# SANKHYASUTRA LABS LIMITED

## FINANCIAL STATEMENTS
## 2023-24

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of SankhyaSutra Labs Limited**
**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of SankhyaSutra Labs Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 ended on that date, and notes to the financial statements, including a summary of material 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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, 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 ("SAs") specified under section 143(10) of the Act. 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, 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.

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

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Company's 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.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 financial controls 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

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

   e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to financial statements.

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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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 on its financial position in its financial statements - Refer Note 29 to the financial statements;
   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
   iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 36(iv) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 36(v) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

   vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

**Shreedhar Ghanekar**
Partner
(Membership No. 210840)
UDIN: 24210840BKFBJS8412

Place: Bengaluru
Date: April 16, 2024

**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 with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of SankhyaSutra Labs Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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 with reference to financial statements 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 with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 with reference to financial statements**

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

**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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements 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)

**Shreedhar Ghanekar**
Partner
(Membership No. 210840)
UDIN: 24210840BKFBJS8412

Place: Bengaluru
Date: April 16, 2024

**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)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties and hence reporting under clause 3(i)(c) of the Order does not arise.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) The Company has made investments in mutual funds (other parties) but has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. In view thereof, reporting under clause 3(iii) (a), (c), (d), (e) and (f) of the Order is not applicable. The investments made during the year are, in our opinion, *prima facie,* not prejudicial to the Company's interest.

(iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:

a. Undisputed statutory dues, including Goods and Services tax, Provident Fund, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company. There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Income-tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes as at March 31, 2024 are given below:

| **Name of the Statute** | **Nature of dues** | **Amount (Rs. In Lakhs)** | **Period to which the amount relates** | **Forum where the dispute is pending** |
|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | 58* | 2016-17 | Commissioner of Income Tax (Appeals) |

* Net of Rs.15 lakhs paid under protest.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3 (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the financial year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable not applicable to the Company.

(xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act 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. The provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.

(xiv) In our opinion and according to the information and explanations provided to us, internal audit system under section 138 of the Companies Act, 2013 is not applicable to the Company. Hence, reporting under clauses 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable.

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

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

**Shreedhar Ghanekar**
Partner
(Membership No. 210840)
UDIN: 24210840BKFBJS8412

Place: Bengaluru
Date: April 16, 2024

**SANKHYASUTRA LABS LIMITED**
**Balance Sheet as at 31st March 2024**

*(Rs. in lakhs)*

| Particulars | Notes | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| Property, Plant and Equipment | **2** | 853 | 1,218 |
| Other Intangible Assets | **2** | 49 | 72 |
| Intangible Assets Under Development | **2** | 8,310 | 6,609 |
| Financial Assets | | | |
| Other Financial Assets | **3** | 2 | 62 |
| Other Non-Current Assets | **4** | 684 | 649 |
| **Total Non-Current Assets** | | **9,898** | **8,610** |
| **Current Assets** | | | |
| Financial Assets | | | |
| Investments | **5** | 36 | 301 |
| Trade Receivables | **6** | - | 4 |
| Cash and Cash Equivalents | **7** | 53 | 67 |
| Financial Assets | | | |
| Other Financial Assets | **8** | 62 | - |
| Other Current Assets | **9** | 4 | 14 |
| **Total Current Assets** | | **155** | **386** |
| **Total Assets** | | **10,053** | **8,996** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity Share Capital | **10** | 11 | 11 |
| Other Equity | **11** | 9,682 | 8,467 |
| **Total Equity** | | **9,693** | **8,478** |
| **LIABILITIES** | | | |
| **Non-Current Liabilities** | | | |
| Provisions | **12** | 84 | 93 |
| Deferred Tax Liabilities (Net) | **13** | 28 | 15 |
| **Total Non-Current Liabilities** | | **112** | **108** |
| **Current Liabilities** | | | |
| **Financial Liabilities** | | | |
| Trade Payables : | **14** | | |
| Total outstanding dues of Micro enterprises and Small Enterprises | | 3 | - |
| Total outstanding dues of creditors other than Micro enterprises and Small Enterprises | | 23 | 75 |
| Other Financial Liabilities | **15** | 133 | 197 |
| Other Current Liabilities | **16** | 78 | 132 |
| Provisions | **17** | 11 | 6 |
| **Total Current Liabilities** | | **248** | **410** |
| **Total Liabilities** | | **360** | **518** |
| **Total Equity and Liabilities** | | **10,053** | **8,996** |
| Material Accounting Policies | **1** | | |
| See accompanying Notes to the Financial Statements | **2 to 38** | | |

As per our report of even date

For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm Reg. No. : 117366W/W-100018

**Shreedhar Ghanekar**
*Partner*
Membership No. : 210840

Date : 16-Apr-2024

For and on behalf of the Board

**Nachiket Urdhwareshe**
Whole -Time Director and Chief Executive Officer
DIN: 00018661

**Sunil Dattatraya Sherlekar**
Whole -Time Director
DIN: 07239016

**Santosh Ansumali**
Director
DIN:07238919

**SANKHYASUTRA LABS LIMITED**
**Statement of Profit and Loss for the year ended 31st March 2024**

*(Rs. in lakhs)*

| Particulars | Notes | 2023-24 | 2022-23 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from Operations | **18** | 80 | 59 |
| Other Income | **19** | 6 | 35 |
| **Total Income** | | **86** | **94** |
| **EXPENSES** | | | |
| Employee Benefits Expense | **20** | 7 | 8 |
| Depreciation and Amortization Expenses | **2** | 29 | 6 |
| Other Expenses | **21** | 24 | 34 |
| **Total Expenses** | | **60** | **48** |
| **Profit before tax** | | **26** | **46** |
| **Tax Expenses** | **22** | | |
| Current Tax | | - | - |
| Deferred Tax | | 13 | 12 |
| **Profit for the Year** | | **13** | **34** |
| **Other Comprehensive Income** | **23** | | |
| Items that will not to be reclassified to the profit or loss | | | |
| Remeasurement of the Net Defined Benefit Liability | | - | - |
| **Total Other Comprehensive Income for the year** | | **-** | **-** |
| **Total Comprehensive Income for the year** | | **13** | **34** |
| Weighted Average no of equity shares outstanding - Basic | | 10,62,571 | 10,62,571 |
| No of equity shares outstanding - Diluted | | 10,64,206 | 10,64,206 |
| Earnings per equity share of face value of Re. 1/- | **24** | | |
| Basic (in Rs.) | | 1.26 | 3.20 |
| Diluted (in Rs.) | | 1.26 | 3.19 |

| | | |
|---|---|---|
| Material Accounting Policies | **1** | |
| See accompanying Notes to the Financial Statem | **2 to 38** | |

As per our report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm Reg. No. : 117366W/W-100018

| | | | |
|---|---|---|---|
| **Shreedhar Ghanekar** | **Nachiket Urdhwareshe** | **Sunil Dattatraya Sherlekar** | **Santosh Ansumali** |
| *Partner* | Whole -Time Director and Chief Executive Officer | Whole -Time Director | Director |
| Membership No. : 210840 | DIN: 00018661 | DIN: 07239016 | DIN:07238919 |

Date : 16-Apr-2024

**SANKHYASUTRA LABS LIMITED**
**Statement of changes in equity for the year ended 31st March 2024**

**A. EQUITY SHARE CAPITAL** *(Rs. in lakhs)*

| Particulars | Balance as at 1st April 2022 | Changes during the year 2022-23 | Balance as at 31st March 2023 | Change during the year 2023-24 | Balance as at 31st March 2024 |
|---|---|---|---|---|---|
| Equity Shares | 11 | - | 11 | - | 11 |
| **Total** | **11** | **-** | **11** | **-** | **11** |

**B. OTHER EQUITY**
**For the year ended 31st March 2024** *(Rs. in lakhs)*

| Particulars | Securities Premium | Share Based Payments Reserve | Retained Earnings | Total |
|---|---|---|---|---|
| **Opening Balance** | 8,494 | 26 | (53) | 8,467 |
| Profit / (Loss) for the year | - | - | 13 | 13 |
| Addition on account of Grant of ESOP Options | | - | - | - |
| Calling up of partly paid up equity shares | 1,202 | - | - | 1,202 |
| **Closing Balance** | **9,696** | **26** | **(40)** | **9,682** |

**For the year ended 31st March 2023** *(Rs. in lakhs)*

| Particulars | Securities Premium | Share Based Payments Reserve | Retained Earnings | Total |
|---|---|---|---|---|
| **Opening Balance** | 6,996 | 60 | (87) | 6,969 |
| Profit / (Loss) for the year | - | - | 34 | 34 |
| Addition on account of Grant of ESOP Options | - | (34) | - | (34) |
| Calling up of partly paid up equity shares | 1,498 | | - | 1,498 |
| **Closing Balance** | **8,494** | **26** | **(53)** | **8,467** |

As per our report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm Reg. No. : 117366W/W-100018

| | | | |
|---|---|---|---|
| **Shreedhar Ghanekar** | **Nachiket Urdhwareshe** | **Sunil Dattatraya Sherlekar** | **Santosh Ansumali** |
| *Partner* | Whole -Time Director and Chief Executive Officer | Whole -Time Director | Director |
| Membership No. : 210840 | DIN: 00018661 | DIN: 07239016 | DIN:07238919 |

Date : 16-Apr-2024

**SANKHYASUTRA LABS LIMITED**
**Cash Flow Statement for the year ended 31st March 2024**

*(Rs. in lakhs)*

| | Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|---|
| **A** | **OPERATING ACTIVITIES** | | |
| | Profit before tax | 26 | 46 |
| | **Adjustments for:** | | |
| | - Depreciation and Amortization Expenses | 29 | 6 |
| | - Interest Income | - | (4) |
| | - Profit on sale of current investments | (6) | (31) |
| | **Operating profit before working capital changes** | **49** | **17** |
| | **Changes in working capital:** | | |
| | **Adjustments for (increase) / decrease in operating assets:** | | |
| | Other non-current financial assets | 60 | - |
| | Other non-current assets | (34) | (118) |
| | Trade receivables | 4 | 32 |
| | Other current assets | (52) | 5 |
| | **Adjustments for increase / (decrease) in operating liabilities:** | | |
| | Trade payables | (49) | (27) |
| | Other current liabilities | (54) | 70 |
| | Other current financial liabilities | (65) | - |
| | Non-current provisions | (9) | 25 |
| | Current provisions | 5 | (14) |
| | **Cash used in operations** | **(145)** | **(10)** |
| | Income taxes paid | - | - |
| | **Net cash used in operating activities** | **(145)** | **(10)** |
| **B** | **INVESTING ACTIVITIES** | | |
| | Expenditure on property, plant and equipment and intangible assets | (1,342) | (1,809) |
| | Purchase of investments | (309) | (1,219) |
| | Proceeds from sale of investments | 580 | 1,580 |
| | Interest income | - | 4 |
| | **Net cash used in investing activities** | **(1,071)** | **(1,444)** |
| **C** | **FINANCING ACTIVITIES** | | |
| | Proceeds from calling up of partly paid up shares | 1,202 | 1,498 |
| | **Net cash from financing activities** | **1,202** | **1,498** |
| | **Net decrease in cash and cash equivalents** | **(14)** | **44** |
| | **Opening Balance of Cash and Cash Equivalents (Refer Note No. 7)** | **67** | **23** |
| | **Closing Balance of Cash and Cash Equivalents (Refer Note No. 7)** | **53** | **67** |

As per our report of even date

For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm Reg. No. : 117366W/W-100018

**Shreedhar Ghanekar**
*Partner*

Membership No. : 210840

Date : 16-Apr-2024

For and on behalf of the Board

**Nachiket Urdhwareshe**
Whole -Time Director and Chief Executive Officer
DIN: 00018661

**Sunil Dattatraya Sherlekar**
Whole -Time Director
DIN: 07239016

**Santosh Ansumali**
Director
DIN:07238919

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

## A. CORPORATE INFORMATION

Sankhyasutra Labs Limited ('the Company') was incorporated on 9th September, 2015 under the Companies Act, 2013 ('the Act'). The registered office of the Company is located at C/o Incubex Business Consulting Services Private Limited, 13th Floor, M2 Block, North Avenue, Manyata Embassy Business Park, Outer Ring Road, Manyata Tech Park, Nagavara, Bengaluru – 560045, India. The Company is established to provide consultancy & software development services. The Company converted from a private limited company to public company on 13th October 2020.

## B. MATERIAL ACCOUNTING POLICIES

### B.1 BASIS OF PREPARATION AND PRESENTATION

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

i) Certain Financial Assets and Liabilities (including derivative instruments),
ii) Defined Benefit Plans–Plan Assets and
iii) Equity settled Share Based Payments

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('IndAS'), including the rules notified under the relevant provisions of the Companies Act, 2013, amended from time to time.

The Company's Financial Statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest lakh (`00,000), except when otherwise indicated. "0" pertains to items which are below Rs.50,000.

### B.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

**(a) Current and Non-Current Classification**
The Company presents assets and liabilities in the Balance Sheet based on Current/Non- Current classification.

**ASSETS:**
An asset is treated as Current when it is –
-Expected to be realized or intended to be sold or consumed in normal operating cycle;
-Expected to be realized within twelve months after the reporting period, or
-Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
All other assets are classified as Non-Current.

**LIABILITY:**
A liability is Current when:
-It is expected to be settled in normal operating cycle;
-It is due to be settled within twelve months after the reporting period, or
-There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

**b. Property, Plant and Equipment**

Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
Tangible assets carrying value under previous GAAP is recognized as deemed cost.

| Type of the Asset | Estimated useful life (in years) |
|---|---|
| Computers and Accessories | 3 |
| Servers – HP Cluster Systems | 6 |
| Furnitures | 5 |
| Office Equipment | 5 |

Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**c. Leases**

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The Company, as a lessor, classifies a lease either as an operating lease or a finance lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**d. Intangible Assets**

**Intangible Assets acquired separately:** Intangible Assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Intangible Assets subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

**Internally-generated intangible assets**: An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in Statement of Profit and Loss in the period in which it is incurred.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development. It comprises the cost of intangible assets that are not yet ready for their intended use at the reporting date.

**Useful lives of other intangible assets :**
Intangible Assets are amortized over the estimated useful life of the assets. In respect of Intangible Asset of the Company has estimated the useful life of the asset as follows:

| Type of the Intangible Asset | Estimated useful life (in years) |
|---|---|
| Softwares | 3 |
| Intellectual Property | 10 |

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

**e. Research and Development Expenditure**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss as and when incurred.

"Intangible Asset Under Development" are recognized when it can be demonstrated that the project is expected to generate Future Economic Benefits and that it is probable that Future Economic Benefits will flow to the Company. The cost of development comprise of those which are directly attributable to such Intangible Asset or else it is charged to the Statement of Profit and Loss.

**f. Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**g. Impairment of Non-Financial Assets- Property, Plant and Equipment and Intangible Assets**

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units(CGU)maybe impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cashflows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**h. Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

**i. Contingent Liabilities**

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

**j. Employee Benefit Expense**

**(i)Short Term Employee Benefits**
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

**(ii)Post Employment Benefits**

**A. Defined Contribution Plans**

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

**B. Defined Benefit Plans**

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act,1972.The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefits expected to be derived from employees' services.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognized in the period in which they occur in Other Comprehensive Income.

**C. Other long-term employee benefits**
Provision for compensated absences is made based on unavailed leave standing to the credit of the employees as on balance sheet date. Provision for compensated absences is accrued based on actuarial valuation by an independent actuary carried out at the balance sheet date.

**k. Tax Expenses**

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income. In which case, the tax is also recognized in Other Comprehensive Income.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

**(i)Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

**(ii)Deferred Tax**

Deferred tax is recognized 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 assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized. 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 orthel asset realized, based on tax rates (and tax laws)that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**I. Share Based Payments**

Equity-settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are setout in notes of accounts (Refer Note no 27).

The fair value determined at the granted date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Company’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**m. Foreign currency transactions**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non- monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income or Statement of Profit and Loss are also recognized in Other Comprehensive Income or Statement of Profit and Loss, respectively).

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

**n. Revenue Recognition**

Revenue is measured based on the transaction price (net of variable consideration) allocated to that performance obligation. The Company recognises revenue when it transfers control of a product or a service to a customer. Revenue is recognised net of discounts, goods and services tax and other indirect taxes.Revenue from fixed-price contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, are recognized using the “percentage-of-completion” method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the consolidated statement of income in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

Revenue from Software Development on time and material contracts is recognized based on the specific contracts as and when the related services are rendered.

Unbilled Revenue is recognized when there is an enforceable right to demand for payment up to date.

**Contract Balances**

**Trade Receivables**

A receivable represents the Company’s right to an amount of consideration that is unconditional.

**Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration(or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognized as revenue when the Company performs under the contract.

**Interest Income**

Interest Income from a Financial Assets is recognized using effective interest rate method.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

**Dividend Income**
Dividend Income is recognized when the Company's right to receive the amount has been established.

**o. Financial Instruments**

**i) Financial Assets**

**A. Initial recognition and measurement:**
All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

**B. Subsequent measurement**

**a) Financial assets carried at amortized cost**
A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)**
A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c) Financial assets at Fair Value Through Profit or Loss (FVTPL)**
A financial asset which is not classified in any of the above categories are measured at FVTPL.

**C. Impairement of Financial Assets**
In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance amount equal to:
• The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
• Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

**ii) Financial Liabilities**

**A. Initial recognition and measurement**
All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

**B. Subsequent measurement**
Financial liabilities are carried at amortized cost using the effective interest method. For interest free loans payable on demand, trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.
All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

**iii) Offsetting**

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**p. Earning Per Share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

**C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the Company's Financial Statement requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

**(A) Property Plant and Equipment/ Intangible Assets**

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**Note 1**
**Significant Accounting Policies**

**(B) Recoverability of Trade Receivables**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**(C) Provisions**

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**(D) Impairment of financial and non-financial assets**

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**(E) Recognition of Deferred tax Assets and Liabilities**

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

**(F) Fair Value Measurement**

For estimates relating to fair value of financial instruments refer note 30 of Financial Statements.

**(G) RECOVERABILITY OF INTANGIBLE ASSETS UNDER DEVELOPMENT**

Capitalisation of cost in intangible assets under development is based on management's judgement that technological and economic feasibility is confirmed and asset under development will generate economic benefits in future. Based on evaluations carried out, the Company's management has determined that there are no factors which indicates that these assets have suffered any impairment loss.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**2. PROPERTY, PLANT & EQUIPMENT, INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT**

*(Rs. in lakhs)*

| Description * | GROSS BLOCK | | | | DEPRECIATION/AMORTIZATION | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1st April 2023 | Additions | Deletions / Written off | As at 31st March 2024 | As at 1st April 2023 | Depreciation for the year | Deletions | As at 31st March 2024 | As at 31st March 2024 | As at 31st March 2023 |
| **Property, Plant and Equipment** | | | | | | | | | | |
| Computer & Accessories | 81 | 4 | 1 | 84 | 69 | 9 | 1 | 77 | 7 | 12 |
| Computer Equipment - HPC Cluster | 2,152 | - | - | 2,152 | 947 | 359 | - | 1,306 | 846 | 1,205 |
| Furniture and Fixtures | - | - | - | - | - | - | - | - | - | - |
| Office Equipments | 4 | - | - | 4 | 3 | 1 | - | 4 | - | 1 |
| **Total (A)** | **2,237** | **4** | **1** | **2,240** | **1,019** | **369** | **1** | **1,387** | **853** | **1,218** |
| **Other Intangible Assets:** | | | | | | | | | | |
| Software | 4 | - | - | 4 | 2 | 1 | - | 3 | 1 | 2 |
| Intellectual Property | 220 | - | - | 220 | 150 | 22 | - | 172 | 48 | 70 |
| **Total (B)** | **224** | **-** | **-** | | | **23** | **-** | **175** | **49** | **72** |
| **Total (A+B)** | **2,461** | **4** | **1** | **2,240** | **1,019** | **392** | **1** | **1,562** | **902** | **1,290** |
| **Previous Year** | **2,453** | **13** | **5** | **2,461** | **783** | **393** | **5** | **1,171** | **1,290** | **1,670** |
| **Intangible Assets Under Development** | | | | | | | | | | |
| Internally Generated Software | | | | | | | | | **8,310** | **6,609** |

**Note :** Out of the total depreciation of Rs. 392 lakhs (Previous Year Rs. 393 lakhs) for the year ended 31st March 2024, an amount of Rs. 363 lakhs (Previous year Rs. 387 lakhs) is transferred to Intangible Assets Under Development and balance amount of Rs. 29 lakhs (Previous Year Rs. 6 lakhs) debited to Statement of Profit and Loss.
* All assets are owned by the Company unless otherwise stated.
The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

**2.1. Intangible Assets Under Development (IAUD):**
**(a) Ageing schedule as at 31st March 2024:**

*(Rs. in lakhs)*

| Intangible assets under development | Amount in IAUD for period of | | | | Total |
|---|---|---|---|---|---|
| | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Projects in progress | 1,701 | 2,150 | 1,915 | 2,544 | 8,310 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **1,701** | **2,150** | **1,915** | **2,544** | **8,310** |

**(b) Ageing schedule as at 31st March 2023:**

*(Rs. in lakhs)*

| Intangible assets under development | Amount in IAUD for period of | | | | Total |
|---|---|---|---|---|---|
| | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Projects in progress | 2,150 | 1,915 | 1,452 | 1,092 | 6,609 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **2,150** | **1,915** | **1,452** | **1,092** | **6,609** |

**2.2. Cost of Intangible Capitalized / Transferred to Intangible Asset Under Development**

*(Rs. in lakhs)*

| Particulars | For the Year Ended March 31 2024 | | | | For the Year Ended March 31 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | Total Expense Incurred | Intangible Asset | | Amount Charged to Statement of Profit and Loss | Total Expense Incurred | Intangible Asset | | Amount Charged to Statement of Profit and Loss |
| | | Capitalized | Under Development | | | Capitalized | Under Development | |
| **Balance at the Beginning of the Year** | **-** | **-** | **6,609** | **-** | **-** | **-** | **4,459** | **-** |
| Add: Directly Attributable Costs | | | | | | | | |
| Employee Benefits Expense | 1,010 | - | 1,003 | 7 | 1,127 | - | 1,119 | 8 |
| Depreciation and Amortisation Expense | 392 | - | 363 | 29 | 393 | - | 387 | 6 |
| Other Expenses | 359 | - | 335 | 24 | 712 | - | 678 | 34 |
| | **1,761** | **-** | **1,701** | **60** | **2,232** | **-** | **2,184** | **48** |
| Less: Decapitalized from Opening Balance | | **-** | **-** | **-** | | **-** | **34** | **-** |
| **Closing Balance at the End of the Year** | **-** | **-** | **8,310** | | **-** | **-** | **6,609** | **-** |

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

*(Rs. in lakhs)*

| | Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|---|
| 3 | **OTHER FINANCIAL ASSETS** | | |
| | *Unsecured, considered good* | | |
| | Security Deposits | - | 62 |
| | Fixed Deposit with Bank | 2 | - |
| | **TOTAL** | **2** | **62** |
| 4 | **OTHER NON CURRENT ASSETS** | | |
| | *Unsecured, considered good* | | |
| | Balance with government authorities | | |
| | Goods and Services Tax Input Credit | 659 | 625 |
| | Advance Income Tax & TDS (Net of Provision) | 10 | 9 |
| | Taxes paid under protest | 15 | 15 |
| | **TOTAL** | **684** | **649** |
| 5 | **INVESTMENTS** | | |
| | *Investments measured at Fair Value Through Profit and Loss (FVTPL)* | | |
| | Investment in Mutual Fund - Quoted | 36 | 301 |
| | **TOTAL** | **36** | **301** |
| 6 | **TRADE RECEIVABLES** | | |
| | Unsecured and Considered Good | | |
| | Trade Receivables | - | 4 |
| | **TOTAL** | **-** | **4** |

6.1 **Trade Receivables ageing schedule as at 31st March 2024:**

*(Rs. in lakhs)*

| Particulars | Not Due | Outstanding from due date of payment | | | | | |
|---|---|---|---|---|---|---|---|
| | | < 6 months | 6 months - 1 year | 1-2 year | 2-3 year | > 3 year | Total |
| Undisputed Trade receivables – considered good | - | - | - | - | - | - | - |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |

6.2 **Trade Receivables ageing schedule as at 31st March 2023:**

*(Rs. in lakhs)*

| Particulars | Not Due | Outstanding from due date of payment | | | | | |
|---|---|---|---|---|---|---|---|
| | | < 6 months | 6 months - 1 year | 1-2 year | 2-3 year | > 3 year | Total |
| Undisputed Trade receivables – considered good | 3 | 1 | - | - | - | - | 4 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | **3** | **1** | **-** | **-** | **-** | **-** | **4** |

| | Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|---|
| 7 | **CASH AND CASH EQUIVALENTS** | | |
| | Balances with Banks | | |
| | In current accounts | 53 | 65 |
| | In deposits account | - | 2 |
| | **TOTAL** | **53** | **67** |
| 8 | **OTHER FINANCIAL ASSETS** | | |
| | Unsecured, considered good | | |
| | Security Deposits | 62 | - |
| | **TOTAL** | **62** | **-** |
| 9 | **OTHER CURRENT ASSETS** | | |
| | *Unsecured, considered good* | | |
| | Other Advances | 1 | 2 |
| | Prepaid Expenses | 3 | 11 |
| | Unbilled Revenue | - | 1 |
| | **TOTAL** | **4** | **14** |

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

*(Rs. in lakhs)*

| | Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|---|
| **10** | **SHARE CAPITAL** | | |
| **10.1** | **Authorized Share Capital** | | |
| | 30,00,000 Equity Shares of Re.1/- each (Previous Year 30,00,000 Equity Shares of Re.1/- each) | 30 | 30 |
| | **Issued and Subscribed** | | |
| | **2,03,793** Equity Shares of Re.1/- each | 2 | 2 |
| | **9,54,198** Equity Shares of Re.1/- each | 9 | 9 |
| | **Paid Up** | | |
| | **2,03,793** Equity Shares of Re.1/- each | 2 | 2 |
| | **9,54,198** Equity Shares of Re.1/- each (Partly paid up Re. 0.90/- each share) | 9 | 9 |
| | **TOTAL** | **11** | **11** |

**10.2 Reconciliation of Equity Shares**

| Particulars | As at 31st March 2024 | | As at 31st March 2023 | |
|---|---|---|---|---|
| | No of Shares of Re. 1/- Each | Amount | No of Shares of Re. 1/- Each | Amount |
| Equity Shares at the beginning of the year | 11,57,991 | 11 | 11,57,991 | 11 |
| Add: Shares Issued during the year | - | - | - | - |
| **Equity Shares at the end of the year** | **11,57,991** | **11** | **11,57,991** | **11** |

**10.3**

**a.** The Company has Partly paid up Equity share and Fully Paid up Equity Share, face value for both of them is Re. 1/- per share. Each holder of equity share is entitled to one vote per share.

**b.** In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of Company after distribution of all preferential amounts, in proportion to their shareholding.

**10.4 There are no forfeited shares.**

**10.5 No shares were allotted as fully paid up by way of bonus shares. No shares were bought back.**

**10.6 Shareholding of Promoter**

**For the year ended 31st March 2024**

| Class of Equity Shares | Promoter's Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---|---|---|---|---|---|---|
| Fully paid-up equity shares of Re.1 each | Jio Platforms Limited | 50,957 | - | 50,957 | 4.40% | 0% |
| Partly paid-up equity shares of Re.1 each, Re. 0.90 paid-up | Jio Platforms Limited | 9,54,198 | - | 9,54,198 | 82.40% | 0% |

**For the year ended 31st March 2023**

| Class of Equity Shares | Promoter's Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---|---|---|---|---|---|---|
| Fully paid-up equity shares of Re.1 each | Jio Platforms Limited | 50,957 | - | 50,957 | 4.40% | 0% |
| Partly paid-up equity shares of Re.1 each, Re. 0.90 paid-up | Jio Platforms Limited | 9,54,198 | - | 9,54,198 | 82.40% | 0% |

**10.7 THE DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES**

| Name of the Shareholders | As at 31st March 2024 | | As at 31st March 2023 | |
|---|---|---|---|---|
| | No. Of Shares | Percentage (%) | No. Of Shares | Percentage (%) |
| **Jio Platforms Limited (Holding Company)** | | | | |
| Fully paid-up equity shares of Re.1 each | 50,957 | 4.40% | 50,957 | 4.40% |
| Partly paid-up equity shares of Re.1 each, Re. 0.90 paid-up | 9,54,198 | 82.40% | 9,54,198 | 82.40% |
| **Mr. Santosh Ansumali** | | | | |
| Fully paid-up equity shares of Re.1 each | 70,116 | 6.05% | 70,116 | 6.05% |
| Partly paid-up equity shares of Re.1 each, Re. 0.90 paid-up | - | 0.00% | - | 0.00% |

| | Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|---|
| **11** | **OTHER EQUITY** | | |
| | **a) Securities Premium** | | |
| | Opening Balance | 8,494 | 6,996 |
| | Additions during the year* | 1,202 | 1,498 |
| | **Closing Balance** | **9,696** | **8,494** |
| | *Pertains to an amount of Rs.125.96 per share of the 954,198 partly paid up equity shares called up during the year ended 31 March 2024 and Rs. 157 for the year ended 31 March 2023. | | |
| | **b) Share Based Payments Reserve** | | |
| | Opening Balance | 26 | 60 |
| | Share Based Compensation for the year | - | (34) |
| | **Closing Balance** | **26** | **26** |
| | **c) Retained Earnings** | | |
| | Opening Balance | (53) | (87) |
| | Add: Surplus in the Statement of Profit and Loss | 13 | 34 |
| | Add: Other Comprehensive Income | - | - |
| | **Closing Balance** | **(40)** | **(53)** |
| | **TOTAL** | **9,682** | **8,467** |

**Securities premium account**
Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisatization.

**Share Option Outstanding Account**
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees.

**Retained earnings**
Retained earnings represent the accumulated earnings of the Company.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

*(Rs. in lakhs)*

| | Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|---|
| **12** | **NON CURRENT PROVISIONS** | | |
| | Provision for Compensated Absences | 26 | 26 |
| | Provision for Gratuity (Refer note No. 27) | 58 | 67 |
| | **TOTAL** | **84** | **93** |
| **13** | **DEFERRED TAX LIABILITIES (NET)** | | |
| | The movement on the deferred tax account is as follows: | | |
| | At the start of the year | 15 | 3 |
| | Charge to Statement of Profit and Loss | 13 | 12 |
| | **At the end of year** | **28** | **15** |

**COMPONENTS OF DEFERRED TAX LIABILITIES/(ASSET)**

| | As at 31st March 2023 | Charge/(Credit) to Statement of Profit and Loss | As at 31st March 2024 |
|---|---|---|---|
| **Deferred tax liabilities / (asset) in relation to:** | | | |
| Property, Plant and Equipment and Intangible Asset | (461) | (43) | (504) |
| **Deferred tax liabilities** | **(461)** | **(43)** | **(504)** |
| Brought forward losses | 421 | 31 | 452 |
| Provision for employee benefits | 25 | (1) | 24 |
| **Deferred tax assets** | **446** | **30** | **476** |
| **TOTAL** | **(15)** | **(13)** | **(28)** |

| | | | |
|---|---|---|---|
| **14** | **TRADE PAYABLES DUE TO** | | |
| | Micro and Small Enterprises | 3 | - |
| | Other than Micro and Small Enterprises | 23 | 75 |
| | **TOTAL** | **26** | **75** |

**14.1 TRADE PAYABLES AGEING AS AT 31ST MARCH 2024**

*(Rs. in lakhs)*

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | < 1 year | 1-2 years | 2-3 years | >3 years | Total |
| (i) MSME | 3 | - | - | - | - | 3 |
| (ii) Others | 23 | - | - | - | - | 23 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues- Others | - | - | - | - | - | - |
| **Total** | **26** | **-** | **-** | **-** | **-** | **26** |

**14.2 TRADE PAYABLES AGEING AS AT 31ST MARCH 2023**

*(Rs. in lakhs)*

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | < 1 year | 1-2 years | 2-3 years | >3 years | Total |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | 60 | 15 | - | - | - | 75 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues- Others | - | - | - | - | - | - |
| **Total** | **60** | **15** | **-** | **-** | **-** | **75** |

| | | | |
|---|---|---|---|
| **15** | **OTHER FINANCIAL LIABILITIES** | | |
| | Payable to Employees | 133 | 197 |
| | **TOTAL** | **133** | **197** |
| **16** | **OTHER CURRENT LIABILITIES** | | |
| | Statutory Dues Payable | 33 | 50 |
| | Deferred Revenue | 45 | 82 |
| | **TOTAL** | **78** | **132** |
| **17** | **CURRENT PROVISIONS** | | |
| | Provision for Compensated Absences | 3 | 3 |
| | Provision for Gratuity (Refer note No. 27) | 8 | 3 |
| | **TOTAL** | **11** | **6** |

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

*(Rs. in lakhs)*

| | Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|---|
| **18** | **REVENUE FROM OPERATIONS** | | |
| | **Sale of Services** | | |
| | Software Development Service | - | 26 |
| | HPC Computing Services | 62 | 21 |
| | Scientific and Technical Consulting Services | 14 | 4 |
| | **Sale of Products** | | |
| | Software License | 4 | 8 |
| | **TOTAL** | **80** | **59** |
| **19** | **OTHER INCOME** | | |
| | Profit on Sale of Current Investment | 6 | 31 |
| | Other Interest Income | - | 4 |
| | **TOTAL** | **6** | **35** |
| **20** | **EMPLOYEE BENEFITS EXPENSE** | | |
| | Salaries and Allowances | 969 | 1,080 |
| | Contribution to Provident and Other Funds (Refer note No. 27) | 39 | 25 |
| | Gratuity Expense (Refer note No. 27) | - | 16 |
| | Staff Welfare Expenses | 2 | 6 |
| | Transfer to Project Development Expenses | (1,003) | (1,119) |
| | **TOTAL** | **7** | **8** |
| **21** | **OTHER EXPENSES** | | |
| | Rent | 110 | 103 |
| | Legal and Professional Charges | 190 | 508 |
| | Travelling and Conveyance | 12 | 25 |
| | Repairs and Maintenance - IT & Infrastructure | 11 | 10 |
| | Rates and Taxes | 2 | 4 |
| | Bank Charges | - | 1 |
| | Communication Cost | 8 | 10 |
| | Net loss on foreign currency transactions and translation | - | 3 |
| | Miscellaneous Expenses | 27 | 48 |
| | Transfer to Project Development Expenses | (336) | (678) |
| | **TOTAL** | **24** | **34** |
| **21.1** | **Legal & Professional Charges includes payments to auditors** | | |
| | Statutory Audit | 8 | 8 |
| | Limited Review | 5 | 5 |
| | **TOTAL** | **13** | **13** |
| **22** | **TAX EXPENSES** | | |
| | **Current Tax** | | |
| | Current tax expenses | - | - |
| | | **-** | **-** |
| | **Deferred tax benefit** | | |
| | Deferred tax expense /(benefit) | 13 | 12 |
| | | **13** | **12** |
| | **Net tax expense** | **13** | **12** |
| | **Profit before income taxes** | 26 | 46 |
| | Indian statutory income tax rate | 25.17% | 25.17% |
| | Expected income tax expense | 7 | 12 |
| | **Tax effect of adjustments to reconcile expected income tax** | | |
| | Others (net) | 6 | - |
| | **TOTAL INCOME TAX EXPENSE** | **13** | **12** |

Refer note 13 for significant components of deferred tax assets and liabilities

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

*(Rs. in lakhs)*

| | Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|---|
| 23 | **OTHER COMPREHENSIVE INCOME** | | |
| | Items that will not to be reclassified to the profit or loss in subsequent | | |
| | Re-measurement gains/(losses) on defined benefit plans | - | - |
| | **TOTAL** | - | - |

**24 EARNINGS PER SHARE**

| | | |
|---|---|---|
| Net profit for the year attributable to equity shareholders (Amounts of net profit are in lakhs) | 13 | 34 |
| Weighted average number of equity shares of Re. 1/- each used for calculation of basic earning per share | 10,62,571 | 10,62,571 |
| Weighted average number of equity shares of Re. 1/- each used for calculation of diluted earning per share | 10,64,206 | 10,64,206 |
| **Basic earnings per share (in Rs.)** | **1.26** | **3.20** |
| **Diluted earnings per share (in Rs.)** | **1.26** | **3.19** |

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|
| Weighted average number of equity shares used as denominator for calculating basic EPS | 10,64,206 | 10,64,206 |
| **Reconciliation of Weighted average number of shares outstanding** | | |
| Weighted average number of equity shares used as denominator for calculating basic EPS | 10,62,571 | 10,62,571 |
| Total weighted average potential equity shares | 1,635 | 1,635 |
| Weighted average number of equity shares used as denominator for calculating diluted EPS | 10,64,206 | 10,64,206 |

**25 DUES TO MICRO AND SMALL ENTERPRISES**

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. The Ministry of Micro, Small and Medium enterprises has issued an office Memorandum dated 26 August 2008 which recommends that the Micro and Small enterprises should mention in their correspondence with its customers the entrepreneur's Memorandum number as allocated after filing of the Memorandum.

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | 3 | - |
| The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the period; | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act; | - | - |
| The amount of interest accrued and remaining unpaid at the end of the period; | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise. | - | - |

**Note:** The above information has been determined based on vendors identified by the Company and to the extent these have been confirmed by such vendors, which have been relied upon by the auditors.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

*(Rs. in lakhs)*

**26 RELATED PARTY DISCLOSURES**

**(i) List of related parties**

| Name of the Party | Relationship |
|---|---|
| Mr. Nachiket Urdhwareshe | Whole -Time Director and CEO |
| Mr. Sunil Dattatraya Sherlekar | Whole -Time Director |
| Mr. Santosh Ansumali | Director |
| Jio Platforms Limited | Holding Company |
| Reliance Industries Limited | Ultimate Holding Company |
| Reliance Jio Infocomm Limited | Fellow Subsidiary |
| Nexwafe GmbH | Fellow Subsidiary |
| REC Solar Pte. Ltd. | Fellow Subsidiary |

**(ii) Transactions with related parties** *(Rs. in lakhs)*

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|
| **(i) Remuneration Paid to Key Management Personnel** | | |
| Mr. Nachiket Urdhwareshe | 98 | 140 |
| Mr. Sunil Dattatraya Sherlekar | 94 | 142 |
| **(ii) Reimbursement of expenses paid to Key Management Personnel** | | |
| Mr. Nachiket Urdhwareshe | 2 | 2 |
| Mr. Sunil Dattatraya Sherlekar | 3 | 5 |
| **(iii) Proceeds from calling up of partly paid up shares during the year** | | |
| Jio Platforms Limited | 1,202 | 1,498 |
| **(iv) Revenue from Sale of Services** | | |
| REC Solar Pte. Ltd | - | 23 |
| Nexwafe GmbH | 9 | - |
| **(v) Communication Cost** | | |
| Reliance Jio Infocomm Limited | 6 | 8 |

**a. Compensation of key managerial personnel**

The compensation of directors and other member of Key Managerial Personnel during the year as follows

*(Rs. in lakhs)*

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|
| **(i) Short-term benefits** | | |
| Mr. Nachiket Urdhwareshe | 97 | 139 |
| Mr. Sunil Dattatraya Sherlekar | 98 | 140 |
| Mr. Santosh Ansumali | - | - |

**Notes:**

a. Related party relationships are as identified by the management of the Company and relied upon by the auditors.

b. No amounts in respect of the related parties have been written off / back or provided for during the year.

c. Previous year figures have been given in brackets.

**27 EMPLOYEE BENEFITS EXPENSE**

**AS PER INDIAN ACCOUNTING STANDARD 19 "EMPLOYEE BENEFITS", THE DISCLOSURES AS DEFINED ARE GIVEN BELOW:**

**A Defined Contribution Plans**

Contribution to Defined Contribution Plans, recognised as expense for the period is as under:

*(Rs. in lakhs)*

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|
| Employer's Contribution to Provident Fund | 25 | 21 |
| Employer's Contribution to Pension Scheme | 12 | 17 |

**B Defined Benefit Plan**

The Company has a gratuity plan for all employees. Every employee who has completed 5 years or more of service is eligible for gratuity on separation, which is worked out at 15 days salary (last drawn salary) for each completed year of service.

The following table set out the status of the gratuity plan as required under Ind AS 19.

**Reconciliation of opening and closing balances of Defined Benefit Obligation**

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|
| Defined Benefit Obligation at beginning of the year | 70 | 61 |
| Current Service Cost | 14 | 14 |
| Interest cost | 5 | 4 |
| Benefit payments from employer | (12) | (7) |
| Actuarial (Gain) / Loss | (5) | (2) |
| **Defined Benefit Obligation at end of the year** | **72** | **70** |
| **Reconciliation of fair value of Assets and Obligations** | | |
| Fair value of Plan Assets | 6 | - |
| Present value of Obligation | 72 | 70 |
| **(Liability)/ Assets recognised in Balance Sheet** | **(66)** | **(70)** |
| **Expenses recognised during the year** | | |
| **In Income Statement** | | |
| Current Service Cost | 8 | 12 |
| Interest cost | 5 | 4 |
| **Net Cost for the year recognised in Statement of Profit and Loss** | **(13)** | **(16)** |
| Actuarial (Gain) / Loss | (5) | (2) |
| **Net (Income)/ Expense for the year recognised in OCI** | **(5)** | **(2)** |
| **Actuarial assumptions** | | |
| Discount Rate (per annum) | 7.27% | 7.58% |
| Expected rate of return on Plan Assets (per annum) | 0.00% | 0.00% |
| Rate of escalation in Salary (per annum) | 10.00% | 10.00% |
| Rate of employee turnover (per annum) | 10.00% | 10.00% |
| Retirement age | 65 Years | 65 Years |

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**C SENSITIVITY ANALYSIS**

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

*(Rs. in lakhs)*

| Particulars | For the year ended 31st March 2024 | | For the year ended 31st March 2023 | |
|---|---|---|---|---|
| | Decrease | Increase | Decrease | Increase |
| Impact of Change in the Discount Rate of 1% | 6 | 8 | 6 | 7 |
| Impact of Change in the Salary Growth Rate of 1% | 3 | 3 | 3 | 3 |
| Impact of Change in the Attrition Rate of 1% | - | - | - | - |

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest 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. |
| 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 debt 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 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. |

**28 EMPLOYEES STOCK OPTION PLAN**

The Shareholders in the Extra-ordinary General Meeting held on 06th March, 2017 approved the Sankhyasutra Labs Employees Stock Option Plan 2017 (ESOP 2017 Plan). In accordance with the said ESOP 2017 Plan, the Board of Directors constituted Compensation Committee to fix the eligibility criteria and to administer the ESOP 2017 Plan.

Pursuant to the ESOP 2017 Plan, the Company granted 3,840 options till 31st March, 2024. The options will vest over a period of four years in equal proportion of 25% each year. The exercise price will be Rs.10/- per share. The stock compensation cost is computed based on fair value of equity instruments granted and is been recognized over the vesting period. For the year ended 31st March, 2023, the Company has reversed the Employee Stock Option compensation expenses of Rs. 34 Lakhs upon expiry of options based on fair value of Rs.1,565.65/- per share being the fair value arrived by the valuer dated 03.10.2015 which has been considered by the Board to estimate the fair value of equity instruments granted.

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|
| Outstanding Options at the beginning of the year | 1,645 | 3,840 |
| Options granted during the year | - | - |
| Options forfeited during the year | - | - |
| Options granted closing balance | **1,645** | **3,840** |
| Options vested | 1,645 | 3,840 |
| Options exercised | - | - |
| Options expired during the period | - | 2,195 |
| Options exercisable at the end of the period | 1,645 | 1,645 |

**Fair value on the grant date :-**

The fair value is determined using "Discounted Cash Flow Method" which takes into account the exercise price, term of the option, share price at grant date and cost of equity-ke, growth rate and the risk free rate for the term of the option.

The model inputs for options granted during the year ended 31st March, 2018 included as mentioned below. Further no new stock options were granted during FY 2023-24;

a) Weighted average exercise price Rs. 10/-
b) Grant date: 03.04.2017 & 03.04.2018
c) Vesting year: 2018-19 to 2022-23
d) Share Price at grant date: Rs. 1,565.65 at 03.04.2017 & Rs. 1,565.65 at 03.04.2018
e) Risk free interest rate: 7.89%
f) Cost of equity -ke: 17.97%
g) Growth rate of Perpetuity: 5%

The expected price volatility is based on the historic volatility (based on remaining life of the options).

**29 CONTINGENT LIABILITIES AND COMMITMENTS**

**Contingent Liabilities**

**(A) Claims against the Company / disputed liabilities not acknowledged as debts**

*(Rs. in lakhs)*

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|
| Claims / disputed liabilities against the Company not acknowledged as debts - Income tax demand for the AY 2016-17. | 73 | 73 |

During FY 2015-16 i.e. relevant to AY 2016-17 the Company had allotted 11,16,389 Redeemable fully convertible preference shares of Re. 1 face value at a share premium of Rs. 24 per preference share. The said preference shares were issued at value of Rs. 25 based on the share valuation report from merchant banker. The merchant banker adopted discounted cash flow method to determine the value of share. The number of shares issued to the residents and non-residents during FY 2015-16 were 928,000 and 188,389 respectively. The amount of share premium received from residents and non-residents was Rs. 223 lakhs and Rs. 45 lakhs respectively. During the course of assessment proceedings, the AO disregarded the valuation methodology of Discounted Cash Flow adopted by the Merchant Banker and valued the shares based on Net Asset Method. Accordingly the share premium received from the residents amounting to Rs. 223 lakhs has been added to the total income of the Company under Section 56(2)(viib) of the Income-tax Act, 1961 ('the Act') by the AO. Management believes that the position taken by it on the matters is tenable and hence, no adjustments have been made to the financial statements

**30** The Company has recognized expenses incurred by technology groups towards software products and technologies amounting to Rs. 8,310 lakhs (Rs. 6,609 lakhs upto 31st March.2023) up to 31st March, 2024 as Intangible Assets under Development ('IAUD') as these expenses will have future economic benefits and has fulfilled the recognition criteria as envisaged under Ind AS 38, Intangible Assets.

The Company does its impairment evaluation on an annual basis and based on such evaluation as at March 31st 2024, the estimated recoverable amount of the Cash Generating Unit (CGU) exceeded its carrying amount. For the purpose of impairment testing,the Company as a whole is considered as CGU.

The recoverable amount of the above CGU has been determined based on 'value in use' model, where in the value of cash generating unit is determined as a sum of the net present value of the projected post tax cash flows for a period of 6 years (based on Company's plans of revenue generation on completion of the IAUD) and terminal value. The terminal value of cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity using a constant long-term growth rate.

Determination of value in use involves significant estimates and assumptions that affect the reporting CGU's expected future cash flows. The Company has performed sensitivity analysis for all key assumptions and concluded that it is unlikely to cause the carrying amount of the CGU to exceed its estimated recoverable amount. The key assumptions used for the calculations were as follows:

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|
| Discount rate | 16.00% | 16.00% |
| Long-term growth rate | 5.00% | 5.00% |

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

## 31 FINANCIAL INSTRUMENTS

### A. FAIR VALUE MEASUREMENT HIERARCHY

*(Rs. in lakhs)*

| Particulars | As at 31st March, 2024 | | | | As at 31st March, 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | Carrying | Level of input used in | | | Carrying | Level of input used in | | |
| | Amount | Level 1 | Level 2 | Level 3 | Amount | Level 1 | Level 2 | Level 3 |
| **Financial Assets** | | | | | | | | |
| **At Amortised Cost** | | | | | | | | |
| Trade Receivables | - | - | - | - | 4 | - | - | - |
| Cash and Cash Equivalents | 53 | - | - | - | 67 | - | - | - |
| Other Financial Assets | 2 | - | - | - | 62 | - | - | - |
| **At FVTPL** | | | | | | | | |
| Investments | 36 | 36 | - | - | 301 | 301 | - | - |
| **Financial Liabilities** | | | | | | | | |
| **At Amortised Cost** | | | | | | | | |
| Trade Payables | 26 | | - | | 75 | - | - | - |
| Other Financial Liabilities | 133 | | - | - | 197 | - | - | - |

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities;
**Level 2:** Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
**Level 3:** Inputs based on unobservable market data.

**Valuation Methodology**

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

a) The fair value of investment in quoted Equity Shares, Bonds, Government Securities, Treasury Bills, Certificate of Deposit and Mutual Funds is measured at quoted price or NAV.
b) The fair value of Interest Rate Swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
c) The fair value of Forward Foreign Exchange contracts and Currency Swaps is determined using observable forward exchange rates and yield curves at the balance sheet date.
d) The fair value of over-the-counter Foreign Currency Option contracts is determined using the Black Scholes valuation model.
e) Commodity derivative contracts are valued using available information in markets and quotations from exchange, brokers and price index developers.
f) The fair value for level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.
g) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
h) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

### B. FINANCIAL RISK MANAGEMENT

The company's activities expose it to variety of financial risks: market risk, credit risk, interest rate risk and liquidity risk. Within the boundaries of approved Risk Management Policy framework The Company uses derivative instruments to manage the volatility of financial markets and minimize the adverse impact on its financial performance

**i) Market Risk**
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

**a) Foreign Currency Risk**

Foreign currency risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The following table shows foreign currency exposures in US Dollar on financial instruments at the end of the reporting period. The exposure to all other foreign currencies are not material.

*(Rs. in lakhs)*

| Foreign Currency Exposure | | |
|---|---|---|
| Particulars | As at 31st March 2024 | As at 31st March 2023 |
| | USD | USD |
| Trade and Other Payables | - | 47 |
| **Exposure** | **-** | **47** |

Sensitivity analysis of 5% change in exchange rate at the end of reporting period

*(Rs. in lakhs)*

| Foreign Currency Sensitivity | | |
|---|---|---|
| Particulars | As at 31st March 2024 | As at 31st March 2023 |
| | USD | USD |
| **5% Depreciation in Rs.** | | |
| Impact on P&L | - | (2) |
| **Total** | **-** | **(2)** |
| **5% Appreciation in Rs.** | | |
| Impact on P&L | - | 2 |
| **Total** | **-** | **2** |

## 32 SEGMENT REPORTING

The Company provides consultancy and software development services. The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on the Company as a whole.
The Chief Operating Decision Maker reviews the business and allocates resources on the basis of the company as a whole.Thus, there are no reportable segments which require disclosures under Ind AS 108 - Operating Segment.

The geographical segments individually contributing 10 percent or more of the Company's revenues and segment assets are shown separately in the table below. Segment revenues has been disclosed based on geographical location of the customers. Segment assets has been disclosed based on the geographical location of the respective assets.

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---|---|
| Revenue from India | 80 | 59 |
| Revenue from the rest of the world | - | - |
| Total Revenue | 80 | 59 |

| Non-current assets other than financial instruments and deferred tax Assets | As at 31st March 2024 | As at 31st March 2023 |
|---|---|---|
| In India | 9,898 | 8,610 |
| In Other countries | - | - |

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**33 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013**

No Investments are made, no loans and guarantees are given by the Company as at 31st March 2024 (Previous Year NIL)

**34 RATIO ANALYSIS:**

| Sr. No. | Particulars | Numerator | Denominator | For the year ended 31st March 2024 | For the year ended 31st March 2023 | Variance % |
|---|---|---|---|---|---|---|
| 1 | Current Ratio [1] | Current Assets | Current Liabilities | 0.01 | 0.01 | (34) |
| 2 | Debt-Equity Ratio [2] | Debt | Shareholder's Equity | NA | NA | NA |
| 3 | Debt Service coverage ratio [2] | EBIT | Finance costs | NA | NA | NA |
| 4 | Return on Equity Ratio [3] | PAT | Average Shareholder's Equity | 0.14% | 0.44% | (67) |
| 5 | Trade Receivables Turnover Ratio [4] | Revenue from operations | Average Accounts Receivable | 40.12 | 2.95 | 1,260 |
| 6 | Trade Payables Turnover Ratio[5] | Other Expenses | Average Trade Payables | 7.33 | 4.08 | 80 |
| 7 | Inventory turnover ratio [6] | Revenue from operations | Average Inventory | NA | NA | NA |
| 8 | Net Capital Turnover Ratio [7] | Revenue from operations | Working Capital | (1.37) | 0.39 | (455) |
| 9 | Net Profit Ratio [8] | PAT | Revenue from operations | 0.58 | 0.19 | 204 |
| 10 | Return on Capital Employed [9] | EBIT | Capital Employed | 0.00 | 0.01 | (51) |
| 11 | Return on Investment [10] | Other Income | Average cash and cash equivalents and investments | 0.02 | 0.07 | (64) |

Notes:
EBIT - Earnings before interest and taxes.
PAT - Profit after tax
Working capital - Current assets less current liabilities
Capital employed - Total equity
Other income - Profit on sale of investments and Interest on bank deposits

[1] The decrease is on account of decrease in investments.
[2] The Company does not have any debt.
[3] The decrease is on account of increase in shareholders' equity.
[4] The Increase is on account of decrease in Accounts receivable.
[5] The increase is on account of expenses for the year.
[6] The Company does not have any inventories.
[7] The decrease is on account of decrease in current assets.
[8] The increase is on account of increase in revenue.
[9] The decrease is on account of increase in shareholders' equity.
[10] The decrease is on account of decrease in investments.

**SANKHYASUTRA LABS LIMITED**
**Notes forming part of Financial Statements for the year ended 31st March 2024**

**35** The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

**36 Other Statutory Information**

(i) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.

(ii) The Company does not have any Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

(iii) The Company has not traded / invested in Crypto currency or virtual currency.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded inwriting or otherwise) that the Company shall:
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except as disclosed in the financial statements.

(viii) The Company is not a declared willful defaulter by any bank or financial institution or other lender.

**37** The current liabilities of the Company exceed the current assets by Rs. 93 lakhs as at March 31, 2024 (March 31, 2023 - Rs. 24 Lakhs) and the Company has accumulated losses of Rs.40 lakhs as at March 31, 2024 (March 31, 2023 - Rs. 53 lakhs). The financial statements have been drawn up on going concern basis in view of the uncalled security premium from Jio Platforms Limited, the Holding Company, amounting to Rs. 20,794 lakhs as at March 31, 2024 (March 31, 2023 - Rs.21,996 lakhs), which can be called up by the Company based on its working capital requirements.

**38 APPROVAL OF FINANCIAL STATEMENTS**
The financial statements were approved for issue by the Board of Directors on April 16, 2024 and are subject to the approval of the shareholders at the Annual General meeting.

As per our report of even date

For **Deloitte Haskins & Sells LLP**
*Chartered Accountants*
Firm Reg. No. : 117366W/W-100018

For and on behalf of the Board

| | | | |
|---|---|---|---|
| **Shreedhar Ghanekar** | **Nachiket Urdhwareshe** | **Sunil Dattatraya Sherlekar** | **Santosh Ansumali** |
| *Partner* | Whole -Time Director and Chief Executive Officer | Whole -Time Director | Director |
| Membership No. : 210840 | DIN: 00018661 | DIN: 07239016 | DIN:07238919 |

Date : 16-Apr-2024