INR lakhs, unless otherwise stated)


Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,071.81	724.80
Other Intangible assets	6	-	0.15
Financial assets			
(i) Other financial assets	7	0.18	300.18
Non - Current Tax Assets	8	7.63	4.74
Other non-current assets	9	293.18	87.44
Total non-current assets		1,372.80	1,117.31
Current assets			
Inventories	10	1,616.49	515.66
Financial assets			
(i) Trade receivables	11	137.84	34.16
(ii) Cash and cash equivalents	12	0.01	19.99
(iii) Bank balances other than cash and cash equivalent	13	555.00	662.62
(iv) Loans	14	0.48	1.22
(v) Other financial assets	15	283.09	151.42
Other current assets	16	210.07	87.27
Total current assets		2,802.98	1,472.34
TOTAL ASSETS		4,175.78	2,589.65
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	2,500.00	1,500.00
Other equity	18	(1,340.23)	(1,252.47)
Total equity		1,159.77	247.53
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	152.84	-
(ii) Lease Liabilities	40	148.19	-
Provisions	20	28.13	16.77
Total non-current liabilities		329.16	16.77
Current liabilities			
Financial liabilities			
(i) Borrowings	21	1,169.53	1,500.00
(ii) Lease Liabilities	40	41.60	-
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		4.92	4.61
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,196.56	473.65
(iv) Other financial liabilities	23	120.82	300.47
Other current liabilities	24	149.71	43.53
Provisions	25	3.71	3.09
Total current liabilities		2,686.85	2,325.35
TOTAL LIABILITIES		3,016.01	2,342.12
TOTAL EQUITY AND LIABILITIES		4,175.78	2,589.65
See accompanying notes to the financial statements		1-66	
The accompanying notes are an integral part of the financial statements			


As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W

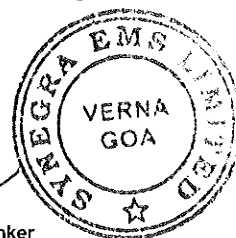

Abhay M. Fadte
Partner
Membership No. 049939




For and on behalf of the Board of Directors
Synegra EMS Limited
CIN : U31909GA2016PLC012969


K. R. Naik
Wholetime Director
DIN: 00002013


Nitin Kunkolienker
Director
DIN: 00005211




K.G. Prabhu
Chief Financial Officer


Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Place: Mumbai
Date : May 17, 2023

Place: Mumbai
Date : May 17, 2023


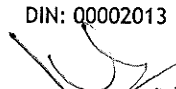
Particulars	Notes	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
INCOME			
Revenue from Operations	26	5,380.88	2,559.27
Other Income	27	119.93	72.27
Total Income		5,500.81	2,631.54
EXPENSES			
Cost of raw materials consumed	28	5,247.23	2,158.93
Changes in inventories of finished goods and work-in-progress	29	(581.59)	(1.77)
Employee benefits expense	30	317.79	221.02
Finance costs	31	102.18	22.74
Depreciation and amortisation expense	32	166.73	94.40
Other expenses	33	323.23	126.18
Total expenses		5,575.57	2,621.50
Profit/(Loss) before tax		(74.76)	10.04
Tax expense			
Current tax	34	-	-
Deferred tax	34	-	-
Total tax expense		-	-
Profit/(Loss) for the year		(74.76)	10.04
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of net defined benefit liability		(13.00)	(11.54)
Income tax effect		-	-
Other comprehensive income for the year, net of tax		(13.00)	(11.54)
Total comprehensive income for the year		(87.76)	(1.50)
Earnings per Equity Share			
Basic earnings / (loss) per Equity Share	35	(0.47)	0.20
Diluted earnings / (loss) per Equity Share	35	(0.47)	0.20
See accompanying notes to the financial statements		1-66	
The accompanying notes are an integral part of the financial statements			

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W


Abhay M. Fadte
Partner
Membership No. 049939



For and on behalf of the Board of Directors
Synegra EMS Limited
CIN : U31909GA2016PLC012969


K. R. Naik
Wholtime Director
DIN: 00002013

K.G. Prabhu
Chief Financial Officer


Nitin Kunkolienker
Director
DIN: 00005211


Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Place: Mumbai
Date : May 17, 2023

Place: Mumbai
Date : May 17, 2023



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(Amount in INR lakhs, unless otherwise stated)

(A) Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	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	150.00	1,500.00	45.00	450.00
Add: Issued during the year	100.00	1,000.00	105.00	1,050.00
Closing	250.00	2,500.00	150.00	1,500.00

(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, 2021	51.84	(1,297.57)	(5.24)	(1,250.97)
Profit / (Loss) for the year	-	10.04	-	10.04
Other comprehensive income / (loss) for the year	-	-	(11.54)	(11.54)
Total comprehensive income for the year	-	10.04	(11.54)	(1.50)
Balance as at March 31, 2022	51.84	(1,287.53)	(16.78)	(1,252.47)

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, 2022	51.84	(1,287.53)	(16.78)	(1,252.47)
Profit / (Loss) for the year	-	(74.76)	-	(74.76)
Other comprehensive income / (loss) for the year	-	-	(13.00)	(13.00)
Total comprehensive income for the year	-	(74.76)	(13.00)	(87.76)
Balance as at March 31, 2023	51.84	(1,362.29)	(29.78)	(1,340.23)
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 M S KA & Associates
Chartered Accountants
Firm Registration No.:105047W

Abhay M. Fadte
Partner
Membership No. 049939



Place: Mumbai
Date : May 17, 2023

For and on behalf of the Board of Directors
Synegra EMS Limited
CIN : U31909GA2016PLC012969

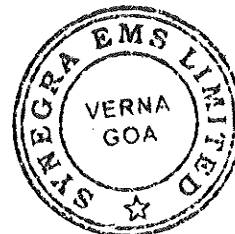
K. R. Naik
Wholtime Director
DIN: 00002013

K.G.Prabhu
Chief Financial Officer

Nitin Kunkolienker
Director
DIN: 00005211

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Place: Mumbai
Date : May 17, 2023



SYNEGRA EMS LIMITED
STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2023
(Amount in INR lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash flow from operating activities		
Net Profit/(loss) before tax	(74.76)	10.04
Adjustments for:		
Depreciation and amortization expenses	166.73	94.40
Finance cost	102.18	22.74
Interest income	(15.62)	(23.60)
Sundry balances written back (net)	(25.44)	(0.88)
(Profit) / Loss on sale of property, plant & equipment	(48.14)	-
Bad debts written off (net)	-	0.50
Unrealised Foreign Currency Exchange Rate Fluctuation (net)	(11.34)	(21.23)
Gain on derecognition of financial instrument measured at amortised cost	-	(5.41)
Waiver of Lease rental	-	(13.94)
Operating Profit/(loss) before working capital changes	93.61	62.62
Changes in working capital		
Decrease / (increase) in inventories	(1,100.83)	(322.49)
Decrease / (increase) in trade receivables	(103.68)	(22.40)
Decrease / (increase) in other financial assets	264.08	(886.22)
Decrease / (Increase) in other current assets	(328.54)	(17.38)
(Decrease) / Increase in trade payables	759.99	278.62
(Decrease) / Increase in Provision	(1.02)	3.25
(Decrease) / Increase in financial liabilities	14.05	(20.82)
(Decrease) / Increase in other current liabilities	106.18	16.53
Cash generated from/(used) in operations	(296.16)	(908.29)
Income tax paid	(2.89)	(0.26)
Net cash flows from/(used) in operating activities (A)	(299.05)	(908.55)
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(479.22)	(99.35)
Proceeds from sale of property, plant and equipment and intangible assets	48.14	-
Interest received	28.23	11.56
Net cash flow from/(used) in investing activities (B)	(402.85)	(87.79)
Cash flow from Financing activities		
Proceeds from issue of equity shares	1,000.00	1,050.00
Repayment of Long Term borrowings	-	(36.72)
Proceeds from Long term borrowings	206.70	-
Proceeds from / (Repayment of) short term borrowings (net)	(384.33)	57.31
Interest Payments	(84.70)	(55.46)
Lease Liability payments	(55.75)	-
Net Cash Flows from/(used) in Financing Activities (C)	681.92	1,015.13
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(19.98)	18.79
Cash and cash equivalents at the beginning of the year	19.99	1.20
Cash and cash equivalents at the end of the year	0.01	19.99
Cash and cash equivalents comprise		
Balances with banks	-	19.95
On current accounts	0.01	0.04
Cash on hand	-	-
Total cash and cash equivalents at end of the year	0.01	19.99



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SYNEGRA EMS LIMITED
STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2023
(Amount in INR lakhs, unless otherwise stated)

Non Cash Movement in Financing Activity

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Borrowings (including current maturities of long term Debt)	-	(33.76)
Lease liability	245.55	(53.45)

See accompanying notes to the financial statements

1-66


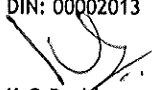
The accompanying notes are an integral part of the financial statements

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
Synegra EMS Limited
CIN : U31909GA2016PLC012969


Abhay M. Fadte
Partner
Membership No. 049939



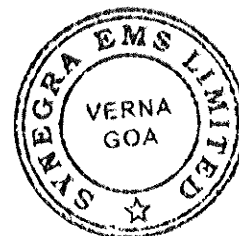

K. R. Naik
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DIN: 00002013

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Chief Financial Officer


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Director
DIN: 00005211

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Place: Mumbai
Date : May 17, 2023

Place: Mumbai
Date : May 17, 2023



SYNEGRA EMS LIMITED**Notes forming part of the Financial Statements**

(Amount in INR lakhs, unless otherwise stated)

1 General Information

Synegra EMS Limited ("Company") was incorporated on August 17, 2016. The Company is in the business of manufacture of various categories of electronic and IT products on job work basis and also engages in contract manufacturing for Original Equipment Manufacturers ("EMS" business). Its registered and principal office of business is located at L-5A Verna Industrial Estate, Verna, Salcete, Goa.

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 convention on accrual basis except for the following items:-

Items	Measurement Basis
Certain Financial Assets and Financial 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. 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.

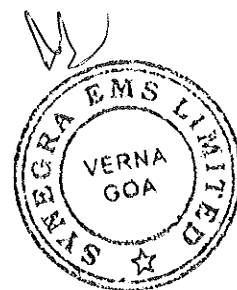
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component 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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SYNEGRA EMS LIMITED**Notes forming part of the Financial Statements**

(Amount in INR lakhs, unless otherwise stated)

Depreciation methods, estimated useful lives

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

Property, plant and equipment	Useful Lives (in years)
Plant and Equipment	8
Furniture & Fixtures	8
Motor Vehicle	5
Office equipment	5
Electrical installations	10
Computer	3

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 disposal 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 amortization.

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 (in years)
Computer Software (* Subject to licence period)	4*

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

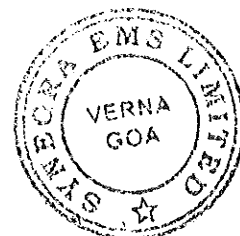
On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction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



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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:

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

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

Sale of Products

Revenue from contract with customers is recognised at point in time 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 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.



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

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.

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.

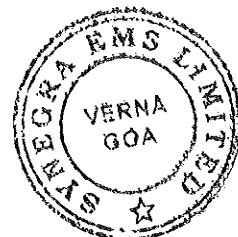
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried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



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

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.

(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 P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

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.

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.



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

(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.

(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.

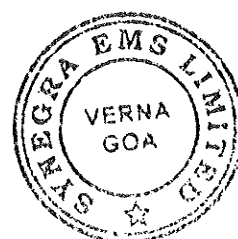
2.16 Borrowing Costs

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.



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

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.

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, 2023 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 34

(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.



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

4.1 Standards (Including amendments) issued but not yet effective

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from 01 April 2023:

Below is a summary of such amendments:

(i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(ii) Definition of Accounting Estimates - Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The amendments are not expected to have a material impact on the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12 Income taxes

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Company is currently assessing the impact of the amendments.

(iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

4.2 Standards that became effective during the year

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from 01 April 2022 :

(i) Onerous Contracts- Cost of Fulfilling a Contract - Amendments to Ind AS 37

Ind AS 37 defines an onerous contract as a contract in which the unavoidable costs (costs that the Company has committed to pursuant to the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The amendments to Ind AS 37 clarify, that the costs relating directly to the contract consist of both:

- The incremental costs of fulfilling that contract- e.g. direct labour and material; and
- An allocation of other costs that relate directly to fulfilling contracts: e.g. Allocation of depreciation charge on property, plant and equipment used in fulfilling the contract.

These amendments had no impact on the year-end financial statements of the Company as there were no Contracts.



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

(ii) References to the Conceptual Framework - Amendments to Ind AS 103

The amendments update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. The amendment also add a new exception in Ind AS 103 for liabilities and contingent liabilities.

(iii) Property, Plant and Equipment: Proceeds Before Intended Use- Amendment to Ind AS 16

The amendment to Ind AS 16 clarifies that any excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

These amendments had no impact on the year-end financial statements of the Company as there were no sales of such items.

(iv) Ind AS 101: First Time Adoption of Indian Accounting Standards- Subsidiary as a first time adopter

The amendment provides that a subsidiary that uses the exemption in paragraph D16(a) of Ind AS 101 may elect, in its financial statements, to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This election is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

These amendments had no impact on the financial statements of the Company as it is not a first-time adopter.

(v) Ind AS 109 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liability

The amendment clarifies which fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

These amendments had no impact on the financial statements of the Company as there were no modifications of the Company's financial instruments during the year.

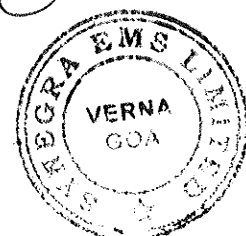
(vi) Taxation in fair value measurements - Amendments to Ind AS 41

The amendment removes the requirement in Ind AS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113, Fair Value Measurement.



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5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross block				Depreciation				Net block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	As at April 01, 2022
Plant and equipment	1,991.71	253.71	476.23	1,769.19	1,277.81	117.00	476.23	918.58	850.61	713.90
Furniture and fixture	9.45	7.57	-	17.02	8.88	0.37	-	9.25	7.77	0.57
Computers	56.04	0.01	-	56.05	50.51	2.44	-	52.95	3.10	5.53
Airconditioner	-	12.57	-	12.57	-	0.09	-	0.09	12.48	-
Electrical installations	11.81	11.67	-	23.48	7.81	0.88	-	8.69	14.79	4.00
Office Equipment	1.18	-	-	1.18	0.38	0.19	-	0.57	0.61	0.80
Right-of-use assets	-	228.06	-	228.06	-	45.61	-	45.61	182.45	-
Total	2,070.19	513.59	476.23	2,107.55	1,345.39	166.58	476.23	1,035.74	1,071.81	724.80

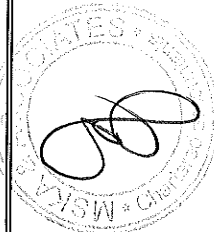
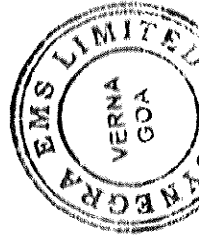
Note: Hypothecated in favour of SIDBI (excluding Right-of-use assets) as first charge against Term loan (Refer note 19).

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	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at April 01, 2021
Plant and equipment	1,615.82	375.89	-	1,991.71	1,198.79	79.02	-	1,277.81	713.90	417.03
Furniture and fixture	9.45	-	-	9.45	8.68	0.20	-	8.88	0.57	0.77
Computers	48.96	7.08	-	56.04	48.28	2.23	-	50.51	5.53	0.68
Electrical installations	11.81	-	-	11.81	7.26	0.55	-	7.81	4.00	4.55
Office Equipment	0.32	0.86	-	1.18	0.27	0.11	-	0.38	0.80	0.05
Right-of-use assets	187.25	-	187.25	-	140.44	11.67	152.11	-	-	46.81
Total	1,873.61	383.83	187.25	2,070.19	1,403.72	93.78	152.11	1,345.39	724.80	469.89

6 INTANGIBLE ASSETS

Particulars	Gross block				Amortisation				Net block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	As at April 01, 2022
Computer Software	9.24	-	-	9.24	9.09	0.15	-	9.24	-	0.15
Total	9.24	-	-	9.24	9.09	0.15	-	9.24	-	0.15

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	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at April 01, 2021
Computer Software	9.24	-	-	9.24	8.47	0.62	-	9.09	0.15	0.77
Total	9.24	-	-	9.24	8.47	0.62	-	9.09	0.15	0.77



SYNEGRA EMS LIMITED
Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

7 OTHER FINANCIAL ASSETS (NON CURRENT)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	0.18	0.18
In Fixed deposit with maturity of more than 12 months from Balance Sheet date*	-	300.00
Total	0.18	300.18

* Fixed deposits are under lien with the banks as margin money against credit facility availed by the Company.

8 NON-CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Income Tax Deducted at Source	7.63	4.74
Total	7.63	4.74

9 OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with statutory/Government authorities	293.18	87.44
Total	293.18	87.44

**10 INVENTORIES
(AT LOWER OF COST OR NET REALISABLE VALUE)**

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	746.90	85.93
Raw materials in transit	256.85	405.59
Work-in-progress	515.73	-
Finished goods	67.73	1.87
Stores, spares and packing materials	29.28	22.27
Total	1,616.49	515.66

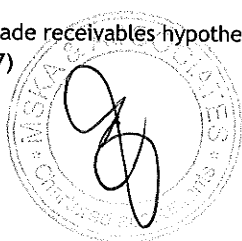
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|---------------------------------------------------------------------------------------------------------|----------|----------|
| 1) The Cost of raw materials inventories recognised as expense during the year | 5,247.23 | 2,158.93 |
| 2) Carrying value of Inventories hypothecated as security by the company
(Refer note 21 and note 37) | 1,587.21 | - |

11 TRADE RECEIVABLES

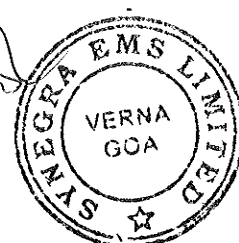
Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
-Considered good (refer note below)	137.84	34.16
-Considered doubtful	-	-
Less : Allowance for bad and doubtful debts	-	-
Total	137.84	34.16
Note		
Receivable from related parties (Refer Note 41)		
Digitol Systems Limited	107.21	0.06

Carrying value of trade receivables hypothecated as security by the company (Refer note 21 and note 37)

137.84



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SYNEGRA EMS LIMITED**Notes forming part of the Financial Statements**

(Amount in INR lakhs, unless otherwise stated)

The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Trade receivable are non-interest bearing and are generally on credit terms of 30 to 90 days.

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Undisputed Trade receivables - considered good		
Unbilled Dues	-	-
Not Due	121.15	25.71
Less than 6 months	16.69	8.45
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	137.84	34.16

12 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
On current accounts	-	19.95
Cash on hand	0.01	0.04
Total	0.01	19.99

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	As at March 31, 2023	As at March 31, 2022
In Fixed deposit with maturity of more than 3 months but less than 12 months from Balance Sheet date*	555.00	662.62
Total	555.00	662.62

* Fixed Deposit under lien with (Small Industrial Development Bank Of India) against Term Loan. (Refer Note 19) 55.00 -

* Fixed Deposit under lien with (HDFC Bank Limited) against bank overdraft. (Refer Note 21) - 662.62

14 LOANS (CURRENT FINANCIAL ASSETS)

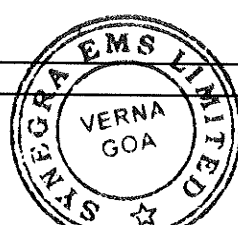
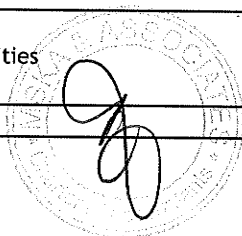
Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Loan to Employees	0.48	1.22
Total	0.48	1.22

15 OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance to employees	0.05	-
Production Linked Incentive Receivable (Refer note 64)	280.00	135.77
Interest receivable on fixed deposit	3.04	15.65
Total	283.09	151.42

16 OTHER CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	10.00	7.72
Balance with government authorities	113.40	72.00
Advances to vendors	86.67	7.55
Total	210.07	87.27



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17 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized Share Capital		
2,50,00,000 (Previous year: 1,50,00,000) equity shares of INR 10/- each	2,500.00	1,500.00
Equity shares	2,500.00	1,500.00
Issued, subscribed and paid up		
2,50,00,000 (Previous year: 1,50,00,000) equity shares of INR 10/- each fully paid up	2,500.00	1,500.00
Total	2,500.00	1,500.00

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

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
	No of shares		Amount in INR lakhs	
Outstanding at the beginning of the year	1,50,00,000	45,00,000	1,500.00	450.00
Add: Issued during the year	1,00,00,000	1,05,00,000	1,000.00	1,050.00
Less: Bought back during the year	-	-	-	-
Outstanding at the end of the year	2,50,00,000	1,50,00,000	2,500.00	1,500.00

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of Equity shares having a par value of INR 10/- per share. Each holder of Equity shares is entitled to one vote per share and each Equity share carries an equal right to dividend and in case of repayment of capital. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

Shares held by the holding company	As at March 31, 2023	As at March 31, 2022
Smartlink Holdings Limited		
2,50,00,000 (Previous year: 1,50,00,000) equity shares of INR 10/- each fully paid up	2,500.00	1,500.00

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

Name of the shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of INR 10 each fully paid				
Smartlink Holdings Limited	2,50,00,000	100%	1,50,00,000	100%

(e) 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.

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

Promoter name	As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the year
Smartlink Holdings Limited	2,50,00,000	100%	67%
Total	2,50,00,000	100%	67%

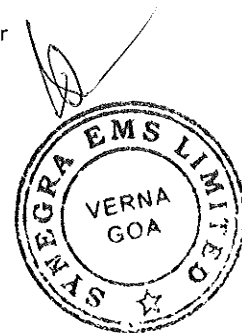
Promoter name	As at March 31, 2022		
	No. of Shares	% of total shares	% Change during the year
Smartlink Holdings Limited	1,50,00,000	100%	233%
Total	1,50,00,000	100%	233%

(g) No shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(h) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.



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18 OTHER EQUITY

A. Capital Contribution*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance		
Add: Additions during the year	51.84	51.84
Closing balance	51.84	51.84

* The total capital contribution is on account of loan from Director at a lower rate than market rate of interest.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance		
Add: Addition during the year	(16.78)	(5.24)
Closing balance	(13.00)	(11.54)
	(29.78)	(16.78)

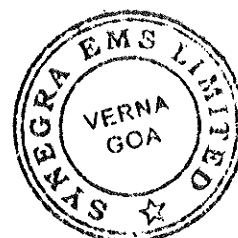
* This represents remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) on employee defined benefit plans.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance		
Add: Net Profit / (Loss) for the year	(1,287.53)	(1,297.57)
Closing balance	(74.76)	10.04
	(1,362.29)	(1,287.53)
TOTAL OTHER EQUITY	(1,340.23)	(1,252.47)



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19 BORROWINGS (NON CURRENT)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term Loan (Refer Note Below)	206.84	-
Less : Current maturity of long term loan	54.00	-
Total	152.84	-

Foot note

During the year ended March 31, 2023, new term loan from SIDBI was availed amounting to Rs. 206.84 lakhs and carries interest @ 8.25%. The term loan is repayable in 30 equal monthly instalments after a moratorium of 6 months.

Term loan is secured by a first charge, by way of hypothecation of all movable assets (except inventory and trade receivables), lien on fixed deposit of Rs. 55 lakhs and Corporate Guarantee of Smartlink Holdings Limited (Holding Company) of Rs. 270 lakhs.

As per the loan sanction letter, the said loan was taken for the purpose of purchase of Plant & Machinery. The Company has used such borrowings for the purposes as stated in the loan sanction letter.

20 PROVISION (NON -CURRENT)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (funded) (Refer Note 39)	21.50	11.47
Provision for leave encashment (unfunded)	6.63	5.30
Total	28.13	16.77

21 BORROWINGS (CURRENT)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings measured at Amortised Cost		
Secured		
Bank overdraft	2.16	-
Current maturity of long term loans	54.00	-
Unsecured		
Loan from director	1,113.37	1,500.00
Total	1,169.53	1,500.00

Foot note**Secured Loan:**

Overdraft with bank was secured by a charge by way of lien on fixed deposits of Rs. 662.62 lakhs upto February 15, 2023.

Overdraft with bank is secured, by a charge ranking pari passu, by way of hypothecation of all present and future inventory and trade receivables, Corporate Guarantee from Smartlink Holdings Limited (Holding Company) of INR 1300 lakhs and lien on Fixed Deposit of the Holding Company of Rs. 660 lakhs.

Unsecured Loan

Loan from Director taken for a tenure of 365 days.

Net Debt Reconciliation

Analysis of net debts and movement in net debts for each of the period presented:

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and Cash equivalents	0.01	19.99
Liquid Investments	555.00	962.62
Current Borrowings	(1,169.53)	(1,500.00)
Non-current borrowings	(152.84)	-
Net Debt	(767.36)	(517.39)

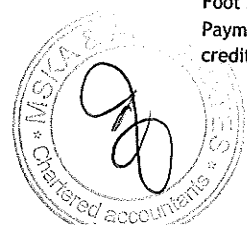
The details of financial and non financial assets pledged as security for current and non-current borrowings are disclosed in Note 37.

22 TRADE PAYABLES

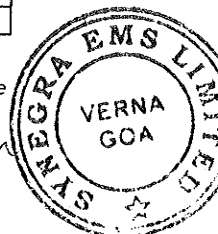
Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	4.92	4.61
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,196.56	473.65
Total	1,201.48	478.26

Foot note

Payment towards trade payables is made as per the terms and conditions of the contract/purchase orders. Generally the average credit period on purchases is 30 to 60 days.



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements
(Amount in INR lakhs, unless otherwise stated)

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, small and medium enterprises on the basis of information available with the Company.

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding principal amount and interest as on 31st March.		
- Principal Amount	10.48	4.61
- Interest due thereon	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	0.03	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	0.15	0.03
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.15	0.03
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, 2023	As at March 31, 2022
(i) MSME		
Unbilled Dues	-	-
Payable Not Due	8.61	4.61
Less than 1 year	1.87	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	10.48	4.61
(i) Others		
Unbilled Dues	30.32	10.07
Payable Not Due	440.20	408.88
Less than 1 year	720.48	29.57
1-2 years	-	15.09
2-3 years	-	10.04
More than 3 years	-	-
Total	1,191.00	473.65

23 OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on loans	0.14	-
Capital Creditors	90.76	284.47
Employee Payable	29.92	16.00
Total	120.82	300.47

24 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	6.00	4.59
Advance from Customers	143.71	38.94
Total	149.71	43.53

25 PROVISION (CURRENT)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (funded) (Refer Note 39)	1.64	1.46
Provision for leave encashment (unfunded)	2.07	1.63
Total	3.71	3.09



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26 REVENUE FROM OPERATIONS

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Revenue from Contract with Customers		
Sale of manufactured products	4,994.64	2,369.38
Service Repair Income	1.41	17.31
Service Job Work	94.72	26.50
Sale of Scrap	10.11	2.34
Other Operating Income		
Production Linked Incentive Income (Refer note 64)	280.00	135.77
SEIS Duty Scrip Income	-	7.97
Total	5,380.88	2,559.27

Geographical markets	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Exports	-	212.35
Domestic	5,100.88	2,203.18
Total revenue from contracts with customers	5,100.88	2,415.53

The Company derives its revenue from contract with customers for the transfer of goods and services at a point in time in a manner in which the Company transfers the control of goods and services to customers. The Company is engaged mainly in the business of manufacture, sale and servicing of networking products.

Contract Balances

Movement in contract Liabilities during the year	Advance from Customers	
	Current Year	Previous year
Opening Balance	38.94	24.42
Less: Revenue Recognised	38.94	24.42
Add: Amount received	143.71	38.94
Closing Balance	143.71	38.94

27 OTHER INCOME

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Interest income		
- on fixed deposits designated at amortized cost	15.62	23.60
Interest income (MSME)	0.04	-
Interest on income tax refund	0.19	0.36
Sundry balances written back	25.44	0.88
Foreign exchange fluctuation	28.11	28.03
Gain on derecognition of financial instrument measured at amortised cost	-	5.41
Gain on sale/disposal of Property plant and equipment (net)	48.14	-
Waiver of Lease rental	-	13.94
Miscellaneous Income	2.39	0.05
Total	119.93	72.27

28 COST OF RAW MATERIALS CONSUMED

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Inventory at the beginning of the year	491.52	190.87
Add: Purchases	5,759.46	2,459.58
Less: Inventory at the end of the year	1,003.75	491.52
Total	5,247.23	2,158.93



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

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Inventories at the beginning of the year		
Finished goods	1.87	0.10
Work-in-progress	-	-
	1.87	0.10
Less: Inventories at the end of the year		
Finished goods	67.73	1.87
Work-in-progress	515.73	-
	583.46	1.87
Net Decrease / (Increase) in Inventories	(581.59)	(1.77)

30 EMPLOYEE BENEFITS EXPENSE

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Salaries, allowances, bonus and ex-gratia	272.29	196.75
Contribution to Provident and other funds (Refer Note 39)	12.32	12.19
Contribution to Gratuity fund (Refer Note 39)	3.96	2.03
Staff welfare and other employee expenses	29.22	10.05
Total	317.79	221.02

Refer note 62

31 FINANCE COSTS

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Interest on working capital loan	12.51	18.85
Interest on lease liability	17.48	1.03
Interest on unsecured loan from director	65.71	-
Interest on Term Loan	5.50	2.73
Interest on others	0.98	0.13
Total	102.18	22.74

32 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Depreciation on property, plant and equipment (Refer note 5)	166.58	93.78
Amortisation on Intangible Assets (refer note 6)	0.15	0.62
Total	166.73	94.40



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33 OTHER EXPENSES

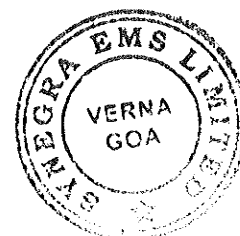
Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Consumption of store and spares	3.86	0.75
Repairs & maintenance expenses		
Machinery	10.01	0.12
Others	11.14	3.27
Conveyance and travelling expenses	4.53	2.29
Communication Cost	0.09	0.10
Insurance charges	12.12	12.98
Bank charges and commission	10.26	6.05
Legal and professional charges	59.92	29.44
Rates and Taxes	9.07	2.53
Membership and subscription	0.88	0.75
Bad debts written off	-	0.50
Auditor's Remuneration*	3.04	2.05
Computer consumables, software & maintenance charges	1.19	0.93
Commission on Sales	-	17.66
Director's fees	5.50	9.00
Office expenses	5.61	2.94
Power and fuel	32.22	19.47
Annual maintenance charges	2.47	2.25
Application, Registration and Filing Fees	8.68	9.02
Production Linked Incentive Receivable written off (Refer note 64)	135.77	-
Miscellaneous expenses	6.87	4.08
Total	323.23	126.18

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

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
As auditor:		
Statutory audit	2.50	2.00
In other capacity:		
Certification fees	0.50	-
Reimbursement of expenses	0.04	0.05
Total	3.04	2.05



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

34 DEFERRED TAX ASSET / (LIABILITY) (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Deferred tax relates to the following:		
Deferred tax assets		
On provision for employee benefits	7.28	4.54
On others	1.91	1.51
	9.19	6.05
Deferred tax liabilities		
On property, plant and equipment	9.19	6.05
	9.19	6.05
Deferred tax asset (net)	-	-

In absence of reasonable certainty of taxable income in future years, during the year ended March 31, 2023 and in previous year, the Company has created deferred tax asset and unabsorbed depreciation and other items to the extent of deferred tax Liability.

Deferred tax assets of Rs. 229.11 lakhs (March 31, 2022: Rs. 229.11 lakhs) and Rs. 105.56 lakhs (March 31, 2022 : Rs. 96.37 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) Recognition of deferred tax asset to the extent of deferred tax liability in balance sheet

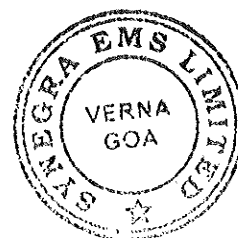
Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax asset	9.19	6.05
Deferred tax liabilities	(9.19)	(6.05)
Deferred tax assets/ (liabilities), net	-	-

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

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Tax liability	-	-
Tax asset	-	-
	-	-

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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

35 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, 2023	For the Year Ended March 31, 2022
Ordinary equity shareholders		
Profit / (Loss) attributable to ordinary equity holders	(74.76)	10.04
Weighted average number of equity shares for basic EPS	1,58,49,315	49,02,740
Face Value per share	10.00	10.00
Basic earnings per share (INR)	(0.47)	0.20
Diluted earnings per share (INR)	(0.47)	0.20

36 CONTINGENT LIABILITIES

There are No contingent liabilities to be disclosed as at March 31, 2023 and March 31, 2022.

37 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Notes	As at March 31, 2023	As at March 31, 2022
Current assets			
Bank balances other than cash and cash equivalent	13	55.00	662.62
Inventories	10	1,587.21	-
Trade Receivables	11	137.84	-
Total Current assets pledged as security		1,780.05	662.62
Non-Current assets			
Other financial assets	7	-	300.00
Total Non-Current assets pledged as security		-	300.00
Total Assets pledged as security		1,780.05	962.62

38 CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Commitments	-	-
Other Commitments	-	-

39 EMPLOYEE BENEFITS

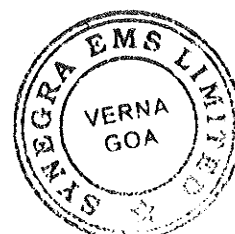
(A) Defined Contribution Plans

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

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Employers' Contribution to Provident Fund and Employee State Insurance (Refer Note 30)	12.32	12.19



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SYNEGRA EMS LIMITED
Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

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

Particulars	As at March 31, 2023	As at March 31, 2022
i) Actuarial assumptions		
Discount rate (per annum)	7.20%	7.26%
Rate of increase in Salary	6.00%	6.00%
Expected average remaining working lives of employees (years)	12.31	12.71
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	49.86	33.95
Interest cost	3.57	2.27
Current service cost	2.93	2.15
Benefits paid	(3.96)	-
Actuarial (gain)/ loss on obligations	13.07	11.49
Present value of obligation at the end of the year*	65.47	49.86
iii) Change in the fair value of plan assets:		
Opening fair value of plan assets	36.93	34.19
Adjustment to opening fair value of asset	-	0.40
Interest Income	2.54	2.39
Contributions by employer	6.75	-
Benefits paid	(3.96)	-
Return on plan assets excluding interest income	0.07	(0.05)
Closing fair value of plan assets	42.33	36.93

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
iv) Expense recognized in the Statement of Profit and Loss		
Current service cost	2.93	2.15
Interest cost (net)	1.03	(0.12)
Total expenses recognized in the Statement Profit and Loss*	3.96	2.03

*Included in Employee benefits expense (Refer Note 30).

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
v) Expense recognized in Other comprehensive income		
Actuarial (gain) / loss on Obligation for the period	13.07	11.49
Return on plan assets excluding interest income	(0.07)	0.05
Net actuarial (gains) / losses recognised in OCI	13.00	11.54

Particulars	As at March 31, 2023	As at March 31, 2022
vi) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	65.47	49.86
Fair Value of Plan Assets at the end of the year	42.33	36.93
Net asset / (liability) recognized in Balance Sheet*	(23.14)	(12.93)

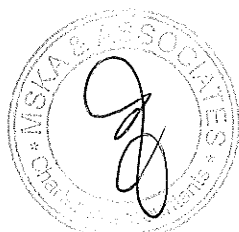
*liability Included in provision (Refer note 20 and 25).

vii) Expected contribution to the fund in the next year is INR 4.12 lakhs

viii) A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is as shown below:

Impact on defined benefit obligation

Discount rate	As at March 31, 2023	As at March 31, 2022
1% increase	59.11	44.86
1% decrease	72.78	55.64



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Rate of Increase in salary	As at March 31, 2023	As at March 31, 2022
1% increase	72.77	55.64
1% decrease	59.00	44.77

ix) Maturity profile of defined benefit obligation

Year	As at March 31, 2023	As at March 31, 2022
Year 1	1.64	1.46
Year 2	0.29	1.18
Year 3	0.33	0.23
Year 4	5.96	0.27
Year 5	2.02	4.97
Year 6 to 10	24.16	12.15

40 LEASES

(A) Operating leases where Company is a lessee:

The Company has entered into lease transactions mainly for leasing of factory building for periods between 1 to 5 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, 2021	46.81
Additions	-
Deletion	11.67
Depreciation	35.14
Balance as at March 31, 2022	-
Additions	228.06
Depreciation	45.61
Derecognition	-
Balance as at March 31, 2023	182.45

ii. Lease liabilities

Particulars	Amount
Balance as at April 01, 2021	53.45
Additions	-
Finance cost accrued during the period	1.03
Payment of lease liability	-
Derecognition of lease liability	54.48
Balance as at March 31, 2022	-
Additions	228.06
Finance cost accrued during the period	17.48
Payment of lease liability	55.75
Derecognition of lease liability	-
Balance as at March 31, 2023	189.79

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

Particulars	As at March 31, 2023	As at March 31, 2022
Current Lease Liabilities	41.60	-
Non-current Lease Liabilities	148.19	-

iv. Maturity analysis of lease liabilities (Cash Outflow)

Particulars	As at March 31, 2023	As at March 31, 2022
a. Not later than one year	55.75	-
b. Later than one year and not later than five years	167.26	-
c. Later than five years	-	-



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v. Other details

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Amounts recognised in statement of Profit and Loss account - Interest on Lease Liabilities	17.48	1.03
Amounts recognised in statement of Cash Flows - Total Cash outflow for leases	55.75	-

41 RELATED PARTY DISCLOSURES:

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

Holding Company

Smartlink Holdings Limited

Fellow Subsidiary

Digisol Systems Limited

Key Management Personnel (KMP)

Mr. Kamalaksha R. Naik - Wholetime Director (w.e.f May 06, 2022)

Mr. Natarajan Sankara - Whole Time Director (w.e.f. January 01, 2021 upto March 31, 2021), Non-Executive Director (upto June 30, 2021)

Mr. K M Ganekar - Non-Executive Director

Mr. Bhanubhai Patel - Non-Executive Director

Mr. Nitin Kunkolienker - Non-Executive Director

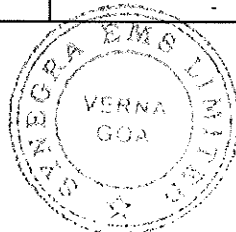
Mr. Pradeep Pande - Non-Executive Director (upto January 04, 2022)

Mr. K. G. Prabhu - Chief Financial Officer (w.e.f May 06, 2022)

Mr. Edlan Fernandes - Company Secretary (w.e.f May 06, 2022)

(B) Transactions with related party during the year are as follows:

Nature of transactions	Holding Company	Fellow Subsidiary	Key Management Person	Total
Loan from Director Mr. Kamalaksha R. Naik	- (-)	- (-)	- (200.00)	- (200.00)
Repayment of Director Loan Mr. Kamalaksha R. Naik	- (-)	- (-)	400.00 (-)	400.00 (-)
Interest on Loan Mr. Kamalaksha R. Naik	- (-)	- (-)	65.71 (-)	65.71 (-)
Sale of Manufactured Products Digisol Systems Limited	- (-)	4,978.77 (2,077.88)	- (-)	4,978.77 (2,077.88)
Sale of Manufactured Products (Repair & Maintenance) Digisol Systems Limited	- (-)	0.02 (-)	- (-)	0.02 (-)
Interest Income Digisol Systems Limited	- (-)	0.04 (-)	- (-)	0.04 (-)
Rent Written back Smartlink Holdings Limited	25.44 (-)	- (-)	- (-)	25.44 (-)
Rent Expense Smartlink Holdings Limited	55.75 (-)	- (-)	- (-)	55.75 (-)
Issue of Equity Share Capital Smartlink Holdings Limited	1,000.00 (1,050.00)	- (-)	- (-)	1,000.00 (1,050.00)
Salary Mr. Edlan Fernandes - Company Secretary	-	-	5.96	5.96
Short-term employee benefits	-	-	0.20	0.20
Post-employment benefits	-	-	-	-



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Nature of transactions	Holding Company	Fellow Subsidiary	Key Management Person	Total
Director sitting fees				
Mr. K M Gaonkar	- (-)	- (-)	2.00 (2.50)	2.00 (2.50)
Mr. Bharubhai Patel	- (-)	- (-)	2.00 (2.50)	2.00 (2.50)
Mr. Nitin Kunkolienker	- (-)	- (-)	1.50 (2.50)	1.50 (2.50)
Mr. Pradeep Pande	- (-)	- (-)	- (1.00)	- (1.00)
Mr. Natarajan Sankara	- (-)	- (-)	- (0.50)	- (0.50)
Recovery of Electricity Expense				
Digisol systems Limited	- (-)	5.81 (6.00)	- (-)	5.81 (6.00)
Corporate Guarantee provided by smartlink on behalf of synegra to				
HDFC Bank	1,300.00 (1,300.00)	- (-)	- (-)	1,300.00 (1,300.00)
Small Industries Development Bank Of India	270.00 (-)	- (-)	- (-)	270.00 (-)
Corporate Guarantee given on behalf on synegra revoked during the year				
HDFC Bank	1,300.00 (-)	- (-)	- (-)	1,300.00 (-)

Nature of transactions	Holding Company	Fellow Subsidiary	Key Management Person	Total
Amounts due to / due from as at the year end				
<u>Amount due from</u>				
Digisol Systems Limited	- (-)	107.21 (0.06)	- (-)	107.21 (0.06)
<u>Amount due to</u>				
Smartlink Holdings Limited	30.11 (25.44)	5.56 (-)	- (-)	35.67 (25.44)
Mr. Kamalaksha R. Naik	- (-)	- (-)	1,100.00 (1,500.00)	1,100.00 (1,500.00)

Figures in brackets pertains to the previous year

42 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. The Company's business activities are mainly related to developing, manufacturing, marketing, distributing and servicing networking products. These networking products are sold to distributors, Original Equipment Manufacturers (OEM's) and System Integrators (SI), which are primarily assessed as a single reportable operating segment in accordance with Ind AS 108 by the CODM.

The information based on geographical areas in relation to revenue and non-current assets are as below:

(A) Revenue from operations

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Within India	5,100.88	2,203.18
Outside India	-	212.35
Total	5,100.88	2,415.53



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(B) Non-current operating assets

All non-current assets other than financial instruments, deferred tax assets of the company are located in India

(C) Details of customers contributing to more than 10% of total revenue are as below

Name	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Customer A	4,978.79	2,077.88
Customer B	-	195.59

43 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.

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.

44 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.

Fair value measurement hierarchy of assets and liabilities

Particulars	Fair value hierarchy	As at March 31, 2023	As at March 31, 2022
Financial assets measured at amortized cost			
Trade receivables	Level 3	137.84	34.16
Cash and cash equivalents	Level 3	0.01	19.99
Bank balances other than cash and cash equivalent	Level 3	555.00	662.62
Loans	Level 3	0.48	1.22
Other financial assets	Level 3	283.27	451.60
Financial liabilities measured at amortized cost			
Borrowings	Level 3	1,322.37	1,500.00
Trade payables	Level 3	1,201.48	478.26
Lease Liability	Level 3	189.79	-
Other financial liabilities	Level 3	120.82	300.47

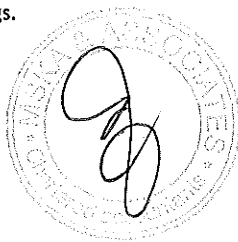
There have been no transfers between Level 1 and Level 2 during the period

45 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.



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(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, 2023	As at March 31, 2022
Trade Payables	USD	1,138.87	406.66
	JPY	-	284.47

(b) Foreign Currency Sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease against the US Dollar /JPY. 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 1% change in foreign currency rates.

Particulars	As at March 31, 2023	As at March 31, 2022
Impact of 1% strengthening against USD - Decrease in loss	11.39	4.07
Impact of 1% weakening against USD- Increase in loss	11.39	4.07
Impact of 1% strengthening against JPY - Decrease in loss	-	2.84
Impact of 1% weakening against JPY- Increase in loss	-	2.84

(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, 2023	As at March 31, 2022
Not Due	121.15	25.71
Past due 1 -180 days	16.69	8.45
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 to 12 months	1 year to 5 years	More than 5 years	Total
As at 31st March, 2023					
Short term borrowings	1,115.53	54.00	-	-	1,169.53
Long-term borrowings	-	-	152.84	-	152.84
Lease Liability	10.07	31.53	148.19	-	189.79
Trade payables	1,201.48	-	-	-	1,201.48
Other financial liabilities	120.82	-	-	-	120.82
	2,447.90	85.53	301.03	-	2,834.46
As at 31st March, 2022					
Short term borrowings	1,500.00	-	-	-	1,500.00
Trade payables	478.26	-	-	-	478.26
Other financial liability	300.47	-	-	-	300.47
	2,278.73	-	-	-	2,278.73



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SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

- 46 The Company has not given Loans or Advances in the nature of loans to Promoters, Directors, Key Management Personnel's and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- 47 **Capital Work-in Progress (CWIP)**
The Company does not have any Capital work in progress during the current year and the previous year.
- 48 **Intangible assets under development**
The Company does not have any Intangible assets under development during the current year and the previous year.
- 49 **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.
- 50 **Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions**
Monthly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account.
- 51 **Wilful Defaulter**
The company has not been declared a wilful defaulter by any bank or financial institution.
- 52 **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.
- 53 **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.
- 54 **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.
- 55 As at March 31, 2023, the Company did not have any outstanding long term derivative contracts (previous year INR NIL).
- 56 For the year ended March 31, 2023, the Company is not required to transfer any amount (previous year INR NIL) to the Investor Education & Protection Fund.
- 57 There were no whistleblower complaints received during the FY 2022-23.
- 58 The Company does not have any scheme of arrangement which has an accounting impact on current or previous financial year.
- 59 The company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rule 2017.

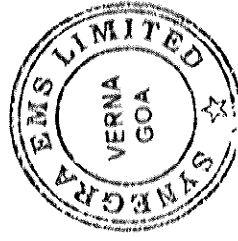


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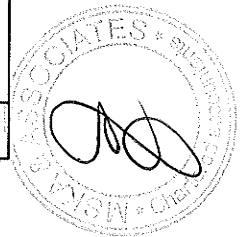


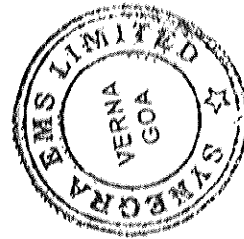
60 Ratios

Sr. No.	Ratio	Formula	March 31, 2023		March 31, 2022		Ratio as on		Variation (%)	Reason (if variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	March 31, 2023	March 31, 2022		
(a)	Current Ratio	Current Assets / Current Liabilities	2,802.98	2,686.85	1,472.34	2,325.35	1.04	0.63	65%	Changes on account of increase in inventory for the year ended 31 March 2023.
		Current Assets = Total current assets Current Liabilities = Total current liabilities								
(b)	Debt-Equity Ratio	Debt / Equity	1,322.37	1,159.77	1,500.00	247.53	1.14	6.06	81%	Change on account of Increase in share capital due to additional shares issued during the period.
		Debt = Borrowings (Current + Non Current) Equity = Equity share Capital + Other equity								
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	194.15	1,313.31	127.18	1,522.74	0.15	0.08	77%	On account of higher revenue Operating income has increased during the year
		Net Operating income = P/L after Tax + Depreciation + Finance cost Debt Service = Finance cost + (Current Borrowings + Current lease liability)								
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	(74.76)	2,500.00	10.04	1,500.00	(0.03)	0.01	547%	Change on account of Increase in share capital due to additional shares issued during the period and loss incurred during the period.
		Profit after tax less pref. Dividend = Profit/(Loss) for the year Shareholder's Equity = Equity share Capital								
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	4,665.64	1,066.08	2,157.16	354.42	4.38	6.09	28%	Increase in COGS on account of higher revenue during the period.
		Cost of Goods Sold = Cost of raw materials consumed + Changes in inventories of finished goods and work-in-progress Average Inventory = (Closing inventory + Opening Inventory)/2								



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Sr. No.	Ratio	Formula	March 31, 2023		March 31, 2022		Ratio as on		Variation (%)	Reason (if variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	March 31, 2023	March 31, 2022		
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	5,090.77	86.00	2,413.19	23.21	59.20	103.99	43%	Increase on account of higher revenue during the period and better realisation from receivables during current financial year.
		Net Credit Sales = Sale of manufactured products+ Service Repair Income+ Service Job Work Average Trade Receivables = (Closing Trade receivables + Opening Trade receivables)/2								
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	5,759.46	839.87	2,459.58	349.57	6.86	7.04	3%	
		Net Credit Purchases = Purchases Average Trade Payables = (Closing Trade payable + Opening Trade payable)/2								
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	5,380.88	(368.44)	2,559.27	(1,098.66)	(14.60)	(2.33)	527%	Increase on account of higher revenue during the period and change of working capital due to increase in inventory.
		Revenue = Revenue from Operations Average Working Capital = ((Opening Current assets + Closing current assets)/2 + (Opening current liabilities + closing current liabilities)/2)								
(i)	Net Profit Ratio	Net Profit / Net Sales	(74.76)	5,100.88	10.04	2,415.53	(0.01)	0.00	453%	Decrease on account of loss incurred as compared to profit in the previous year inspite of increase in revenue during the period.
		Net Profit = Profit/(Loss) before tax Net Sales = Revenue from Contract with Customers								
(j)	Return on Capital Employed	EBIT / Capital Employed	27.42	1,488.93	32.78	264.30	0.02	0.12	85%	Decrease on account of loss incurred as compared to profit in the previous year. Increase in capital employed due to increase in inventory at year ended 31 March 2023.
		EBIT = Profit/(Loss) before tax + Finance cost Capital Employed = Total Assets - Total Current liabilities								
(k)	Return on Investment	Net Profit / Net Investment	(74.76)	1,159.77	10.04	247.53	(0.06)	0.04	259%	Decrease on account of loss incurred as compared to profit in the previous year. Increase in investments pertain to additional shares issued during the year.
		Net Profit = Profit/(Loss) before tax Net Investment = Total equity								

61 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).

62 Details of Crypto Currency or Virtual Currency

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

63 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, 2023	As at March 31, 2022
Equity (i)	2,500.00	1,500.00
Borrowings	1,322.37	1,500.00
Less: cash and cash equivalents	(0.01)	(19.99)
Adjusted Net Debt (ii)	1,322.36	1,480.01
Adjusted Net Debt to Equity ratio (ii)/ (i)	53%	99%

No material changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

64 Government Grants

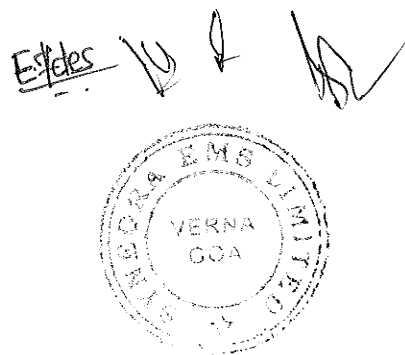
The company had received approval under the Production Linked Incentive (PLI) to promote Telecom and Networking Products manufacture in India (the PLI scheme) on October 14, 2021 from the Competent Authority. Under the PLI scheme the company had recognised an income of Rs. 135.77 lakhs in the previous financial year ended March 31, 2022 on fulfilment of the conditions for eligibility of incentive under the PLI scheme.

During the current year, on October 31, 2022 the Company had received approval under the extended PLI scheme and the Board of Directors of the Company at their meeting held on November 2, 2022 had approved the exit from the erstwhile PLI scheme and opting for the extended PLI scheme. Consequently, the Company had derecognised the said incentive of Rs. 135.77 lakhs and charged the amount to other expenses.

Further for the year ended March 31, 2023 on fulfilment of the conditions for eligibility of incentive under the extended PLI scheme, the Company has recognised incentive of Rs. 280 lakhs.

There are no amounts towards unfulfilled conditions and other Contingencies attached to the grant that have been recognised during the financial year ended March 31, 2023 (Previous year INR NIL)

- 65** The Company has incurred losses of INR 74.76 lakhs (previous year profit of INR 10.04 lakhs) during the year ended March 31, 2023 and as on date, has accumulated loss of INR 1,362.29/- lakhs (previous year INR 1,287.53/- 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, 2023 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.



SYNEGRA EMS LIMITED

Notes forming part of the Financial Statements

(Amount in INR lakhs, unless otherwise stated)

66 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.

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W



Abhay M. Fadte

Partner

Membership No. 049939



For and on behalf of the Board of Directors

Synegra EMS Limited

CIN : U31909GA2016PLC012969



K. R. Naik

Wholetime Director

DIN: 00002013



K.G. Prabhu

Chief Financial Officer

Place: Mumbai

Date : May 17, 2023



Nitin Kunkollenker

Director

DIN: 00005211



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Company Secretary

ICSI Membership No.53614

Place: Mumbai

Date : May 17, 2023

