

**SANKHYASUTRA LABS LIMITED**  
**FINANCIAL STATEMENTS**  
**2020-21**

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Sankhyasutra Labs Limited, Bengaluru (Formerly known as Sankhyasutra Labs Private Limited)**

### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

We have audited the Standalone Ind AS financial statements of **Sankhyasutra Labs Limited, Bengaluru (Formerly known as Sankhyasutra Labs Private Limited)** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021 and
- (b) in the case of the Statement of Profit and Loss including Other Comprehensive Income, of the profit for the year ended on that date.
- (c) in the case of the Statement of Change in Equity, the changes for the year ended on that date.
- (d) in the case of Cash Flow Statement, of the flow of cash in the Company for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these

requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprise the information included in the Board's Report but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

### **Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statement that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the 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 Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
  - (e) on the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is

disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act

- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure-B”
- (g) with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial positions in its IND AS financial statements. Refer Note 21(8) to the IND AS 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.

For SSB & Associates,  
*Chartered Accountants*  
Firm’s Regn.No. : 010372S

K.Balaji  
*Partner*  
Membership No.: 207783  
UDIN: 21207783AAAADD2015

Place: Bengaluru  
Date : 19<sup>th</sup> April 2021

**ANNEXURE-A TO THE AUDIT REPORT ON THE ACCOUNTS OF SANKHYASUTRA LABS LIMITED (FORMERLY KNOWN AS SANKHYASUTRA LABS PRIVATE LIMITED) FOR THE YEAR ENDED 31.03.2021 REFERRED TO IN PARAGRAPH (1) OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE**

Considering the Companies activity, clauses (ii), (iv), (vi), (xii) and (xvi) of paragraph 3 of the Order are not applicable to the Company, however we comment on the other clauses of the said order as follows:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details, situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management. In our opinion the frequency of such verification is considered reasonable, considering the size and nature of business and there are no material discrepancies noticed on such verification.
- (c) The Company does not have Immovable properties and hence our comment on the title deeds of immovable properties does not arise.
- (ii) The company does not possess any inventory as on 31.03.2021 and hence our comment on physical verification of inventory does not arise.
- (iii) During the year the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act. Hence, our comment on the same does not arise.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any transactions under section 185 of Companies Act, 2013.  
The Company has complied with the provisions of Section 186 of the Act in respect of investments provided. However it has not made or provided guarantee or security or loan to any parties.

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- (v) The Company has not accepted any deposits from the public. Hence our comment on the compliance of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under does not arise.

The Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal has not passed any order and hence our comment on the same does not arise.

- (vii) (a) According to the information and explanations provided to us, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Income Tax and Goods and Service Tax.

As per our verification and according to the information and explanation given to us, there are no undisputed statutory dues which remained outstanding for a period more than six months from the date they became payable.

(b)

According to the information and explanation given to us, there are no disputed amounts of Statutory dues payable, other than the following:

<b>Statue</b>	<b>Nature of Dues</b>	<b>Forum where dispute is pending</b>	<b>Period to which the amount relates (Financial Year)</b>	<b>Amount Disputed (Rs.)</b>	<b>Remarks</b>
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax - Appeals	2016-17	72,92,263	Amount Disputed Rs.72,92,263/- out of which Rs.14,58,453/- has been paid.

- (viii) As the Company has not borrowed any loans from financial institutions, bank, Government or debentures holders, our comment on default in repayment of dues to financial institutions or bank or Government or

debenture holders does not arise.

- (ix) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not availed any term loan during the year and hence our comment on application of term loans funds does not arise.

During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us and based on our examination of the records of the Company, it has provided the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act. However, Section 177 of the Act is not applicable to the Company and hence our comment on the same does not arise.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, during the year Company has not made any preferential allotment of equity shares and hence comment on compliance with the provisions of section 62 and section 42 of Companies Act, 2013 does not arise.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, it has not entered into any non-cash transactions with directors or persons connected with him and hence the

compliance of provisions of section 192 of Companies Act, 2013 on this matter does not arise.

For SSB & Associates,  
*Chartered Accountants*  
Firm's Regn. No. : 010372S

K.Balaji  
*Partner*  
Membership No.: 207783  
UDIN: 21207783AAAADD2015

Place: Bengaluru  
Date : 19<sup>th</sup> April 2021

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF SANKYASUTRA LABS LIMITED (FORMERLY KNOWN AS SANKHYASUTRA LABS PRIVATE LIMITED)**

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

We have audited the Internal Financial Controls over financial reporting of **Sankyasutra Labs Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone 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 control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures

selected depend on the auditors' 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 opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SSB & Associates,  
*Chartered Accountants*  
Firm's Regn. No. : 010372S

K. Balaji  
*Partner*  
Membership No.: 207783  
UDIN: 21207783AAAADD2015

Place: Bengaluru  
Date : 19<sup>th</sup> April 2021

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**SANKHYASUTRA LABS LIMITED**  
(Formerly known as Sankhyasutra Labs Private Limited)  
CIN: U72200KA2015PLC082760  
Balance Sheet as at 31st March 2021

(Amount in Indian Rupees)

Particulars	Notes	As at	
		31 Mar 2021	31 Mar 2020
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	2	19,39,13,946	19,26,029
Intangible Assets	2	1,14,17,129	1,35,50,156
Intangible Assets Under Development	2	25,44,04,619	10,91,90,526
Financial Assets			
(i) Other Financial Assets	3	57,93,036	53,84,864
Other Non-Current Assets	4	4,87,95,784	61,35,839
<b>Current Assets</b>			
Financial Assets			
Investments	5	5,90,92,140	-
Trade Receivables	6	2,26,559	1,64,44,066
Cash and Cash Equivalents	7	1,20,73,135	39,55,29,621
Other Financial Assets	8	-	1,11,23,090
Other Current Assets	9	41,31,624	22,33,777
<b>TOTAL</b>		<b>58,98,47,972</b>	<b>56,15,17,968</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	10,62,571	10,62,571
Other Equity	11	54,30,29,701	53,31,62,235
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Provisions	12	70,33,173	60,52,294
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payables	13	3,51,445	364
Other Current Liabilities	14	1,71,46,968	9,76,252
Provisions	15	2,12,24,114	2,02,64,252
<b>TOTAL</b>		<b>58,98,47,972</b>	<b>56,15,17,968</b>

Significant Accounting Policies **1**  
Other Notes to Financial Statements **2 to 21**

As per our report of even date  
For **SSB & Associates**  
Chartered Accountants  
Firm Reg. No. : 010372S

For **Sankhyasutra Labs Limited**  
(Formerly known as Sankhyasutra Labs Private Limited)

**Mr. K. Balaji**  
Partner  
Membership No. : 207783  
UDIN: 21207783AAAADD2015

**Mr. Nachiket Urdhwaresh**  
Whole-Time Director  
DIN: 00018661

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

**Mr. Santosh Ansumali**  
Whole-Time Director  
DIN: 07238919

Place: Bengaluru  
Date : 19th April 2021

Bengaluru  
19th April 2021

Bengaluru  
19th April 2021

Bengaluru  
19th April 2021

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## SANKHYASUTRA LABS LIMITED

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Statement of Profit and Loss for the year ended 31st March 2021

(Amount in Indian Rupees)

Particulars	Notes	As at 31 Mar 2021	As at 31 Mar 2020
<b>REVENUE</b>			
Revenue from Operations	16	1,31,78,135	2,64,13,735
Other Income	17	1,44,02,250	27,83,267
<b>TOTAL REVENUE</b>		<b>2,75,80,385</b>	<b>2,91,97,002</b>
<b>EXPENSES</b>			
Employee Benefit Expenses	18	1,03,42,771	1,64,42,425
Depreciation and Amortization	2	7,75,207	4,97,200
Other Expenses	19	93,67,626	1,01,25,742
<b>TOTAL EXPENSES</b>		<b>2,04,85,604</b>	<b>2,70,65,367</b>
Profit/(Loss) before tax for the Year		<b>70,94,781</b>	<b>21,31,635</b>
Less:			
Tax expense		-	-
<b>Profit/(Loss) after tax</b>		<b>70,94,781</b>	<b>21,31,635</b>
Other comprehensive income	20	21,86,596	(20,03,727)
<b>Total Other Comprehensive Income</b>		<b>21,86,596</b>	<b>(20,03,727)</b>
<b>Total Comprehensive Income for the year</b>		<b>92,81,377</b>	<b>1,27,908</b>
Weighted Average no of equity shares outstanding - Basic		10,62,571	10,62,571
No of equity shares outstanding - Diluted		10,66,387	10,66,387
Earning per equity share of face value of Rs. 1/-			
Basic		6.68	2.01
Diluted	21	6.65	2.00

Significant Accounting Policies

1

Other Notes to Financial Statements

2 to 21

As per our report of even date

For **SSB & Associates**

Chartered Accountants

Firm Reg. No. : 010372S

For **Sankhyasutra Labs Limited**

(Formerly known as Sankhyasutra Labs Private Limited)

**Mr. K. Balaji**

Partner

Membership No. : 207783

UDIN: 21207783AAAADD2015

**Mr. Nachiket Urdhwareshe**

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**Mr. Santosh Ansumali**

Whole-Time Director

DIN: 07238919

Place: Bengaluru

Date : 19th April 2021

Bengaluru

19th April 2021

Bengaluru

19th April 2021

Bengaluru

19th April 2021

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

Statement of changes in equity for the year ended 31st March 2021

**A. Equity**

(Amount in Indian Rupees)

Particulars	Balance at 01 April 2019	Changes in Equity for 2019-20	Balance at 31 March 2020	Changes in Equity for 2020-21	Balance at 31 March 2021
Equity Shares	10,62,571	-	10,62,571	-	10,62,571
<b>Total</b>	<b>10,62,571</b>		<b>10,62,571</b>		<b>10,62,571</b>

**B. Other Equity**

Particulars	Stock Option Outstanding Account	Retained Earnings	Securities Premium	Total Equity
<b>Balance at 1 April 2019</b>	<b>40,37,301</b>	<b>(2,19,55,719)</b>	<b>14,89,99,125</b>	<b>13,10,80,707</b>
Issue of share capital				
Changes in equity for 2019-20	-	-	40,07,63,160	40,07,63,160
Profit for the year	-	21,31,635	-	21,31,635
Share based compensation	11,90,460	-	-	11,90,460
Other comprehensive income	-	(20,03,727)	-	(20,03,727)
Revaluation gain	-	-	-	-
<b>Balance at 31 March 2020</b>	<b>52,27,761</b>	<b>(2,18,27,811)</b>	<b>54,97,62,285</b>	<b>53,31,62,235</b>
Issue of share capital				
Changes in equity for 2020-21				
Profit for the year	-	70,94,781	-	70,94,781
Share based compensation	5,86,089	-	-	5,86,089
Other comprehensive income	-	21,86,596.00	-	21,86,596
Revaluation gain	-	-	-	-
<b>Balance at 31 March 2021</b>	<b>58,13,850</b>	<b>(1,25,46,434)</b>	<b>54,97,62,285</b>	<b>54,30,29,701</b>

As per our report of even date  
For **SSB & Associates**  
Chartered Accountants  
Firm Reg. No. : 010372S

For **Sankhyasutra Labs Limited**  
(Formerly known as Sankhyasutra Labs Private Limited)

**Mr. K. Balaji**  
Partner  
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Place: Bengaluru  
Date : 19th April 2021

Bengaluru  
19th April 2021

Bengaluru  
19th April 2021

Bengaluru  
19th April 2021

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Cash Flow Statement for the year ended 31st March 2021

Particulars	(Amount in Indian Rupees)	
	As at 31 Mar 2021	As at 31 Mar 2020
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit/(Loss) before taxation	70,94,781	21,31,635
<b>Adjustments for:</b>		
-Depreciation and amortization	7,75,207	4,97,200
-Employee Stock Option Expenses	5,86,089	11,90,460
-Other Income	(1,44,02,250)	(27,83,267)
<b>Operating profit before working capital changes</b>	<b>(59,46,173)</b>	<b>10,36,028</b>
(Increase) / Decrease in Other Financial Assets	(4,08,172)	(3,79,412)
(Increase) / Decrease in Other Non-Current Assets	(4,26,59,945)	(35,84,409)
(Increase) / Decrease in Trade Receivables	1,62,17,507	(1,74,976)
(Increase) / Decrease in Other Short-term Loans and Advances	1,11,23,090	(72,96,447)
(Increase) / Decrease in Other Current Assets	(18,97,847)	99,927
Increase / (Decrease) in Trade Payables	3,51,081	(16,40,848)
Increase / (Decrease) in Other Current Liabilities	1,61,70,716	7,10,232
Increase / (Decrease) in Long Term Provisions	18,39,024	32,51,334
Increase / (Decrease) in Short Term Provisions	9,59,862	1,94,76,165
<b>Cash generated from operations</b>	<b>(42,50,857)</b>	<b>1,14,97,594</b>
Income Taxes Paid	-	-
<b>Net cash from operating activities</b>	<b>(42,50,857)</b>	<b>1,14,97,594</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(33,58,44,190)	(10,79,80,010)
Investments	(5,77,63,689)	-
Other Income	1,44,02,250	27,83,267
<b>Net cash used in investing activities</b>	<b>(37,92,05,629)</b>	<b>(10,51,96,743)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital	-	40,07,63,160
<b>Net cash used in financing activities</b>		<b>40,07,63,160</b>
<b>Net Increase/ (decrease) in cash and cash equivalents</b>	<b>(38,34,56,486)</b>	<b>30,70,64,011</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>39,55,29,621</b>	<b>8,84,65,610</b>
<b>Cash and cash equivalents at end of the period</b>	<b>1,20,73,135</b>	<b>39,55,29,621</b>
<b>Cash and cash equivalents included in the cash flow statement comprise of the following Balance Sheet amounts :</b>		
Balances with Banks	1,20,73,135	39,55,29,621
<b>Cash and cash equivalents</b>	<b>1,20,73,135</b>	<b>39,55,29,621</b>

As per our report of even date  
For **SSB & Associates**  
Chartered Accountants  
Firm Reg. No. : 010372S

For **Sankhyasutra Labs Limited**  
(Formerly known as Sankhyasutra Labs Private Limited)

**Mr. K. Balaji**  
Partner  
Membership No. : 207783  
UDIN: 21207783AAAADD2015

**Mr. Nachiket Urdhwarshes**  
Director  
DIN: 00018661

**Mr. Sunil Dattatraya Sherlekar**  
Director  
DIN: 07239016

**Mr. Santosh Ansumali**  
Director  
DIN: 07238919

Place: Bengaluru  
Date : 19th April 2021

Bengaluru  
19th April 2021

Bengaluru  
19th April 2021

Bengaluru  
19th April 2021

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of financial statements for the year ended 31st March 2021

**Note 1**

**Significant Accounting Policies**

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**Corporate Information**

Sankhyasutra Labs Limited (formerly known as Sankhyasutra Labs Private Limited) ('the Company') was incorporated on 09 Sept 2015 under the Companies Act, 2013 ('the Act'). The registered office of the Company is located at Bangalore. The Company is established to provide consultancy & software development services.

**1 Basis of preparation of financial statements**

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.

**2 Summary of Significant Accounting**

**(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;
- Held primarily for the purpose of trading;
- 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 held primarily for the purpose of trading;
- 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**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of financial statements for the year ended 31st March 2021

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

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**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.

<b>Type of the Asset</b>	<b>Estimated useful life (in years)</b>
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.

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of financial statements for the year ended 31st March 2021

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

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**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.

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 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.

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.

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:

<b>Type of the Intangible Asset</b>	<b>Estimated useful life (in years)</b>
Softwares	3
Intellectual Property	10

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of financial statements for the year ended 31st March 2021

**Note 1**

**Significant Accounting Policies**

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**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.

**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.

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of financial statements for the year ended 31st March 2021

**Note 1**

**Significant Accounting Policies**

---

**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 @15daysbasic 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.

Provision for leave encashment is made based on unavailed leave standing to the credit of the employees as on balance sheet date. Provision for leave encashment 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.

**(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.

**SANKHYASUTRA LABS LIMITED**

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Notes forming part of financial statements for the year ended 31st March 2021

**Note 1**

**Significant Accounting Policies**

---

**(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 or the 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 set out in notes of accounts.

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.

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of financial statements for the year ended 31st March 2021

**Note 1**

**Significant Accounting Policies**

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**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.

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 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.

Other Income is recognized as and when it is accrued.

**Contract Balances**

**Trade Receivables**

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

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of financial statements for the year ended 31st March 2021

**Note 1**

**Significant Accounting Policies**

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**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

**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. Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognized in the Statement of Profit and Loss

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of financial statements for the year ended 31st March 2021

**Note 1**

**Significant Accounting Policies**

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**D. Impairment 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 analyzed.

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.

**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.

**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.

**q. Critical Accounting Judgements And Key Sources Of Estimation Uncertainty**

The preparation of the Company's Financial Statements 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.

**SANKHYASUTRA LABS LIMITED**

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Notes forming part of financial statements for the year ended 31st March 2021

**Note 1**

**Significant Accounting Policies**

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**r. Global Health Pandemic On Covid-19**

As per the Accounting & Auditing Advisory issued by Institute of Chartered Accountants of India (The ICAI) on impact of Corona Virus on Financial Reporting and the Auditor's Consideration, the management of the Company has reviewed the effect of Covid-19 on the business operations of the Company and impact on Financial Statements as at 31 March 2021.

The Management is of the view that Covid-19 pandemic does not have any material impact on the Financial Statements as at 31 March 2021. Hence, no provision has been made on account of Covid-19.

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### SANKHYASUTRA LABS LIMITED

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes financial statements for the year ended 31st March 2021

#### 2. Fixed Assets

(Amount in Indian Rupees)

Description	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK	
	As at 1-April 2020	Additions	Deletions / Written off	As at 31-March 2021	As at 1-April 2020	Depreciation for the period	Deletions	Up to 31-March 2021	As at 31-March 2021	As at 31-March 2020
<b>(a) Property, Plant and Equipment</b>										
Computer & Accessories	58,63,742	8,75,250	-	67,38,992	41,64,382	10,40,330	-	52,04,712	15,34,280	16,99,360
Previous Year	43,02,042	15,61,700	-	58,63,742	31,78,753	9,85,629	-	41,64,382	16,99,360	11,23,289
Computer Equipment - HPC Cluster	-	21,52,16,142	-	21,52,16,142	-	2,29,85,202	-	2,29,85,202	19,22,30,940	-
Previous Year	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	30,914	-	-	30,914	22,171	6,169	-	28,340	2,574	8,743
Previous Year	30,914	-	-	30,914	15,973	6,198	-	22,171	8,743	14,941
Office Equipment's	4,38,605	-	-	4,38,605	2,20,679	71,774	-	2,92,453	1,46,152	2,17,926
Previous Year	3,84,699	53,906	-	4,38,605	95,638	1,25,041	-	2,20,679	2,17,926	2,89,061
Sub-total (a)	<b>63,33,261</b>	<b>21,60,91,392</b>	<b>-</b>	<b>22,24,24,653</b>	<b>44,07,232</b>	<b>2,41,03,475</b>	<b>-</b>	<b>2,85,10,707</b>	<b>19,39,13,946</b>	<b>19,26,029</b>
Previous Year - Subtotal	<b>47,17,655</b>	<b>16,15,606</b>	<b>-</b>	<b>63,33,261</b>	<b>32,90,364</b>	<b>11,16,868</b>	<b>-</b>	<b>44,07,232</b>	<b>19,26,029</b>	<b>14,27,291</b>
<b>(b) Intangible Assets:</b>										
Software	28,857	69,508	-	98,365	28,857	5,378	-	34,235	64,130	-
Previous Year	28,857	-	-	28,857	25,584	3,273	-	28,857	-	3,273
Intellectual Property	2,19,80,000	-	-	2,19,80,000	84,29,844	21,97,157	-	1,06,27,001	1,13,52,999	1,35,50,156
Previous Year	2,19,80,000	-	-	2,19,80,000	62,26,663	22,03,181	-	84,29,844	1,35,50,156	1,57,53,337
Sub-total (b)	<b>2,20,08,857</b>	<b>69,508</b>	<b>-</b>	<b>2,20,78,365</b>	<b>84,58,701</b>	<b>22,02,535</b>	<b>-</b>	<b>1,06,61,236</b>	<b>1,14,17,129</b>	<b>1,35,50,156</b>
Previous Year - Subtotal	<b>2,20,08,857</b>	<b>-</b>	<b>-</b>	<b>2,20,08,857</b>	<b>62,52,247</b>	<b>22,06,454</b>	<b>-</b>	<b>84,58,701</b>	<b>1,35,50,156</b>	<b>1,57,56,610</b>
<b>(c) Intangible Assets Under Development</b>										
Development	10,91,90,526	14,52,14,093	-	25,44,04,619	-	-	-	-	25,44,04,619	10,91,90,526
Previous Year	-	10,91,90,526	-	10,91,90,526	-	-	-	-	10,91,90,526	-
<b>Total a+b+c</b>	<b>13,75,32,644</b>	<b>36,13,74,993</b>	<b>-</b>	<b>49,89,07,637</b>	<b>1,28,65,933</b>	<b>2,63,06,010</b>	<b>-</b>	<b>3,91,71,943</b>	<b>45,97,35,694</b>	<b>12,46,66,711</b>
<b>Previous Year - Total</b>	<b>2,67,26,512</b>	<b>11,08,06,132</b>	<b>-</b>	<b>13,75,32,644</b>	<b>95,42,611</b>	<b>33,23,322</b>	<b>-</b>	<b>1,28,65,933</b>	<b>12,46,66,711</b>	<b>1,71,83,901</b>

NOTE: Out of the total depreciation for the year amounting to Rs.2,63,06,010/- (Previous year Rs.33,23,322/-) an amount of Rs.2,55,30,803/- (Previous Year Rs.28,26,122/-) is transferred to Intangible Assets under Development and balance amount of Rs.7,75,207 (Previous year Rs.4,97,200/-) is debited to the Statement of Profit & Loss.

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of Balance Sheet as at 31st March 2021

*(Amount in Indian Rupees)*

<b>Particulars</b>	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
<b>3 OTHER FINANCIAL ASSETS</b>		
<i>Unsecured, considered good</i>		
Security Deposits	57,93,036	53,84,864
<b>TOTAL</b>	<b>57,93,036</b>	<b>53,84,864</b>
<b>4 OTHER NON CURRENT ASSETS</b>		
<i>Unsecured, considered good</i>		
<u>Other Advances</u>		
Input Tax credit receivable	4,84,59,288	57,99,341
Prepaid Rent	3,36,496	3,36,498
<b>TOTAL</b>	<b>4,87,95,784</b>	<b>61,35,839</b>
<b>5 INVESTMENTS</b>		
<i>Investments measured at Fair Value Through Profit or Loss</i>		
Investment in Mutual Fund - Quoted	5,90,92,140	-
<b>TOTAL</b>	<b>5,90,92,140</b>	
<b>6 TRADE RECEIVABLE</b>		
Unsecured, Trade Receivable considered good	2,26,559	1,64,44,066
<b>TOTAL</b>	<b>2,26,559</b>	<b>1,64,44,066</b>
<b>7 CASH AND CASH EQUIVALENTS</b>		
Balances with Banks	1,20,73,135	39,55,29,621
<b>TOTAL</b>	<b>1,20,73,135</b>	<b>39,55,29,621</b>
<b>8 OTHER FINANCIAL ASSETS</b>		
Unbilled Revenue	-	1,11,23,090
<b>TOTAL</b>		<b>1,11,23,090</b>
<b>9 OTHER CURRENT ASSETS</b>		
Other Loans and Advances	18,107	27,872
Prepaid Expenses	8,25,445	6,87,452
Income Tax Paid	32,88,072	15,18,453
<b>TOTAL</b>	<b>41,31,624</b>	<b>22,33,777</b>

**SANKHYASUTRA LABS LIMITED**  
(Formerly known as Sankhyasutra Labs Private Limited)  
CIN: U72200KA2015PLC082760  
Notes forming part of Balance Sheet as at 31st March 2021

(Amount in Indian Rupees)

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
<b>10 SHARE CAPITAL</b>		
<b>10.1 Authorized Share Capital</b>		
30,00,000 Equity Shares of Re.1/- each ((Previous Year 30,00,000 Equity Shares of Re.1/- each)	30,00,000	30,00,000
<b>Issued and Subscribed</b>		
<b>2,03,793</b> Equity Shares of Rs.1/- each	2,03,793	2,03,793
<b>9,54,198</b> Equity Shares of Re.1/- each	9,54,198	9,54,198
<b>Paid Up</b>		
<b>2,03,793</b> Equity Shares of Rs.1/- each	2,03,793	2,03,793
<b>9,54,198</b> Equity Shares of Re.1/- each (Partly paid up Re. 0.90/- each share)	8,58,778	8,58,778
<b>TOTAL</b>	<b>10,62,571</b>	<b>10,62,571</b>

10.2 Reconciliation of Equity Shares outstanding	As at 31 Mar 2021		As at 31 Mar 2020	
	No of Shares of Re. 1/- Each	Amount	No of Shares of Re. 1/- Each	Amount
Shares outstanding as at the beginning of the year	11,57,991	10,62,571	11,57,991	10,62,571
Shares Issued during the year Nil				
<b>Equity Shares outstanding as at the end of the year</b>	<b>11,57,991</b>	<b>10,62,571</b>	<b>11,57,991</b>	<b>10,62,571</b>

**10.3**

- a. The Company has one class of equity shares having a par value of 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 Shares held by Holding Company**

Name of the Shareholders	As at 31 Mar 2021		As at 31 Mar 2020	
	Shareholding (in nos.)	Percentage (%)	Shareholding (in nos.)	Percentage (%)
<b>Holding Company</b>				
Jio Platforms Limited	10,05,155	86.80%	10,05,155	86.80%

**10.7 Equity Shares in the Company held by each share holder holding 5% shares or more and percentage of share holding.**

Name of the Shareholders	As at 31 Mar 2021		As at 31 Mar 2020	
	Shareholding (in nos.)	Percentage (%)	Shareholding (in nos.)	Percentage (%)
Jio Platforms Limited	10,05,155	86.80%	10,05,155	86.80%
Mr. Santosh Ansumali	70,116	6.05%	70,116	6.05%

**SANKHYASUTRA LABS LIMITED**

(Formerly known as Sankhyasutra Labs Private Limited)

CIN: U72200KA2015PLC082760

Notes forming part of Balance Sheet as at 31st March 2021

*(Amount in Indian Rupees)*

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
<b>11 OTHER EQUITY</b>		
<b>a) Security Premium</b>		
Opening Balance	54,97,62,285	14,89,99,125
Additions during the year	-	40,07,63,160
Closing Balance	<b>54,97,62,285</b>	<b>54,97,62,285</b>
<b>b) Stock Option Outstanding Account</b>		
Opening Balance	52,27,761	40,37,301
Share Based Compensation for the year	5,86,089	11,90,460
Closing Balance	<b>58,13,850</b>	<b>52,27,761</b>
<b>c) Retained Earnings</b>		
Opening Balance	(2,18,27,811)	(2,19,55,719)
Add: Surplus/(Loss) in the Statement of Profit and Loss	70,94,781	21,31,635
Add: Other Comprehensive Income	21,86,596	(20,03,727)
Closing Balance	<b>(1,25,46,434)</b>	<b>(2,18,27,811)</b>
<b>TOTAL</b>	<b>54,30,29,701</b>	<b>53,31,62,235</b>
<b>12 PROVISIONS</b>		
Provision for Leave Encashment	21,85,793	19,51,291
Provision for Gratuity	48,47,380	41,01,003
<b>TOTAL</b>	<b>70,33,173</b>	<b>60,52,294</b>
<b>13 TRADE PAYABLES</b>		
Due to Micro, Small and Medium Enterprises [Refer Note 21(2)]	-	-
Due to Others	3,51,445	364
<b>TOTAL</b>	<b>3,51,445</b>	<b>364</b>
<b>14 OTHER CURRENT LIABILITIES</b>		
Statutory Dues Payable	9,82,562	4,01,149
Payable to Employees	-	4,22,103
Audit Fees Payable	1,43,375	1,53,000
Advance Received from Customer	1,60,21,031	-
<b>TOTAL</b>	<b>1,71,46,968</b>	<b>9,76,252</b>
<b>15 SHORT TERM PROVISIONS</b>		
Provision for Leave Encashment	3,34,258	51,876
Provision for Gratuity	96,211	7,652
Provision for Employee Benefits	1,60,31,000	1,90,01,504
Other Provision for Expenses	47,62,645	12,03,220
<b>TOTAL</b>	<b>2,12,24,114</b>	<b>2,02,64,252</b>

**SANKHYASUTRA LABS LIMITED**

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Notes forming part of the Profit and Loss Statement for the year ended 31st March 2021

*(Amount in Indian Rupees)*

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
<b>16 REVENUE FROM OPERATIONS</b>		
<b><u>Sale of Services</u></b>		
Software Development Service	2,51,57,724	1,83,06,571
Increase/(Decrease) of Unbilled Revenue	(1,19,79,589)	81,07,164
<b>TOTAL</b>	<b>1,31,78,135</b>	<b>2,64,13,735</b>
<b>17 OTHER INCOME</b>		
Short Term Capital Gain	1,39,94,078	23,96,458
Interest on Fixed Deposits	-	7,397
Other Interest Income	4,08,172	3,79,412
<b>TOTAL</b>	<b>1,44,02,250</b>	<b>27,83,267</b>
<b>18 EMPLOYEE BENEFIT EXPENSES</b>		
Salary, Bonus and Allowances	9,61,42,668	9,75,01,074
Leave Encashment	9,98,804	17,27,837
Retirement Benefits	15,31,658	15,68,191
Staff Welfare Expenses	11,800	1,62,559
Insurance - Medical and Accident	8,71,414	3,87,056
Employee Stock Option Expenses - Discount	5,86,089	11,90,460
Transfer to Project Development Expenses	(8,97,99,662)	(8,60,94,752)
<b>TOTAL</b>	<b>1,03,42,771</b>	<b>1,64,42,425</b>

**SANKHYASUTRA LABS LIMITED**

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Notes forming part of the Profit and Loss Statement for the year ended 31st March 2021

*(Amount in Indian Rupees)*

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
<b>19 OTHER EXPENSES</b>		
Rent	1,10,62,681	1,10,33,065
Legal and Professional Charges - (see note 19.1 below)	2,25,42,417	1,06,70,219
Travelling and Conveyance	1,27,844	14,35,930
Repairs and Maintenance - IT & Infrastructure	11,21,888	21,04,228
Rates and Taxes	15,410	93,758
Bank Charges	53,133	24,857
Miscellaneous Expenses	12,77,102	18,14,420
Communication Cost	8,89,236	5,62,240
Foreign Exchange loss	8,43,730	15,303
Foreign Withholding Taxes ( net of amount adjusted against current taxes)	13,17,814	26,41,374
Transfer to Project Development Expenses	(2,98,83,629)	(2,02,69,652)
<b>TOTAL</b>	<b>93,67,626</b>	<b>1,01,25,742</b>
<b>19.1 Legal &amp; Professional Charges includes payments to auditors</b>		
Fees as Auditors	1,95,000	2,30,000
Fees for Other Services	89,250	27,000
<b>TOTAL</b>	<b>2,84,250</b>	<b>2,57,000</b>
<b>20 OTHER COMPREHENSIVE INCOME</b>		
<u>Items that will not to be reclassified to the profit or loss in subsequent periods:</u>		
Re-measurement gains/(losses) on Mutual Fund	13,28,451	-
Re-measurement gains/(losses) on defined benefit plans	8,58,145	(20,03,727)
<b>TOTAL</b>	<b>21,86,596</b>	<b>(20,03,727)</b>

**SANKHYASUTRA LABS LIMITED**

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Notes forming part of Financial Statements as at 31st March 2021

**Note 21**

(Amount in Indian Rupees)

**Other Notes to Financial statements****1 Earning per share**

	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
Net profit/(Loss) for the period attributable to equity shareholders	70,94,781	21,31,635
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	10,66,387	10,66,387
Basic earnings per share	<b>6.68</b>	<b>2.01</b>
Diluted earnings per share	<b>6.65</b>	<b>2.00</b>

<b>Particulars</b>	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
Face value per equity share	1.00	1.00
<b>Basic earnings per share - Before exceptional Item</b>	<b>6.68</b>	<b>2.01</b>
<b>Basic earnings per share - After exceptional Item</b>	<b>6.68</b>	<b>2.01</b>
Net profit after tax as per the Statement of Profit and Loss attributable to equity shareholders - Before exceptional Item.	70,94,781	21,31,635
Net profit after tax as per the Statement of Profit and Loss attributable to equity shareholders - After exceptional Item.	70,94,781	21,31,635
Weighted average number of equity shares used as denominator for calculating basic EPS	10,62,571	10,62,571
<b>Diluted earnings per share - Before exceptional Item</b>	<b>6.65</b>	<b>2.00</b>
<b>Diluted earnings per share - After exceptional Item</b>	<b>6.65</b>	<b>2.00</b>
Net profit after tax as per the Statement of Profit and Loss attributable to equity shareholders - Before exceptional Item.	70,94,781	21,31,635
Net profit after tax as per the Statement of Profit and Loss attributable to equity shareholders - After exceptional Item.	70,94,781	21,31,635
Weighted average number of equity shares used as denominator for calculating basic EPS	10,66,387	10,66,387
<b>Reconciliation of Weighted average number of shares</b>		
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	3,816	3,816
Weighted average number of equity shares used as denominator for calculating diluted EPS	10,66,387	10,66,387

**SANKHYASUTRA LABS LIMITED**

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**2 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. The Company has not received any claim for interest from any supplier under the said Act.

	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
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.	-	-

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**3 Related Party Disclosures**

(i) List of related parties

<b>Name of the Party</b>	<b>Relationship</b>
Mr. Nachiket Urdhwareshe	Whole -Time Director
Mr. Sunil Dattatraya Sherlekar	Whole -Time Director
Mr. Santosh Ansumali	Whole -Time Director
M/s Jio Platforms Limited	Holding Company
M/s Reliance Industrial Investment Holdings Ltd	Holding Company ( Upto 30th Mar 2020)
M/s Reliance Industries Limited	Ultimate Holding Company
M/s Reliance Jio Infocomm Limited	Fellow Subsidiary

(ii) Transactions with related parties

<b>Particulars</b>	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
<b>(i) Remuneration Paid to Key Management Personnel</b>		
Mr. Nachiket Urdhwareshe	1,60,64,400	1,18,69,104
Mr. Sunil Dattatraya Sherlekar	1,60,86,000	1,18,85,304
Mr. Santosh Ansumali	1,55,76,000	90,00,000
<b>(ii) Reimbursement of expenses paid to Key Management Personnel</b>		
Mr. Nachiket Urdhwareshe	38,440	1,90,306
Mr. Sunil Dattatraya Sherlekar	17,554	8,08,213
Mr. Santosh Ansumali	1,24,125	42,809
<b>(iii) Balances at the period end</b>		
Mr. Sunil Dattatraya Sherlekar	-	4,22,103
<b>(iv) Share Premium</b>		
M/s Reliance Industrial Investment Holdings Ltd	-	40,07,63,160
<b>(v) Telephone and Internet Charges</b>		
M/s Reliance Jio Infocomm Limited	12,10,357	-

**4 Earnings and Expenditure in Foreign Currency**

<b>Particulars</b>	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
<b><u>Earnings in Foreign Exchange</u></b>		
Software Development Service	2,51,57,724	1,83,06,571
<b><u>Expenditure in Foreign Exchange</u></b>		
(i) Travelling Expenses	-	3,85,922
(ii) Professional Fee	49,73,601	18,96,736
(iii) Membership Fee	-	2,35,936

**SANKHYASUTRA LABS LIMITED**

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Notes forming part of Financial Statements as at 31st March 2021

**5 Employee benefits**

- A 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.

	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
Change in Defined Benefit Obligation		
Obligation at the beginning	41,08,655	5,36,737
Service cost	12,37,067	15,32,713
Interest cost	2,94,591	35,478
Plan amendment cost	-	-
Benefit Payments	-	-
Actuarial Losses / (Gains)	(6,96,722)	20,03,727
<b>Obligation at period end</b>	<b>49,43,591</b>	<b>41,08,655</b>

Present value of the defined benefit obligations at the end of the year

	49,43,591	41,08,655
(Liability)/ Assets recognized in the Balance Sheet	<b>(49,43,591)</b>	<b>(41,08,655)</b>

Gratuity cost for the period

Service cost	12,37,067	15,32,713
Interest cost	2,94,591	35,478
Actuarial (gain)/loss	(6,96,722)	20,03,727
<b>Net gratuity cost</b>	<b>8,34,936</b>	<b>35,71,918</b>

**Assumptions**

Discount factor	7.17%	6.61%
Estimated rate of return on plan assets	0.00%	0.00%
Salary increase	10.00%	10.00%
Attrition rate	5.00%	5.00%
Retirement age	60 Years	60 Years

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Notes forming part of Financial Statements as at 31st March 2021

- B** The Company has an Earned Leave Scheme for all employees on the casual leave granted, under which unavailed leave of their employees is allowed to be accumulated under certain limits, and permitted to be encashed at the time of employee's retirement, resignation or on death on the basis of the salary he/she would be drawing at the time of his separation from the Company.

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

	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
Change in Defined Benefit Obligation		
Obligation at the beginning	20,03,167	2,81,763
Service cost	8,66,668	6,93,334
Interest cost	1,32,137	18,412
Plan amendment cost	-	-
Benefit Payments	(3,20,497)	(6,433)
Actuarial Losses / (Gains)	(1,61,423)	10,16,091
<b>Obligation at period end</b>	<b>25,20,051</b>	<b>20,03,167</b>

Present value of the defined benefit obligations at the end of the year	25,20,051	20,03,167
(Liability)/Assets recognized in the Balance Sheet	<b>(25,20,051)</b>	<b>(20,03,167)</b>

Leave Encashment cost for the year		
Service cost	8,66,668	6,93,334
Interest cost	1,32,137	18,412
Actuarial (gain)/loss	(1,61,423)	10,16,091
<b>Net Leave Encashment cost</b>	<b>8,37,382</b>	<b>17,27,837</b>

**Assumptions**

Discount factor	7.17%	6.61%
Estimated rate of return on plan assets	0.00%	0.00%
Salary increase	10.00%	10.00%
Attrition rate	5.00%	5.00%
Retirement age	60 Years	60 Years

**6 Leases**

The Company has taken the office space on lease under operating lease agreement and has taken Plant & Machinery on lease basis. The Lease payments made during the year and to be made in future years in respect of the lease are as follows:

<b>Particulars</b>	<b>As at 31 Mar 2021</b>	<b>As at 31 Mar 2020</b>
Lease rent paid during the year	1,10,62,681	1,10,33,065
<b>Lease Obligation</b>		
With in One year of the Balance Sheet date	79,47,461	1,02,87,639
Due period between One year and third years	-	88,07,403
Due after three years	-	-

**SANKHYASUTRA LABS LIMITED**

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Notes forming part of Financial Statements as at 31st March 2021

**7 Employees Stock Option Plan**

The Shareholders in the Extra-ordinary General Meeting held on 06th March, 2017 have approved the Sankhyasutra Labs Employees Stock Option Plan 2017 (ESOP 2017 Plan). In accordance with the said ESOP 2017 Plan, the Board of Directors have been 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 31 March 2021. 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 period ended 31 March 2021, the Company has recorded Employee Stock Option compensation expenses of Rs. 5,86,089- 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/Compensation Committee to estimate the fair value of equity instruments granted.

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
Outstanding Options at the beginning of the year	3,840	3,840
Options granted during the year	-	-
Options forfeited during the year	-	-
Options granted closing balance	<b>3,840</b>	<b>3,840</b>
Options vested	2,470	1,510
Options exercised	-	-
Options expired during the period	-	-
Options exercisable at the end of the period	2,470	1,510

**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 March 31, 2018 included as mentioned below. Further no new stock options were granted during FY 2020-21;

- Weighted average exercise price INR 10/-
- Grant date: 03.04.2017 & 03.04.2018
- Vesting year: 2018-19 to 2022-23
- Share Price at grant date: INR 1,565.65 at 03.04.2017 & INR 1,565.65 at 03.04.2018
- Risk free interest rate: 7.89%
- Cost of equity -ke: 17.97%
- Growth rate of Perpetuity: 5%

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

**8 Contingent Liabilities and Commitments****Contingent Liabilities**

Particulars	As at 31 Mar 2021	As at 31 Mar 2020
Claims/disputed liabilities against the Company not acknowledged as debts - Income tax demand for the AY 2016-17.	72,92,263	72,92,263

- The Company has recognized expenses incurred by technology groups towards software products and technologies amounting to Rs.14,55,58,733/- up to 31 Mar 2021 as Intangible Assets under Development as these expenses will have future economic benefits and has fulfilled the recognition criteria as envisaged under Ind AS 38, Intangible Assets.

**SANKHYASUTRA LABS LIMITED**

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Notes forming part of Financial Statements as at 31st March 2021

**10 IMPACT OF COVID-2019 ON FINANCIAL REPORTING**

As per the Accounting & Auditing Advisory issued by Institute of Chartered Accountants of India (The ICAI) on impact of Corona Virus on Financial Reporting and the Auditor's Consideration, the management of the Company has reviewed the effect of Covid-19 on the business operations of the Company and impact on Financial Statements as at 31.03.2021.

The Management is of the view that Covid-19 lockdown does not have any impact on the Financial Statements as at 31.03.2021. Hence, no provision has been made on account of Covid-19.

**11 Segment Reporting**

The Company provides consultancy & software development services. The Company has single segment as per the requirements of Ind AS 108 for "Operating Segment". The assets and liabilities of the Company as on 31 Mar 2021 predominantly relate to this segment.

**12 Deferred Tax**

The Deferred Tax Asset shall be recognized for all deductible temporary difference to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The Company does not foresee profits in the foreseeable future. Hence, Deferred Tax Asset has not been recognized in the financial statements.

13 Figures of the previous year have been re-grouped and re-classified wherever necessary to confirm with the current year classification to the extent necessary as per Schedule III of Companies Act, 2013.

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(Signatures to Notes 1 to 21)

As per our report of even date

For **SSB & Associates**

Chartered Accountants

Firm Reg. No. : 010372S

For **Sankhyasutra Labs Limited**

(Formerly known as Sankhyasutra Labs Private Limited)

**Mr. K Balaji**

Partner

Membership No. : 207783

UDIN 21207783AAAADD2015

Place: Bengaluru

Date 19th April 2021

**Mr. Nachiket Urdhwaresh**

Whole -Time Director

DIN: 00018661

Bengaluru

19th April 2021

**Mr. Sunil Dattatraya Sherlekar**

Whole -Time Director

DIN: 07239016

Bengaluru

19th April 2021

**Mr. Santosh Ansumali**

Whole -Time Director

DIN: 07238919

Bengaluru

19th April 2021