Deloitte
Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT
To The Members of Rising Stars Mobile India Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Rising Stars Mobile India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 Board's Report and related 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 during the course of our audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

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e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

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

i. The Company has disclosed the impact of pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

DELOITTE HASKINS & SELLS LLP CHENNAI-17 CHARTERED ACCOUNTANTS

Geetha Suryanarayanan
Partner
Membership No. 29519
UDIN: 20029519AAAAFA1613

Place: Chennai
Date: 30 November 2020

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Rising Stars Mobile India Private Limited** ("the Company") as of March 31, 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

HASKINS & SELLS LLP DELOITTE CHENNAI-17 CHARTERED ACCOUNTANTS

Geetha Suryanarayanan
Partner
Membership No. 29519
UDIN: 20029519AAAAFA1613

Place: Chennai
Date: 30 November, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment.

(b) The property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The company does not have any immovable properties of land and buildings which are freehold and hence reporting under clause (i) of CARO 2016 is not applicable.

(ii) The inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed during physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees and hence, reporting clause (iv) of CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence compliance with the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted is not applicable to the company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013, in respect of specified products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs duty, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

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(c) Details of dues of Income Tax, Service Tax, Excise Duty, Sales Tax, Value Added Tax and Goods and Services Tax, Customs duty as on March 31, 2020 on account of disputes are given below.

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which amount Relates	Amount (Rs in Lakhs).
Customs Act, 1962	Customs Duty	CESTAT Appeal	2018-19	11,584.12*

* Net of Rs. 670.56 Lakhs paid under protest

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company is a private Company and hence the provisions of Section 197 of the Companies Act, 2013 do not apply to the company.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us, the company has made private placement of shares during the year under review.
In respect of the above issue, we report that:

a. the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
b. the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.

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(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

DELOITTE HASKINS & SELLS LLP CHENNAI-17 CHARTERED ACCOUNTANTS

Geetha Suryanarayanan
Partner
Membership No. 29519
UDIN: 20029519AAAAFA1613

Place: Chennai
Date: 30 November, 2020

Rising Stars Mobile India Private Limited
Balance Sheet as at 31 March 2020
(All amounts in INR Lakhs, except share data or as otherwise stated)

	Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
			Rs.	Rs.
A	**ASSETS**			
1	**Non-Current Assets**			
	(a) Property, plant and equipment	5A	71,271.54	73,845.25
	(b) Right of use assets	5B	5,314.23	-
	(c) Capital work-in-progress		7,494.47	4,482.14
	(d) Financial assets			
	(i) Other financial assets	6	5,966.54	4,650.55
	(e) Non-current tax assets (net)	7	7,810.18	17,755.91
	(f) Deferred tax assets (net)	36.4	1,898.93	-
	(g) Other non-current assets	8	640.45	777.15
	Total non-current assets		**1,00,396.34**	**1,01,511.00**
2	**Current Assets**			
	(a) Inventories	9	2,18,978.85	3,09,639.86
	(b) Financial assets			
	(i) Trade receivables	10	3,76,892.97	3,59,304.81
	(ii) Cash and cash equivalents	11	1,14,634.57	62,515.16
	(iii) Loans	12	1,563.30	846.74
	(iv) Other financial assets	13	1,144.31	910.21
	(c) Other current assets	14	48,704.90	48,398.23
	Total current assets		**7,61,918.90**	**7,81,615.01**
	Total Assets		**8,62,315.24**	**8,83,126.01**
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	15	2,38,094.50	1,66,594.50
	(b) Other equity		29,293.31	(9,680.46)
	Total Equity		**2,67,387.81**	**1,56,914.04**
2	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Lease Liabilities	34	4,499.59	-
	(b) Provisions	16	664.98	454.89
	(c) Other non-current liabilities	17	-	204.79
	Total non-current liabilities		**5,164.57**	**659.68**
3	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	18	-	1,06,620.12
	(ii) Lease Liabilities	34	999.54	
	(iii) Trade payables	19		
	(A) Total outstanding dues of micro enterprises and small enterprises (Refer Note 30.2)		122.80	76.56
	(B)total outstanding of dues and creditors other than micro enterprises and small enterprises		5,64,243.44	5,85,980.54
	(iv) Other financial liabilities	20	2,938.44	11,105.79
	(b) Provisions	21	835.45	352.70
	(c) Other Current liabilities	22	20,623.19	21,416.58
	Total current liabilities		**5,89,762.86**	**7,25,552.29**
	Total Liabilities		**5,94,927.43**	**7,26,211.97**
	Total Equity and Liabilities		**8,62,315.24**	**8,83,126.01**
	See accompanying notes to the financial statements			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Geetha Suryanarayanan
Partner
Place : Chennai
Date : November 30, 2020

Yang Shu Hui
Director
Place : Chennai
Date : November 30, 2020

For and on behalf of the Board of Directors
Rising Stars Mobile India Private Limited

Liu Chien Liang
Director
Place : Taiwan
Date : November 30, 2020

Ramachandran Kunnath
Company Secretary
Place : Chennai
Date : November 30, 2020

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CHENNAI-17
CHARTERED ACCOUNTANTS

Rising Stars Mobile India Private Limited
Statement of Profit and Loss for the year ended 31.March 2020
(All amounts in INR Lakhs, except share data or as otherwise stated)

	Particulars	Note No.	For the year ended 31 March 2020 Rs.	For the year ended 31 March 2019 Rs.
1	Revenue from operations	23	26,63,555.84	34,34,538.89
2	Other income	24	3,376.82	4,698.42
3	**Total Income (1+2)**		**26,66,932.66**	**34,39,237.31**
4	**Expenses**			
	(a) Cost of materials consumed	25	24,66,545.95	32,96,382.70
	(b) Changes in inventories of finished goods and work-in-progress	26	23,264.24	(29,600.49)
	(c) Employee benefits expense	27	27,575.41	29,296.62
	(d) Finance costs	28	2,812.56	6,256.01
	(e) Depreciation and amortisation expense	5	22,554.42	13,515.46
	(f) Other Expenses	29	76,842.60	1,44,385.41
	Total Expenses		**26,19,595.18**	**34,60,235.71**
5	**Profit before tax (3 - 4)**		**47,337.48**	**(20,998.40)**
6	**Tax expense:**			
	(a) Current tax		10,266.21	-
	(b) Deferred tax (net)		(1,900.06)	1,154.61
			8,366.15	**1,154.61**
7	**Profit/(Loss) For The Year (5 - 6)**		**38,971.33**	**(22,153.01)**
8	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss			
	(a) remeasurement of the defined benefit plans		3.75	(39.95)
			3.75	(39.95)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.31)	13.96
	Total other comprehensive income		**2.44**	**(25.99)**
9	**Total comprehensive income/(Loss) (7 + 8)**		**38,973.77**	**(22,179.00)**
10	**Earnings Per Share**			
	- Basic (Face Value of Rs. 100 each)	35	20.78	(15.70)
	- Diluted (Face Value of Rs. 100 each)		20.78	(15.70)
	See accompanying notes to the financial statements			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors
Rising Stars Mobile India Private Limited

Geetha Suryanarayanan	**Yang Shu Hui**	**Liu Chien Liang**	**Ramachandran Kunnath**
Partner	**Director**	**Director**	**Company Secretary**
Place : Chennai	Place : Chennai	Place : Taiwan	Place : Chennai
Date : November 30, 2020	Date : November 30, 2020	Date : November 30, 2020	Date : November 30, 2020

DELOITTE HASKINS & SELLS LLP CHENNAI-17 CHARTERED ACCOUNTANTS

Rising Stars Mobile India Private Limited
Cash Flow Statement for the year ended 31 March 2020
(All amounts in INR Lakhs, except share data or as otherwise stated)

Particulars	For the year ended 31 March 2020 Rs.	For the year ended 31 March 2019 Rs.
I. CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/ Profit before tax	47,337.48	(20,998.40)
Adjustments for		
Depreciation and Amortisation Expense	22,554.42	13,515.46
Interest and Finance Charges paid (including interest towards lease liabilities)	2,812.56	6,256.01
Loss on Property, Plant & Equipment Sold / Scrapped / Written off (Net)	369.53	1,032.77
Interest Income from Bank Deposits & Others	(3,376.82)	(4,449.49)
Provision for VAT Incentive	-	125.32
Unrealised Exchange Loss / (gain) (net)	9,014.78	(13,942.04)
Operating Profit Before Working Capital/Other Changes	**78,711.96**	**(18,460.37)**
Adjustments for (increase)/decrease in operating assets:		
Inventories	90,661.01	9,598.33
Trade Receivables	(17,588.16)	91,659.07
Other Non Current Fiancial Assets	(1,315.99)	270.63
Loans (Current Financial Assets)	(716.56)	(22.07)
Other Current Financial Assets	(234.10)	(315.71)
Other Current and Non Current Assets	(169.97)	31,385.15
Adjustments for increase/(decrease) in operating liabilities:		
Trade Payables	(30,694.37)	(1,61,096.95)
Other Financial Liabilities (Current)	(8,167.35)	5,902.74
Other Liabilities (Current and Non-Current)	(706.39)	(5,422.17)
Provisions (Current and Non-Current)	692.84	456.07
Cash Generated from/ (Used in) Operations	**1,10,472.91**	**(46,045.28)**
Direct Taxes Paid (net)	(321.78)	(10,446.40)
Net Cash Generated from/ (Used in) Operating Activities	**1,10,151.13**	**(56,491.69)**
II. CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure (including capital advances, net of Payables on purchase of Property, Plant & Equipment) - Net	(20,545.85)	(57,843.03)
Loans Given	-	(400.00)
Deposit Balances not considered as Cash & Cash equivalents	-	120.00
Interest Received on Bank Deposits	3,376.82	4,430.45
Net Cash Used in Investing Activities	**(17,169.03)**	**(53,692.58)**
III. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Short Term Borrowings (net)	(1,06,620.12)	-
Proceeds from issue of equity shares	71,500.00	36,802.50
Proceeds from borrowings (Net)	-	1,06,620.12
Payment of Lease Liabilities	(3,476.65)	-
Interest and Finance Charges paid (including interest towards lease liabilities)	(2,265.92)	(6,053.74)
Net Cash (Used in)/ Generated from Financing Activities	**(40,862.69)**	**1,37,368.88**
IV. Net Increase in Cash and Cash Equivalents (I + II + III)	52,119.41	27,184.61
V. Cash and Cash Equivalents at the Beginning of the Year	62,515.16	35,330.56
VI. Cash and Cash Equivalents at the End of the Year (Refer Note 11A)	**1,14,634.57**	**62,515.17**
VII. Reconciliation for Cash and Cash Equivalents		
(a) Cash on Hand	1,14,634.57	62,515.16
(b) Balances with Banks	0.45	0.52
(i) In Current Accounts	3,134.12	5,814.64
(ii) In Deposit Accounts		
Original maturity less than 3 months	1,11,500.00	56,700.00
	1,14,634.57	**62,515.16**
See accompanying notes to the financial statements		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Geetha Suryanarayanan
Partner

Place : Chennai
Date : November 30, 2020

For and on behalf of the Board of Directors
Rising Stars Mobile India Private Limited

Yang Shu Hui
Director

Place : Chennai
Date : November 30, 2020

Liu Chien Liang
Director

Place : Taiwan
Date : November 30, 2020

Ramachandran Kunnath
Company Secretary

Place : Chennai
Date : November 30, 2020

DELOITTE HASKINS & SELLS LLP
CHENNAI-17
CHARTERED ACCOUNTANTS

Rising Stars Mobile India Private Limited
Statement of Changes in Equity for the year ended 31 March 2020
(All amounts in INR Lakhs, except share data or as otherwise stated)

A. Equity share capital (Refer Note 15)

Particulars	Rs.
Balance as at 31 March 2018	**1,29,792.00**
Changes in equity share capital during the year 2018-19	36,802.50
Balance as at 31 March 2019	**1,66,594.50**
Changes in equity share capital during the year 2019-20	71,500.00
Balance as at 31 March 2020	**2,38,094.50**

B. Other Equity

Particulars	Reserves and Surplus		Items of Other Comprehensive Income	Total Rs.
	Retained Earnings Rs.	General Reserve Rs.	Remeasurement of the defined benefit plans	
Balance as at 31 March 2018	**12,484.48**	-	**14.06**	**12,498.54**
Loss for the year 2018-19	(22,153.01)	-	-	(22,153.01)
Other comprehensive income/ (loss) for the year 2018-19	-	-	(39.95)	(39.95)
Income-tax on items in other comprehensive income/ (loss) for the year 2018-19	-	-	13.96	13.96
Total comprehensive income/(loss) for the year 2018-19	(22,153.01)	-	(25.99)	(22,179.00)
Balance as at 31 March 2019	**(9,668.53)**	-	**(11.93)**	**(9,680.46)**
Profit for the year 2019-20	38,971.33	-	-	38,971.33
Other comprehensive income/ (loss) for the year 2019-20	-	-	3.75	3.75
Income-tax on items in other comprehensive income/ (loss) for the year 2019-20	-	-	(1.31)	(1.31)
Total comprehensive income/(loss) for the year 2019-20	38,971.33	-	2.44	38,973.77
Balance as at 31 March 2020	**29,302.80**	-	**(9.49)**	**29,293.31**

See accompanying notes to the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Geetha Suryanarayanan
Partner

Place : Chennai
Date : November 30, 2020

DELOITTE HASKINS & SELLS LLP CHENNAI-17 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
Rising Stars Mobile India Private Limited

Yang Shu Hui
Director

Place : Chennai
Date : November 30, 2020

Liu Chien Liang
Director

Place : Taiwan
Date : November 30, 2020

Ramachandran Kunnath
Company Secretary

Place : Chennai
Date : November 30, 2020

1 Corporate information

Rising Stars Mobile India Private Limited ("the Company") was incorporated on May 1, 2015 with its principal place of business in Andhra Pradesh, India. The Company is in the business of manufacturing mobile phones. The Company operates in Sricity, Andhra Pradesh; Navi Mumbai Maharastra and Sunguvachatram, Tamil Nadu and caters to the domestic mobile market.

2 Significant accounting Policies

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act.
Except for the changes below, the Company has consistently applied accounting policies to all periods.
Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
The standard permits two possible methods of transition:
i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight
ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.
Amendment to Ind AS 12 – Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.
The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.
ii) Amendment to Ind AS 19 – plan amendment, curtailment or settlement: On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.
The amendments require an entity:
• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that this amendment is currently not applicable.

iii) Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 resulting in recognition of right of use assets for an amount of Rs. 8,590.57 Lakhs and measured the lease liabilities at an equal amount as on the date of transition and hence no impact to reserves. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2020.

2.2 Basis of Preparation and Presentation

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

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

2.3 Inventories

Inventories are valued at the lower of cost and net realisable value.

The cost of raw materials, components, consumable stores and spare parts and stock in trade are determined on a weighted average basis.

Cost includes freight, taxes and duties and other charges incurred for bringing the goods to the present location and condition and is net of credit under the cenvat scheme and VAT/GST, where applicable.

The valuation of manufactured finished goods and work-in-progress includes the combined cost of material, labour and manufacturing overheads incurred in bringing the goods to the present location and condition.

Due allowance is estimated and made by the Management for slow moving/ non-moving items and defective items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

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2.4 Cash and Cash Equivalents (for the purpose of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Revenue Recognition

The Company derives revenue primarily from sale of manufactured mobile phones. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances.
Revenues and costs relating to sales contracts are recognized as the related goods are delivered,and titles have passed, at which time all the following conditions are satisfied-:
- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company ; and
- the costs incurred or to be incurred in respect of the transactions can be measured reliably.

'The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Other Claims
Recovery claims are accounted for as and when there is no uncertainty in realizing the same.

Interest Income
Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable. The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form part of an integral part of the effective interest, transaction costs and other premium or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

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2.7 Property, Plant and Equipment ("PPE")

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated.

Cost of Properties includes import duties and non-refundable taxes, professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised seperately, based on the technical assessment of the management.

Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalised, where there is a certainty of deriving future economic benefits from the use of such assets.

Capital Work-in-Progress:

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

Depreciation:

Depreciation on property, plant and equipment is provided on the straight-line method, pro-rata from the month of capitalisation over the period of use of the assets, assessed as below:

Particulars	**Useful Lives**
Plant and Equipments	
- Jigs and Fixtures	1 Year to 2 Years
- Others	3 Years to 10 Years
Furniture and Fittings	5 Years
Office and Other Equipments	5 Years
Data Processing Equipments	3 Years to 5 Years
Leasehold Improvements	Amortised over the primary lease period or estimated useful life, whichever is less

Individual PPE costing less than Rs. 20,000 each are depreciated in the month of purchase considering the type and usage pattern of these assets.

The useful lives mentioned above are different from the useful lives specified for these assets, where applicable, as per Schedule II of the Companies Act, 2013. The useful lives followed in respect of these assets are based on Management's assessment, based on technical advice, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is accelerated on Property, Plant and Equipment, based on their condition, usability, etc. as per the technical estimates of the Management, where necessary.

Derecognition of Property, Plant and Equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

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2.8 Foreign Currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise, except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

2.9 Government Grants and Export Benefits

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in the Statement of Profit and Loss in the period in which they became receivable.

The benefit of a government loan at a below-market rate interest is treated as a government grant, measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

Export benefits in the nature of duty drawback are recognised in the Statement of Profit and Loss in the year of exports based on eligibility/expected eligibility duly considering the entitlements as per the policy, industry specific developments, interpretations arising out of judicial/regulatory proceedings where applicable, management assessment etc. and when there is no uncertainty in receiving the same.

Export benefits in the nature of Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy are recognised in the Statement of Profit and Loss when there is no uncertainty in receiving / utilizing the same, taking into consideration the prevailing regulations.

Adjustments, if any, to the amounts recognised in accordance with the accounting policy, based on final determination by the authorities, are dealt with appropriately in the year of final determination and acceptance.

2.10 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

2.11 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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Classification of financial assets:

Financial instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Changes in the carrying amount of FVTOCI monetary financial assets relating to changes in foreign currency rates are recognised in profit or loss. Other changes in the carrying amount of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed off or is determined to be impaired, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amotised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occuring as the weights. Credit loss 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 Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within the 12 months after reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measures the loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in risk of default occuring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the date of initial recognition.

For trade receivables or any contractual right to receive cash or other financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

• it has been incurred principally for the purpose of repurchasing it in the near term; or

• on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

• such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

• the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on amortised cost of the instruments and are recognised in the Statement of Profit and Loss.

The fair value of the financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses recognised in the Statement of profit and Loss.

Decreognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised the Statement of Profit and Loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off amounts and it indents either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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2.13 Employee Benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

2.14 Leases

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

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

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

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

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

Transition:

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 resulting in recognition of right of use assets for an amount of Rs. 8,590.57 Lakhs and measured the lease liabilities at an equal amount as on the date of transition and hence no impact to reserves. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2020.

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2.15 Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 Taxation

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable 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. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year :

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.

MAT Credit:
Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

2.17 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.18 Provisions and Contingencies

Provisions are recognized when the Company has a present obligation (legal/ constructiive) as a result of 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. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognsied as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Contingent Liability:
Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

2.19 Segment Reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

2.20 Goods and Services Tax Input Credit

Goods and Services tax input credit is accounted for in the books during the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.21 Insurance Claims

Insurance claims are accrued for on the basis of claims admitted and to the extent there is no uncertainty in receiving the claims.

3 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the Directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment (Refer Note 2.7)
- Provision for taxation (Refer Note 2.16)
- Fair value of financial assets and financial liabilities (Refer Notes 2.11 and 2.12)
- Provision for inventory obsolescence (Refer Note 2.3)

Determination of functional currency:

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (INR) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (INR).

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Note 5A Property, Plant and Equipment

I.Current Year

Property, Plant and Equipment - Owned/ Acquired	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 April 2019 Rs.	Additions Rs.	Disposals/ Adjustments Rs.	Balance as at 31 March 2020 Rs.	Balance as at 1 April 2019 Rs.	Depreciation Expense for the Year Rs.	Elimination on Disposal/ Adjustments of Assets Rs.	Balance as at 31 March 2020 Rs.	Balance as at 31 March 2020 Rs.	Balance as at 31 March 2019 Rs.
(a) Plant and Equipment	66,353.08	15,216.14	1,411.98	80,157.24	11,811.62	12,960.25	745.01	24,026.85	56,130.38	54,541.46
(b) Furniture and Fittings	1,378.39	157.65	2.09	1,533.95	646.36	273.00	0.57	918.79	615.16	732.03
(c) Office and Other Equipments	713.97	26.40	7.10	733.27	291.77	136.43	2.50	425.70	307.57	422.20
(d) Data Processing Equipments	7,370.09	815.82	133.97	8,051.94	2,130.73	1,571.07	26.94	3,674.86	4,377.08	5,239.36
(e) Leasehold Improvements	17,306.65	1,424.40	2.01	18,729.03	4,396.45	4,491.23	-	8,887.68	9,841.35	12,910.20
Total	**93,122.18**	**17,640.41**	**1,557.16**	**1,09,205.43**	**19,276.93**	**19,431.98**	**775.03**	**37,933.89**	**71,271.54**	**73,845.25**

II.Previous Year

Property, Plant and Equipment - Owned/ Acquired	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 April 2018 Rs.	Additions Rs.	Disposals/ Adjustments Rs.	Balance as at 31 March 2019 Rs.	Balance as at 1 April 2018 Rs.	Depreciation Expense for the Year Rs.	Elimination on Disposal/ Adjustments of Assets Rs.	Balance as at 31 March 2019 Rs.	Balance as at 31 March 2019 Rs.	Balance as at 31 March 2018 Rs.
(a) Plant and Equipment	24,730.83	41,813.57	191.32	66,353.08	2,439.31	9,517.70	145.39	11,811.62	54,541.46	22,291.52
(b) Furniture and Fittings	1,381.79	-	3.40	1,378.39	409.49	240.27	3.40	646.36	732.03	972.30
(c) Office and Other Equipments	543.70	171.42	1.15	713.97	185.09	107.83	1.15	291.77	422.20	358.61
(d) Data Processing Equipments	4,398.11	2,971.98	-	7,370.09	915.14	1,215.59	-	2,130.73	5,239.36	3,482.97
(e) Leasehold Improvements	11,504.08	5,858.39	55.82	17,306.65	1,962.38	2,434.07	-	4,396.45	12,910.20	9,541.70
Total	**42,558.51**	**50,815.36**	**251.69**	**93,122.18**	**5,911.41**	**13,515.46**	**149.94**	**19,276.93**	**73,845.25**	**36,647.10**

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5B Right of Use Assets

Description of Assets	Buildings	Total
I - Gross carrying value		
As at April 01, 2019 (Refer Note 34)	-	-
Additions	8,590.57	8,590.57
Disposals / Adjustments during the year	(280.02)	(280.02)
As at March 31, 2020	**8,310.56**	**8,310.56**
II. Accumulated depreciation and impairment		
As at April 01, 2019	-	-
Charge for the year	3,122.44	3,122.44
Disposals / Adjustments during the year	(126.11)	(126.11)
As at March 31, 2020	**2,996.33**	**2,996.33**
III. Net Carrying Value		
As at 31 March 2020	**5,314.23**	**5,314.23**

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Note 6 Other Financial Assets (Non-Current) (Unsecured, Considered good)

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Security Deposits (at amortised cost)	2,804.55	1,613.88
(b) VAT Incentive Receivable	4,415.57	4,290.25
Less: Provision on VAT Incentive	(1,253.58)	(1,253.58)
	3,161.99	3,036.67
Total	**5,966.54**	**4,650.55**

Note 7 Non-Current Tax Assets

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Advance Tax / Tax deducted at Source (Net of Provisions of Rs. 18,848.49 Lakhs (as at March 2019 Rs. 8,581.37 Lakhs)	7,810.18	17,755.91
Total	**7,810.18**	**17,755.91**

Note 8 Other Non-current assets (Unsecured, Considered good)

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Capital Advances	-	88.90
(b) Prepaid expenses	640.45	688.25
Total	**640.45**	**777.15**

Note 9 Inventories
(At Lower of Cost and Net Realisable Value)

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Raw Materials and Components	1,43,812.56	2,27,848.62
(b) Stock-in-transit (Raw Materials)	35,305.35	18,666.06
(c) Work-in-Progress	20,919.36	32,721.56
(d) Finished Goods	18,941.58	30,403.62
Total	**2,18,978.85**	**3,09,639.86**

Note 10 Trade Receivables

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Secured, Considered Good	-	-
(b) Unsecured, Considered Good	3,76,892.97	3,59,304.81
	3,76,892.97	3,59,304.81
Expected Credit Loss Allowance (Refer Note 10.4 below)		-
Total	**3,76,892.97**	**3,59,304.81**

10.1 The average credit period on sales of goods is 90 days. No interest is charged on the trade receivables for the first 90 days from the date of the invoice. Thereafter, interest is charged at 10% per annum on the outstanding balance.

10.2 Of the trade receivables balance as at March 31, 2020 Rs. 3,76,889.50 (as at March 31, 2019 Rs. 3,59,304.81) is due from major customers. There are no other customers who represent more than 5% of the total balance of trade receivables.

10.3 Ageing of Trade Receivables:

	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
Within the credit period	3,27,274.57	3,46,918.28
1 - 30 days past due	23,968.85	11,135.81
31 - 60 days past due	5,942.29	987.20
61 - 90 days past due	4,591.96	129.83
More than 90 days past due	15,115.31	133.69
Total	**3,76,892.97**	**3,59,304.81**

10.4 Based on the historical credit loss experience adjusted for forward-looking information, no allowance for expected credit loss in respect of Trade Receivables is considered necessary as at March 31, 2020 and March 31, 2019.

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Note 11 Cash and Cash Equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Cash on Hand	0.45	0.52
(b) Balances with Banks		
(i) In Current Accounts	3,134.12	5,814.64
(ii) In Deposit Accounts		
Original maturity less than 3 months	1,11,500.00	56,700.00
Total	**1,14,634.57**	**62,515.16**

Note 12 Loans (Current Financial Assets)

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(i) Loans to Related Parties (Refer Note 33.2)	1,500.00	800.00
(ii) Advances to employees (unsecured, considered good)	63.30	46.74
Total	**1,563.30**	**846.74**

Note 13 Other Financial Assets (Current) (Unsecured, Considered good)

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Interest accrued on loans given to related parties	121.12	51.60
(b) Security deposits	576.64	523.54
(c) Interest accrued, but not due on Fixed Deposits with banks	69.70	35.54
(d) Other Receivables	376.86	299.54
Total	**1,144.31**	**910.21**

Note 14 Other Current Assets

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Balances Receivable from Government Authorities		
(i) Input Tax Credit (GST)	45,597.07	41,131.14
(ii) GST Refund Receivable	708.55	6,349.20
(iii) Deposit with Custom Authorities	670.56	-
	46,976.19	47,480.34
(b) Advance to Suppliers	1,655.66	383.05
(c) Prepaid expenses	73.05	534.84
Total	**48,704.90**	**48,398.23**

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Note 15 Share Capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	Rs.	Number of shares	Rs.
(a) **Authorised**				
Equity shares of Rs. 100 each, with voting rights	23,98,10,000	2,39,810.00	16,68,10,000	1,66,810.00
(b) **Issued, Subscribed and Fully Paid Up**				
Equity shares of Rs. 100 each, with voting rights	23,80,94,498	2,38,094.50	16,65,94,499	1,66,594.50
Total		**2,38,094.50**		**1,66,594.50**

Notes:
15.1 Reconciliation of the Number of Shares and Amount Outstanding at the Beginning and at the End of the Reporting Period:

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Number of shares	Rs.	Number of shares	Rs.
Shares outstanding as at the beginning of the year	16,65,94,499	1,66,594.50	12,97,91,999	1,29,792.00
Add: Fresh issue of shares during the year	7,14,99,999	71,500.00	3,68,02,500	36,802.50
Less: Buy-back of shares during the year	-	-	-	-
Shares outstanding as at the end of the year	23,80,94,498	2,38,094.50	16,65,94,499	1,66,594.50

15.2 Details of Shares held by Holding Company

Particulars	As at 31 March 2020		As at 31 March 2019	
Equity Shares with voting rights	Number of Equity Shares	% Holding in that Class of Shares	Number of Equity Shares	% Holding in that Class of Shares
Wonderful Stars Pte Ltd, the holding Company	23,80,30,878	99.97%	16,65,30,882	99.96%
Aptech Electronics Pte Ltd	63,620	0.03%	63,617	0.04%

15.3 Details of Shares held by each Shareholder Holding more than 5% Shares in the Company:

Class of Shares / Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	Number of Shares held	% Holding in that Class of Shares	Number of Shares held	% Holding in that Class of Shares
Equity Shares with voting rights				
Wonderful Stars Pte Ltd, the holding Company	23,80,30,878	99.97%	16,65,30,882	99.96%

15.4 Disclosure of Rights

The Company has only one class of equity shares having a par value of Rs. 100 each. Each holder is entitled to one vote per equity share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Componay, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Note 16 Provisions (Non-Current)

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Provision for employee benefits:		
(i) Provision for Gratuity (Refer Note 31.2)	664.98	454.90
Total	**664.98**	**454.90**

Note 17 Other Non-Current Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) 'Deferred Rent (Refer Note 34)	-	204.79
Total	**-**	**204.79**

Note 18 Borrowings (Current financial liabilities)

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
Buyer's Credit	-	1,06,620.12
Total	**-**	**1,06,620.12**

18.1 Details of Working Capital Facilities from Banks - Unsecured

(a) Amounts repayable to respective banks. Interest of 2.50% - 3.50% per annum is charged on the outstanding loan balances

(b) Working capital facilities from Banks includes the proceeds received by the Company through buyers credit. Principal and Interest is repaid by the Company on due date. The tenor of the loan varies 30 Days to a maximum of 90 Days.

Note 19 Trade Payables

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
Trade Payables:		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 30.2)	122.80	76.56
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,58,626.44	5,77,506.08
Total	**5,58,749.24**	**5,77,582.64**

19.1 The average credit period on purchases of goods is 90 days. No interest is charged on overdues. The Company has policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Note 20 Other Financial Liabilities (Current)

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Payable on Purchase of Property,Plant and Equipment	2,737.25	3,935.67
(b) Deposits Received from Customers/Others	201.20	193.70
(c) Interest accrued and not due on Borrowings	-	202.27
(d) Other Derivative Liabilities	-	6,774.15
Total	**2,938.44**	**11,105.79**

Note 21 Provisions (Current)

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Provision for Employee Benefits:		
Provision for Gratuity (Refer Note 31.2)	36.14	3.55
Provision for Compensated Absences (Refer Note 31.2)	799.31	349.15
Total	**835.45**	**352.70**

Note 22 Other Current Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(a) Deferred Rent (Refer Note 34)	-	87.00
(b) Advance from Customers	3.28	48.11
(c) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, Excise Duty, VAT, Service Tax, GST etc.)	20,619.91	21,281.47
Total	**20,623.19**	**21,416.58**

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Note 23 Revenue from Operations

	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
		Rs.	Rs.
(a)	Sale of Products -Mobile Phones	26,39,221.91	34,27,436.64
(b)	Other Operating Revenues (Refer Note (i) below)	24,333.93	7,102.25
	Total	**26,63,555.84**	**34,34,538.89**

Note	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
		Rs.	Rs.
(i)	**Other Operating Revenues:**		
	Sale of Raw Materials	21,998.63	4,998.04
	Sale of Scrap	1,884.41	1,872.96
	Insurance claim	101.00	-
	Income from Development and Support Services	306.71	220.90
	Merchandise Export from India Scheme	43.18	10.35
	Total - Other Operating Revenues	**24,333.94**	**7,102.25**

23.1 Disaggregated revenue information:
Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, the Company has identified only one segment as reportable segment. (Refer Note 32)

23.2 Trade Receivables and Contract Balances
The Company classifies the right to consideration in exchange for deliverables as a trade receivable. A receivable is a right to consideration that is unconditional upon passage of time. In case of customers where the credit is allowed, the same is disclosed in Note 10 - Trade Receivables.

23.3 Transaction price allocated to the remaining performance obligation:
Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

23.4 Information about major customers :
Customers from whom the revenue is more than 10 % of the revenue from external customers of the company are as follows:

Name of the Customers	For the year ended 31 March 2020	For the year ended 31 March 2019
Customer A	23,50,149.21	30,09,465.41
Customer B	1,50,988.69	4,09,023.22
Others*	1,38,084.01	8,948.02
Total	**26,39,221.91**	**34,27,436.64**

* The Company has no other customers from whom the revenue is more than 10 % of the revenue from external customers of the company.

Note 24 Other Income

	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
		Rs.	Rs.
(a)	Interest Income (Refer Note (i) below)	3,372.56	4,698.42
(b)	Profit on termination of leases	4.26	- -
	Total	**3,376.82**	**4,698.42**

Note	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
		Rs.	Rs.
(i)	Interest Income Comprises:		
	From Banks - Fixed Deposits	3,104.83	4,400.17
	Security Deposits carried at amortised cost	130.64	248.93
	Others	137.09	49.32
	Total - Interest income	**3,372.56**	**4,698.42**

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Rising Stars Mobile India Private Limited

Notes to the financial statements for the year ended 31 March 2020
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Note 25 Cost of Materials Consumed

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	Rs.	Rs.
(a) Opening Stock	2,46,514.68	2,85,713.50
(b) Add: Purchases	23,99,149.18	32,57,183.88
	26,45,663.86	**35,42,897.38**
(c) Less: Closing Stock (Refer Note 9 (a))	1,79,117.91	2,46,514.68
Cost of Materials Consumed	**24,66,545.95**	**32,96,382.70**

Note 26 Changes in Inventories of Finished Goods and Work-in-progress

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	Rs.	Rs.
(a) Inventories at the End of the Year: (Refer Note 9)		
Finished Goods	18,941.58	30,403.62
Work-in-progress	20,919.36	32,721.56
	39,860.94	**63,125.18**
(b)Inventories at the Beginning of the Year:		
Finished Goods	30,403.62	13,385.98
Work-in-progress	32,721.56	20,138.71
	63,125.18	**33,524.69**
Net Decrease / (Increase)	**23,264.24**	**(29,600.49)**

Note 27 Employee Benefits Expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	Rs.	Rs.
(a) Salaries, Wages and Bonus	16,274.59	17,254.55
(b) Contributions to Provident and Other Funds (Refer Note 31.1)	938.11	704.64
(c) Gratuity Expenses (Refer Note 31.2)	273.44	226.98
(d) Staff Welfare Expenses	10,089.27	11,110.45
Total	**27,575.41**	**29,296.62**

Note 28 Finance Costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings	1,981.04	5,792.81
(ii) Lease Liabilities	546.64	-
(iii) Others	284.88	463.20
Total	**2,812.56**	**6,256.01**

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Rising Stars Mobile India Private Limited
Notes to the financial statements for the year ended 31 March 2020
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Note 29 Other Expenses

	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
		Rs.	Rs.
(a)	Consumption of Stores and Spare Parts	4,903.35	3,905.84
(b)	Consumption of packing materials	626.84	636.06
(c)	Power and Fuel	4,063.48	3,985.75
(d)	Rent including Lease Rentals (Refer Note 34)	1,451.25	4,534.08
(e)	Repairs and Maintenance - Buildings	374.72	314.93
	- Machinery	3,337.50	2,894.43
	- Others	1,889.78	1,560.68
(f)	Insurance	615.89	482.65
(g)	Chemical charges	465.91	458.79
(h)	Rates and Taxes	21.98	506.30
(i)	Communication	145.30	193.95
(j)	Travelling and Conveyance	5,638.20	6,127.90
(k)	Printing and Stationery	132.06	189.10
(l)	Royalty	49.33	11,467.76
(m)	Business Promotion Expenses	25.56	48.86
(n)	Contract Charges	25,909.55	25,969.53
(o)	Legal and Professional Charges	366.00	251.42
(p)	Payments to Auditors (Refer Note (ii) below)	39.50	37.50
(q)	Loss on Property,plant and equipment Sold / Scrapped / Written Off (Net)	369.53	1,032.77
(r)	Membership Subscription	179.15	115.65
(s)	Water	249.22	250.83
(t)	Testing and Processing Charges	504.78	556.36
(u)	Loss on Foreign Currency Transactions and Translation (Net)	23,234.86	72,056.74
(v)	Bank charges	655.44	4,831.07
(w)	Security Charges	1,362.87	1,476.90
(x)	Provision for VAT Incentive	-	125.32
(Y)	Donation	0.50	30.00
(aa)	Miscellaneous Expenses	230.34	344.24
	Total	**76,842.60**	**1,44,385.41**

Notes:

	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
		Rs.	Rs.
(i)	Payments to Auditors Comprises (net of tax input credit):		
	To Statutory Auditors		
	For Statutory Audit	20.00	20.00
	For Tax Audit	3.00	3.00
	For Group Reporting	12.50	12.50
	For Other Services	4.00	2.00
	Total	**39.50**	**37.50**

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Rising Stars Mobile India Private Limited
Notes to the financial statements for the year ended 31 March 2020
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Note 30 Additional information to the financial statements for the year ended 31 March 2020

Note	Particulars	As at 31 March 2020	As at 31 March 2019
		Rs.	Rs.
30.1	**Commitments**		
	(a) Estimated Amount of Contracts Remaining to be Executed on Capital Account and Not Provided for		
	- Tangible Assets	7,717.05	3,021.68
	Contingent Liability		
	(a) Claims against the Company not acknowledged as debt (Refer Note 1 below):		
	- Customs Act (Paid Rs. 670.56 Lakhs under protest (Previous Year : Rs. NIL)	12,254.68	-

Note 1:
The Company is contesting the demands raised by the authorities, and the management, including its tax advisors, believe that its position is likely to be upheld in the appeal process and ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

30.2 Disclosures Required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	120.90	76.43
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1.90	0.13
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	1.90	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	1.90	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

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31 Employee Benefits

31.1 Defined Contribution Plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 938.11 lakhs (Year ended 31 March, 2019 Rs. 704.64 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Company's (employer's) contribution to Defined Contribution Plans recognised as expenses in the Statement of Profit and Loss are:

Particulars	For the year ended 31 March 2020 Rs.	For the year ended 31 March 2019 Rs.
Employer's Contribution to Provident Fund and Employee State Insurance	938.11	704.64
Total	**938.11**	**704.64**

31.2 Defined Benefit Plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2020 by an independent member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(a) Amount recognised in the total comprehensive income in respect of the defined benefit plan are as follows :

Particulars	For the year ended 31 March 2020 Rs.	For the year ended 31 March 2019 Rs.
Gratuity:		
Service Cost		
- Current Service Cost	238.14	212.23
- Interest expense on Defined Benefit Obligation	35.30	14.75
- Interest income on plan assets	-	-
Components of defined benefit costs recognised in profit or loss (A)	**273.44**	**226.98**
Remeasurement on the net defined benefit liability :		
Actuarial loss arising from changes in financial assumptions	(68.83)	114.38
Actuarial (gains) arising from experience adjustments	65.07	(74.43)
Components of defined benefit costs recognised in other comprehensive income (B)	**(3.76)**	**39.95**
Total (A) + (B)	**269.68**	**266.93**

(i) The current service cost and interest expense for the year are included in the "Employee Benefit Expenses" line item in the statement of profit & loss under contribution to provident and other funds.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

Particulars	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Net Asset/(Liability) recognised in the Balance Sheet:		
Gratuity:		
Present value of defined benefit obligation	701.12	458.44
Fair value of plan assets	-	-
Deficit/ (Surplus)	**701.12**	**458.44**
Current portion of the above	36.14	3.55
Non current portion of the above	664.98	454.89

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(c) Movement in the present value of the defined benefit obligation are as follows :

Particulars	For the year ended 31 March 2020 Rs.	For the year ended 31 March 2019 Rs.
Change in the obligation during the year:		
Gratuity:		
Present value of defined benefit obligation at the beginning of the year	458.44	191.51
Expenses Recognised in the Statement of Profit and Loss:		
- Current Service Cost	238.14	212.23
- Interest Expense (Income)	35.30	14.75
Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Financial Assumptions	(68.83)	114.38
ii. Experience Adjustments	65.07	(74.43)
Benefit payments	(27.01)	-
Present value of defined benefit obligation at the end of the year	**701.11**	**458.44**

(d) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Gratuity:		
Discount rate	7.00%	7.70%
Expected rate of salary increase	12.50%	15.00%
Expected return on plan assets	-	-
Withdrawal Rate	22.00%	22.00%
Mortality	IALM (2012-14)	IALM (2006-08)

(e) Experience Adjustments on Present Value of Benefit Obligation and Plan Assets

Particulars	For the Period Ended		
	31-Mar-18	31-Mar-19	31-Mar-20
(Gain)/Loss on Plan Liabilities	-104.46	-74.43	65.07
% of Opening Plan Liabilities	-103.87%	-38.86%	14.20%
Gain/(Loss) on Plan Assets	-	-	-
% of Opening Plan Assets	0.00%	0.00%	0.00%

(f) Significant actuarial assumptions for the determination of defined obligation are discount rate, expected salary increase rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes for a 100 bais points of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant :

In respect of Gratuity:

Particulars	Defined Benefit Obligation (2019-20)	Defined Benefit Obligation (2018-19)
Under Base Scenario	701.11	458.44
Salary Escalation (Up by 1%)	744.38	490.31
Salary Escalation (Down by 1%)	661.05	429.00
Withdrawal Rates (Up by 1%)	680.60	438.90
Withdrawal Rates (Down by 1%)	722.98	479.44
Discount Rates (Up by 1%)	662.46	429.13
Discount Rates (Down by 1%)	743.85	491.07

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit (PUC) method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

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31.3 Compensated Absences

The key assumptions used in the computation of provision for compensated absences as per the actuarial valuation done by an Independent Actuary are as given below:

Particulars	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Assumptions		
Discount Rate	7.00%	7.70%
Future Salary Increase	12.50%	15.00%
Attrition Rate	22.00%	22.00%

32 Segment Reporting

(a) **Operating Segments:**
The Company operates in only one operating segment, the business of manufacturing of mobile phones. All assets, liabilities, revenue and expenses are related to their one-segment activities.

Geographical Segments:

Particulars	For the year ended 31 March 2020 Rs.	For the year ended 31 March 2019 Rs.
Revenue from operations by market		
- India	26,62,715.44	34,30,158.26
- Others	840.41	4,380.63
Total	**26,63,555.84**	**34,34,538.89**
Segment Assets		
- India	8,37,309.03	8,62,619.81
- Others	17,196.04	2,750.29
Total	**8,54,505.07**	**8,65,370.10**
Capital Expenditure		
- India	20,545.85	57,843.03
- Others	-	-
Total	**20,545.85**	**57,843.03**

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33 Disclosure in respect of Related Parties pursuant to Indian Accounting Standard 24

33.1 Names of Related Parties and Nature of Relationship

Description of Relationship	2019-2020	2018-2019
Ultimate Holding Company	FIH Mobile Limited	FIH Mobile Limited
Immediate Holding Company	Wonderful Stars Pte Limited Aptech Electronics Pte Ltd	Wonderful Stars Pte Limited Aptech Electronics Pte Ltd
Fellow Subsidiaries (in respect of which the Company had transactions during the year)	Best Ever Industries Limited Competition Team Technologies Limited FIH (Hong Kong) Limited FIH India Developer Private Limited FIH India Private Limited FIH Precision Electronics (Langfang) Co, Ltd. Futaijing Precision Electronics (Beijing) Co. Ltd. Great Promote Limted Shih Hua Technology Ltd. Foxconn Technology Co Ltd 1St Special Material InternationalHoldings LTD Guizhou FIH Precision Electronics INNOLUX CORPORATION JUSDA INDIA SUPPLY CHAIN MANAGEMENT Sharp Business Systems India FITIPOWER INTEGRATED TECHNOLOGY INC. Cheng Uei Precision Industry Co.,Ltd Garuda International Limited Pan-International Industrial Co. Futaihua Industrial (Shenzhen) Co., Ltd. Fushan Technology (Vietnam) Limited Liability Company FIH Singapore Trading PTE Ltd View Great Limited TNS Mobile India Pvt Ltd Fortunebay Technology Pte.Ltd. Foxconn Interconnect Technology Singapore Pte Ltd Foxconn Technology India Pvt Ltd Foxteq Services India Pvt Ltd Garuda International Limited Great Promote Limted Guizhou Fih Precision Electronics Ur Materials Industry (Shenzhen) Co Ltd Innocom Electronics India Private Limited	Best Ever Industries Limited Competition Team Technologies Limited FIH (Hong Kong) Limited FIH India Developer Private Limited FIH India Private Limited FIH Precision Components (Beijing) Co, Ltd. FIH Precision Electronics (Langfang) Co, Ltd. Foxconn Interconnect Technology Singapore Pte Ltd. Fu Gui Kang Precision Electronics (Guizhou) Co. Ltd Futaijing Precision Electronics (Beijing) Co. Ltd. Hong Fu Jin Precision Industry (Shenzen) Co, Ltd. Hong Fu Jin Precision Electronics (Zhengzhou) Co., Ltd. Great Promote Limted Shih Hua Technology Ltd. Foxconn Technology Co Ltd 1St Special Material InternationalHoldings LTD Guizhou FIH Precision Electronics INNOLUX CORPORATION JUSDA INDIA SUPPLY CHAIN MANAGEMENT Sharp Business Systems India FITIPOWER INTEGRATED TECHNOLOGY INC. Cheng Uei Precision Industry Co.,Ltd Garuda International Limited Pan-International Industrial Co. Futaihua Industrial (Shenzhen) Co., Ltd. Fushan Technology (Vietnam) Limited Liability Company FIH Singapore Trading PTE Ltd Sharp Hongkong Ltd. View Great Limited TNS Mobile India Pvt Ltd
Key Management Personnel	Yang Shu Hui (Director) Liu Chien Liang (Director)	Yang Shu Hui (Director) Liu Chien Liang (Director)

Note:
Related party relationships are as identified by the Management and relied upon by the auditors.

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33 Disclosure in respect of related parties pursuant to Indian Accounting Standard 24 (Contd.)

33.2 Transactions with the related parties

Particulars	Related party	2019-20 Rs.	2018-19 Rs.
Income			
Interest Income	FIH India Developer Pvt Ltd	121.12	36.16
Reimbursement of Expense received	FIH India Developer Pvt Ltd	-	192.96
Sales	FIH (Hong Kong) Limited	319.60	583.24
	Futaijing Precision Electronics (Beijing) Co Ltd	78.50	1,869.85
	Great Promote Limited	20,677.25	552.65
	Foxconn Interconnect Technology Singapore Pte Ltd	21.38	-
	Innocom Electronics India Private Limited	1.57	-
	Foxconn Technology India Private Limited	2.72	-
	Cheng Uei Precision Industry Co.,Ltd	17.71	-
	Guizhou Fih Precision Electronics Co.Ltd	182.08	84.98
Expenses (gross of withholding tax wherever applicable)			
Purchase / (Purchase Returns) of Raw Materials (including stores and consumables)	1St Special Material InternationalHoldings LTD	15.23	142.99
	Best Ever Industries Limited	731.12	1,022.02
	FIH (Hong Kong) Limited	24,105.69	66,877.64
	Foxconn Interconnect Technology Singapore Pte Ltd	287.41	2,674.76
	Foxconn Technology Co Ltd	13.02	222.07
	Futaijing Precision Electronics (Beijing) Co Ltd	-	7.15
	Garuda International Limited	74.17	2,249.07
	FIH Precision Electronics (Langfang) Limited	-	384.14
	Great Promote Limited	6,215.31	79,144.56
	Shih Hua Technology Ltd.	-	1,255.03
	PAN-INTERNATIONAL INDUSTRIAL CORP	552.39	33.89
	INNOLUX CORPORATION	746.08	1,259.13
	FITIPOWER INTEGRATED TECHNOLOGY INC.	0.71	10.65
	Futaihua Industrial (Shenzhen) Co., Ltd.	-	8.53
	FIH SINGAPORE TRADING PTE LTD	-	114.52
	GUIZHOU FIH PRECISION ELECTRONICSCO.LTD	-	0.42
	VIEW GREAT LIMITED	2,580.36	4,669.89
	SHARP HONG KONG LIMITED	-	4,068.04
	Cheng Uei Precision Industry Co.,Ltd	-	1,564.06
	SHIH HUA TECHNOLOGY LTD.	85.12	-
	UR MATERIALS INDUSTRY (SHENZHEN)	149.25	-
	FORTUNEBAY TECHNOLOGY PTE.LTD.	6,803.74	-
Rent	FIH India Developer Pvt Ltd	1,465.20	1,584.36
Reimbursement of expense paid	FIH India Developer Pvt Ltd	3,328.78	3,110.60
	FIH India Private Limited	2.62	5.77
Other Expenses	JUSDA INDIA SUPPLY CHAIN MANAGEMENT	2,743.06	6,447.19
	1St Special Material International	7.81	-
	FIH (Hong Kong) Limited	269.78	-
	FIH Precision Electronics (Langfang) Limited	185.94	-
	Foxconn Technology India Pvt Ltd	193.18	-
	Foxconn Technology Co Ltd	1.60	
	GREAT PROMOTE LIMITED	113.75	-
	GUIZHOU FIH PRECISION ELECTRONICS	3.81	-
	INNOLUX CORPORATION	861.67	-
	Sharp Business Systems India	42.86	-
	SHIH HUA TECHNOLOGY LTD.	3.39	-
Key Management Personnel			
	Liu Chien Liang (Director)	18.00	18.00
Others			
Purchase/(Purchase Returns) of Capital Goods	Competition Team Technology (India) Pvt Ltd	-	1.27
	FIH (Hong Kong) Limited	1,459.02	21.07
	FIH India Developer Pvt Ltd	11.81	-
	FIH Precision Electronics (Langfang) Limited	385.87	2,325.17
	FOXTEQ SERVICES INDIA PVT.LTD.	1.77	-
	FUSHAN TECHNOLOGY (VIETNAM)	47.80	
	Guizhou FIH Precision Electronics	788.79	28.97
	Great Promote Limited	1,365.34	580.84
	Hong Fu Jin Precision Industry (Shenzen) Co., ltd	-	69.28
	FUTAIJING PRECISION ELECTRONICS	51.42	48.18
	JUSDA INDIA SUPPLY CHAIN MANAGEMENT	-	67.97
	Sharp Business Systems India	-	20.44
	TNS Mobile India Pvt Ltd	-	396.80
Allotment of Shares	Wonderful Stars Pte Limited	71,500.00	36,802.29
	Aptech Electronics Pte Limited	0.30	0.21

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33 Disclosure in respect of related parties pursuant to Indian Accounting Standard 24 (Contd.)

33.2 Transactions with the related parties

Particulars	Related party	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Receivables (including contractually reimbursable expenses)	FIH India Developer Private Ltd	-	707.71
	Futaijing Precision Electronics (Beijing) Co., ltd	9.44	1,784.62
	GREAT PROMOTE LIMITED	18,372.09	277.94
	FIH (HONG KONG) LTD	65.46	568.44
	GUI ZHOU FIH PRECISION ELECTRONIC CO LTD	4.20	56.37
	Innocom Electronics India Private Limited	8.72	-
	BEST EVER INDUSTRIES LIMITED	-	0.47
	Foxconn Hon Hai Technology	44.00	
	FOXCONN TECHNOLOGY (INDIA) PVT LTD	2.69	
Short Term Loan	FIH India Developer Private Ltd	1,500.00	800.00
Lease Deposits	FIH India Developer Private Ltd	678.70	703.95
Accrued Interest on Loan	FIH India Developer Private Ltd	160.61	-
Liabilities as at Year End			
Payables (net of TDS wherever applicable)	FIH (HONG KONG) LTD	2,528.02	17,023.04
	FIH Precision Electronics (Langfang) Limited	13.80	129.53
	Hongfujin Precision Electronics (Zhenghou) co ltd	4.94	-
	FIH India Private Limited	2.67	0.50
	FIH India Developer Private Ltd	869.86	344.65
	Best Ever Industries Limited	58.21	-
	Foxconn Interconnect Technology Singapore Pte Ltd.	33.39	68.60
	Foxconn Techncology Co Ltd	1.60	58.10
	Great Promote Limited	10,366.63	37,718.65
	Shih Hua Technology Ltd	32.04	42.40
	1St Special Material International	0.07	1.65
	Fushan Technology (Vietnam)	-	31.51
	FUSHAN TECHNOLOGY (VIETNAM)	4.39	116.67
	Cheng Uei Precision Industry Co Ltd	-	113.68
	Futaihua Industry (Shenzhen)Co.,Ltd	-	5.24
	Garuda International Limited	-	281.46
	Innolux Corporation	0.04	264.87
	Jusda India Supply Chain Management	68.41	293.77
	Pan-International Industrial Corp	292.89	10.53
	Fitipower Integrated Technology Inc.	-	0.54
	View Great Limited	352.48	91.53
	Guizhou Fih Precision Electronics	125.64	9.30
	UR MATERIALS INDUSTRY (SHENZHEN) CO LTD	55.17	-
Payable on Purchase of Property, Plant & Equipment	Hongfujin Precision Electronics (Zhenghou) co ltd	-	4.54
	FIH (HONG KONG) LTD	-	6.55
	GUIZHOU FIH PRECISION ELECTRONICS	-	1,003.31
	GREAT PROMOTE LIMITED	-	-
	Sharp Business Systems India	3.51	2.74

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34 Obligations Towards Operating Leases

The Company has adopted IND AS 116 "Leases" with effect from April 01, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach which resulted in recognition of Right of Use Asset (ROU) and equivalent Lease Liability at Rs. 8,590.57 Lakhs.

A. Break-up of current and non-current lease liabilities :

The following is the break-up of current and non-current lease liabilities as at March 31, 2020:

Particulars	As at March 31, 2020
Current lease liabilities	999.54
Non-current lease liabilities	4,499.59
Total	5,499.13

B. Movement in Lease Liabilities

Particulars	As at March 31, 2020
Balance as on 1st April 2019	-
Additions	8,590.57
Finance costs accrued during the period	546.64
Deletions	(161.43)
Payment of Lease liabilities	(3,476.65)
Total	5,499.13

C. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	As at March 31, 2020
Less than one year	2,297.23
One to five years	2,827.07
More than five years	1,676.19

D. Amounts recognized in statement of profit and loss

Particulars	2019-20
Interest on lease liabilities	546.64
Variable lease payments not included in the lease payment liabilities	-
Income from sub-leasing right of use assets	-
Expenses relating to short- term leases	-
Expenses relating to leases of low- value assets,excluding short term leases of low value assets.	-

35 Earnings per Share

Particulars	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
Profit after Tax - Rs.	38,971.33	(22,153.01)
Weighted average number of Equity Shares	18,74,97,504	14,10,84,821
Earnings per Share - Basic in Rs.	20.78	(15.70)
- Diluted in Rs.	20.78	(15.70)
Face value per Share - in Rs.	100.00	100.00

36 Taxation

36.1 Current Tax

Particulars	For the Year Ended 31 March 2020 Rs.	For the Year Ended 31 March 2019 Rs.
Current Tax:		
Current Income Tax Charge	10,266.21	-
Total	**10,266.21**	**-**
Deferred Tax:		
Difference between book balance and tax balance of property, plant and equipment	(3,257.30)	3,684.03
In respect of current year origination and reversal of temporary differences	4,085.63	(4,333.26)
Provision for compensated absences, gratuity and other employee benefits	(827.67)	(704.93)
Provision for VAT incentive	-	(43.79)
Unabsorbed depreciation and brought forward loss	5,615.82	(5,615.82)
Others	37.35	(259.08)
Reversal of Net DTA restricted to the extent of DTL	(7,553.89)	7,553.89
Reversal/utilisation of MAT Credit	-	887.53
Total	**(1,900.06)**	**1,168.57**
Total tax expense recognised in statement of profit and loss	**8,366.15**	**1,168.57**

36.2 The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Amount Rs.	Tax Amount Rs.	Amount Rs.	Tax Amount Rs.
Profit Before tax from Operations	47,337.48	16,541.61	(20,998.40)	-
Income Tax using the Company's Tax rate at 34.944%				
Tax Effect of :				
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	(21,619.61)	(7,553.89)	-	-
Effect of expenses that are not deductible in determining taxable profit	3,662.82	1,279.79	3,344.11	1,168.57
Adjustment recognised in the current year in relation to the current income tax of prior years	-	-	-	-
Effect of Other Adjustments	-	-	-	-
		10,267.51		**1,168.57**

36.3 Income Tax on Other Comprehensive Income

Particulars	For the Year Ended 31 March 2020 Rs.	For the Year Ended 31 March 2019 Rs.
Deferred Tax:		
Remeasurement of defined benefit obligation	(1.31)	13.96
Total	**(1.31)**	**13.96**

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36.4 **Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet.**

Particulars	For the year ended 31 March 2020 Rs.				
	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT Credit utilsiation/Other adjustments	Closing balance
Tax effect of items constituting deferred tax liabilities:					
Difference between depreciation as per Books of Account and Income Tax Act, 1961	5,534.57	(3,257.30)	-	-	2,277.27
Deferred Tax Liabilities (DTL)	**5,534.57**	**(3,257.30)**	**-**	**-**	**2,277.27**
Tax effect of items constituting deferred tax assets:					
Deferred Rent	101.96	(101.96)	-	-	-
Provision for VAT incentive receivable	438.05	-	-	-	438.05
Provision for Inventory	5,838.53	(4,085.63)	-	-	1,752.89
Employee Benefits	841.73	257.19	(1.13)	-	1,097.80
Provision for Bonus	252.37	570.48	-	-	822.85
Unabsorbed Depreciation and brought forward loss	5,615.82	(5,615.82)	-	-	-
Others - IND AS 116	-	64.61	-	-	64.61
Reversal of net DTA restricted to the extent of DTL	(7,553.89)	7,553.89	-	-	-
Deferred Tax Assets (DTA)	**5,534.57**	**(1,357.24)**	**(1.13)**	**-**	**4,176.20**
Net Deferred Tax Assets	**-**	**(1,900.06)**	**1.13**	**-**	**1,898.93**

Particulars	For the year ended 31 March 2019 Rs.				
	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT credit utilisation	Closing balance
Tax effect of items constituting deferred tax liabilities:					
Difference between depreciation as per Books of Account and Income Tax Act, 1961	1,850.54	3,684.03	-	-	5,534.57
Employee Benefits	6.71	(6.71)	-	-	-
Deferred Tax Liabilities	**1,857.25**	**3,677.32**	**-**	**-**	**5,534.57**
Tax effect of items constituting deferred tax assets:					
Deferred Rent	90.04	11.92			101.96
MAT Credit Entilement	887.53	(887.53)	-	-	-
Provision for VAT incentive receivable	394.26	43.79	-	-	438.05
Provision for Inventory	1,512.11	4,326.41	-	-	5,838.53
Employee Benefits	136.80	704.93	-	-	841.73
Provision for Bonus	-	252.37	-	-	252.37
Unabsorbed Depreciation and brought forward loss	-	5,615.82	-	-	5,615.82
Others	5.08	(5.08)	-	-	-
Deferred Tax Assets	**3,025.82**	**10,062.64**	**-**	**-**	**13,088.46**
Net DTA restricted to the extent of DTL		7,553.89			7,553.89
Net Deferred Tax Asset	**1,168.57**	**1,168.57**	-	-	-

36.5 **International Transactions**

The Company has entered into international transactions with Associated Enterprises. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year ended 31 March 2020.

37 **Corporate Social Responsibility (CSR)**

During the year, the Company has not incurred any amount towards Corporate Social Responsibilty in compliance with Section 135 of the Companies Act, 2013 read with relevant schedules and rules made thereunder.

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38 Financial Instruments

38.1 Capital Management

The Company manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Company determines the amount of capital required on the basis of an annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through equity, internal accruals and short term borrowings.

Gearing Ratio :

Particulars	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Debt (Refer Note18)	-	1,06,620.12
Cash and Cash equivalents (Refer Note 11A)	(1,14,634.57)	(62,515.16)
Net Debt	**(1,14,634.57)**	**44,104.96**
Total Equity (Refer Notes 15)	2,67,387.81	1,56,914.04
Net Debt to equity ratio	**-43%**	**28%**

38.2 Categories of Financial Instruments

Financial Assets:

Particulars	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Measured at amortised cost		
- Security Deposits	3,381.19	2,137.41
- Trade receivables	3,76,892.97	3,59,304.81
- Cash and Cash equivalents	1,14,634.57	62,515.16
- Loans	1,563.30	846.74
- Interest on loan to related parties	121.12	52.60
- Other Receivables	376.86	299.54
- VAT Incentive Receivable	3,161.99	3,036.67
- Interest accrued, but not due on Fixed Deposits with banks	69.70	35.54
Total	**5,00,201.70**	**4,28,228.47**

Financial Liabilities :

Particulars	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Measured at amortised cost		
- Borrowings	-	1,06,620.12
- Trade payables	5,58,749.24	5,77,582.64
- Payable on purchase of Property, Plant & Equipment	2,737.25	3,935.67
- Deposits received from customers/ others	201.20	193.70
- Interest accrued and not due on borrowings	-	202.27
- Other Derivative Liabilities	-	6,774.15
Total	**5,61,687.69**	**6,95,308.55**

38.3 Financial Risk Management Framework:

The Company is exposed to certain financial risks that could have a significant impact on the Company's operational and financial performance. These risks include market risk, credit risk and liquidity risk. The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposure by degree and magnitude of risks. The treasury function reports periodically to the Board of Directors of the Company, who monitors the risks and policies implemented to mitigate the risk exposures and have the overall responsibility to ensure the same.

The Company has not offset financial assets and financial liabilities.

38.4 Market Risk:

The Company's activities exposes it primarily to the financial risk of change in foreign currency exchange rates and interest rates.

38.5 Foreign Currency Risk Management:

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Company follows the principle of nature hedge considering that the foreign currency exposures primarily are on account of import of capital goods/raw materials and export of finished goods. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness/adequacy of the natural hedging principle is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

A. Outstanding as at 31 March 2020

Particulars	Currency	Amount in Foreign Currency (Millions)	Rs. (in Lakhs)
Payables (including Payables on purchase of fixed assets)	EUR	0.04	33.85
	USD	239.58	1,80,564.08
	JPY	-	-
Bank Balance - EEFC	USD	-	-

B. Outstanding as at 31 March 2019

Particulars	Currency	Amount in Foreign Currency (Millions)	Rs. (in Lakhs)
Payables (including Payables on purchase of fixed assets)	EUR	0.07	51.70
	USD	746.50	5,17,184.81
	JPY	37.24	232.74
Bank Balance - EEFC	USD	0.04	26.19

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38.6 Foreign Currency sensitivity analysis :

The Company is mainly exposed to the currencies of USD and EUR

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR Strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

(i) Impact of USD

Particulars	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Impact on Profit or (Loss) for the year and on total equity as at the end of the reporting period		
Increase by 5%	9,028.20	25,857.93
Decrease by 5%	(9,028.20)	(25,857.93)

(ii) Impact of EUR

Particulars	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Impact on Profit or (Loss) for the year and on total equity as at the end of the reporting period		
Increase by 5%	1.69	2.59
Decrease by 5%	(1.69)	(2.59)

(iii) Impact of JPY

Particulars	As at 31 March 2020 Rs.	As at 31 March 2019 Rs.
Impact on Profit or (Loss) for the year and		
Increase by 5%	-	11.64
Decrease by 5%	-	(11.64)

Note :
This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

38.7 Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company. The Company invests its surplus funds in bank fixed deposits which carry minimal mark to market rates.

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 month	1 to 3 months	3 months to 1 Year	Beyond 1 Year	Total
	Rs.				
31 March 2020					
Fixed interest rate instruments:					
Borrowings (Current)	-	-	-	-	-
Non-interest bearing:					
Trade Payable	1,13,845.55	2,21,591.46	3,733.03	2,25,196.17	5,64,366.21
Other Financial liabilities	-	2,938.44	-	-	2,938.44
Total	**1,13,845.55**	**2,24,529.90**	**3,733.03**	**2,25,196.17**	**5,67,304.66**
31 March 2019					
Fixed interest rate instruments:					
Borrowings (Current)	1,06,620.12	-	-	-	1,06,620.12
Non-interest bearing:					
Trade Payable	4,29,230.24	1,20,233.80	19,361.20	17,231.87	5,86,057.11
Other Financial liabilities	10,922.09	2,938.44	159.70	24.00	11,105.79
Total	**5,46,772.45**	**1,23,172.25**	**19,520.90**	**17,255.87**	**7,03,783.02**

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Rising Stars Mobile India Private Limited
Notes to the financial statements for the year ended 31 March 2020
(All amounts in INR Lakhs except share data or as otherwise stated)

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 month	1 to 3 months	3 months to 1 Year	Beyond 1 Year	Total
			Rs.		
31 March 2020					
Non-interest bearing					
Cash in hand	0.45	-	-	-	0.45
Balances with Banks held in Current Accounts	3,134.12	-	-	-	3,134.12
Trade Receivables	3,46,651.46	10,534.25	19,574.25	133.02	3,76,892.97
Loans to Related Parties	-	-	700.00	800.00	1,500.00
Advances to Employees	63.30	-	-	-	63.30
Other Financial Assets	567.67			6,543.18	7,110.85
Fixed interest rate instruments					
Fixed Deposits	-	1,11,500.00	-	-	1,11,500.00
Total	**3,50,416.99**	**1,22,034.25**	**20,274.25**	**7,476.19**	**5,00,201.68**
31 March 2019					
Non-interest bearing					
Cash in hand	0.52	-	-	-	0.52
Balances with Banks held in Current Accounts	5,814.64	-	-	-	5,814.64
Trade Receivables	3,58,054.09	987.20	263.52	-	3,59,304.81
Loans to Related Parties	-	400.00	-	400.00	800.00
Advances to Employees	46.74	-	-	-	46.74
Other Financial Assets	910.21	-	-	4,650.55	5,560.76
Fixed interest rate instruments					
Fixed Deposits	56,700.00	-	-	-	56,700.00
Total	**4,21,526.20**	**1,387.20**	**263.52**	**5,050.55**	**4,28,227.47**

Non-interest rate bearing financial assets disclosed above inludes investments, Trade Receivable, Cash, balances with banks held in current accounts and EEFC accounts, Loans and Other Financial Assets.

Fixed interest rate instruments disclosed above represents balances with banks held in deposit accounts.

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

38.8 Credit Risk:

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company has adopted a policy of only dealing with creditwrothy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. The company uses publicly available flancial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The credit risk on receivables from government agencies/authorities is minimal considering the sovereign nature of the receivables. Similarly, the credit risk on liquid funds in banks is limited considering that the counterparties are banks with high credit ratings and repute.

As per the policy, the Company makes an allowance for doubtful receivables using expected credit loss model on a case to case basis.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

None of the Company's cash equivalents, including deposits with bank, are past due or impaired. Regarrding the trade receivables, other loans and receivables that are neither impaired nor past due, there were no indicators as at 31 March 2020 that defaults in payment obligations will occur.

39 Fair Value Measurement

39.1 Financial assets and financial liabilities that are measured at fair value on a recurring basis
Financial assets and flanancial liabilities measureed at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurements:
*Level 1 - Quoted price in an active market
*Level.2 - Discounted cash flow. Future cash flows are estimated based on forward exchang rates and contract rates, discounted at a rate that reflects the credit risk of various counterparties.

*Level 3 - Discounted cash flow method is used to capture the present value of the expected future economic benefits that will flow to the company.

There have been no transfers between Level 1and Level 2 for the year ended 31 March 2020 and 31 March 2019.

39.2 Financial assets and financial liabilities that are not measured at fair value :

The Management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.

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40 Estimatation uncertainity during COVID-19 outbreak

The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of Trade receivables, Inventories, Other financial assets, Other current assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

41 Approval of Financial Statements

In connection with the preparation of the Financial Statements for the year ended 31 March 2020, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Company and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the standalone financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these standalone Ind AS financial statements in its meeting held on November 30, 2020

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

Yang Shu Hui **Director**	**Liu Chien Liang** **Director**	**Ramachandran Kunnath** **Company Secretary**
Place : Chennai Date : November 30, 2020	Place : Taiwan Date : November 30, 2020	Place : Chennai Date : November 30, 2020

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