



Vivek M Tamhane & Co.

Chartered Accountants

Independent Auditor's Report 1, Gauresh Apartments, Old Police Lane, Andheri (East),
Mumbai - 400 069, Tel.: 2684 2158, 2683 2838,
Email : tamhanevivek@gmail.com

To the Members of M/s. Sudarshan Electronics & TV Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of M/s. **Sudarshan Electronics & TV Limited ("the Company")**, which comprise of the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the Ind AS 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, of the state of affairs of the Company as at March 31, 2021, and profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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.

Responsibility of Management 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 statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS Financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Ind AS Financials

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 Ind AS Financial statements.

Report on Other Legal and Regulatory Requirements

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" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- 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, and the Cash Flow Statement 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



- i. The Company has disclosed the impact of pending litigations on its financial position in its 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 **Vivek M Tamhane & Co.**

Chartered Accountants

Firm's registration number: 111608W

Vivek M Tamhane



Vivek M Tamhane

Proprietor

Membership number: 033228

Place: Mumbai

Date: 12-05-2021

UDIN : 21033228AAAABN6346

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Ind AS Financial Statements of the Company for the year ended March 31, 2021:

1. Clause (a) - The Company has Leasehold Land in their books of Account and they have maintained proper records showing particulars of these fixed assets.
Clause (b) - The Company has a program of verification to cover all the items of fixed assets in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
Clause (c) – This clause is not applicable.
2. Clause (a) and (b): The Company does not have any Inventory. Hence, Clause (a) and (b) are not applicable.
3. To the best of our knowledge and belief and according to the information and explanation given to us, 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the company has not given or granted any loans, investments, guarantees, and security to the persons notified under Section 185 and 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, the Income tax department has raised a demand Rs.11.93 Lakhs which is outstanding for more than six months. The company has contested the same and it is pending final disposal.



8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the company has not paid or provided for any managerial remuneration.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon. However, during the year Company has issued Right Shares to the existing shareholders of the Company.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **Vivek M Tamhane & Co.**

Chartered Accountants

Firm's registration number: 111608W

Vivek M Tamhane

Vivek M Tamhane

Proprietor

Membership number: 033228

Place : Mumbai

UD # 210332280AAAABN6346



**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE
ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF SUDARSHAN
ELECTRONICS AND T.V. 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 **SUDARSHAN ELECTRONICS AND T.V. LIMITED** 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 Controls. 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.



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

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.

For **Vivek M Tamhane & Co.**

Chartered Accountants

Firm's registration number: 111608W

Vivek M Tamhane



Vivek M Tamhane

Proprietor

Membership number: 033228

Place: Mumbai

Date: 12-05-2021

UDIN : 21033228AAAABN6346

Sudarshan Electronics & TV Limited
Balance Sheet as at 31 March 2021
 (All amount in ₹ lakh, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	3	16.55	16.55
Financial assets			
(i) Investment	4	2.00	0.88
Deffered Tax Assets	5	0.03	0.14
Total non-current assets		18.58	17.57
Current assets			
Financial assets			
(i) Cash and cash equivalents	6	198.33	196.59
(ii) Other financial assets	7	4.16	4.66
Current tax assets (net)	15	1.12	1.87
Other Current assets	8	0.01	0.01
Total current assets		203.62	203.12
Total assets		222.20	220.69
Equity and liabilities			
Equity			
Equity share capital	9	782.67	782.67
Other equity	10	(750.52)	(758.04)
Total equity		32.14	24.62
Liabilities			
Current liabilities			
Financial Liabilities			
(i) Other financial liability	11	190.06	196.07
Total current liabilities		190.06	196.07
Total equity and liabilities		222.20	220.69

The accompanying notes 1 to 22 form an integral part of these standalone financial statements.

This is the standalone Balance Sheet referred to in our report of even date.

For Vivek M Tamhane & Co.

Chartered Accountants

FRN - 111608W

Vivek M Tamhane

Vivek M Tamhane

Proprietor

Membership No. 033228

Place: Mumbai

Date : 12th May 2021



For and on behalf of the board of directors
 Sudarshan Electronics & TV Limited

Rohin Bomanji

Rohin Bomanji

Director

DIN: 06971089

Parasmal Rakhecha

Parasmal Rakhecha

Director

DIN: 03287230

Sudarshan Electronics & TV Limited

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

(All amount in ₹ lakh, unless otherwise stated)

	Notes	year ended 31 March 2021	year ended 31 March 2020
Income			
Other income	12	10.54	9.19
Total income		10.54	9.19
Expenses			
Employee Benefit Expenses	13	0.02	0.06
Other expenses	14	1.31	3.17
Total expenses		1.33	3.23
Profit before tax		9.21	5.96
Tax expenses	15		
Current tax		2.69	2.32
		2.69	2.32
Profit after tax		6.52	3.64
Other comprehensive income:			
(a) Items that will not be reclassified subsequently to profit or loss:			
(i) Changes in fair value of FVOCI equity instruments		1.12	(0.40)
(iii) Tax relating to these items		(0.12)	0.04
Total other comprehensive income for the year, net of tax		1.00	(0.36)
Total comprehensive income for the year		7.52	3.28
Earnings per equity share			
Basic earnings per share (₹)	16	0.08	0.05
Diluted earnings per share (₹)		0.08	0.05

The accompanying notes 1 to 22 form an integral part of these standalone financial statements.

This is the standalone Statement of Profit and Loss referred to in our report of even date.

For Vivek M Tamhane & Co.

Chartered Accountants

FRN - 111608W



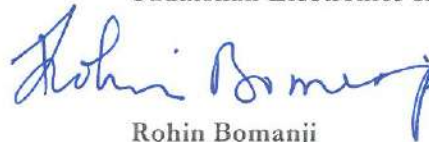
Vivek M Tamhane

Proprietor

Membership No. 033228

For and on behalf of the board of directors

Sudarshan Electronics & TV Limited



Rohin Bomanji

Director

DIN: 06971089



Parasmal Rakhecha

Director

DIN: 03287230

Place: Mumbai

Date : 12th May 2021



Sudarshan Electronics & TV Limited

Statement of Cash Flows for the year ended 31 March 2021

(All amount in ₹ lakh, unless otherwise stated)

		year ended 31 March 2021	year ended 31 March 2020
A. Cash flow from operating activities:			
Loss before tax		9.21	5.96
Adjustment for:			
Interest Income		(10.54)	(6.98)
Dividend Income		(0.00)	(0.03)
Share of Profit from LLP		-	(0.09)
		<u>(1.33)</u>	<u>(1.15)</u>
Operating profit before working capital changes:			
Adjustment for:			
Decrease / (Increase) in Other Financial Assets		0.50	5.56
Increase in other financial liabilities		(6.01)	187.99
Cash used in operating activities		<u>(6.84)</u>	<u>192.41</u>
Income tax paid (Net of Refund)		(1.95)	(3.69)
Net cash generated used in operating activities	(A)	<u>(8.79)</u>	<u>188.72</u>
B. Cash flow from investing activities			
Purchase of Property, Plant & Equipment		-	(16.55)
Purchase of Investment		(0.01)	(0.55)
Interest Income		10.54	6.98
Dividend Income		0.00	0.03
Refund of Partner Contribution		-	0.48
Received from LLP		-	3.42
Net cash generated from / (used in) investing activities	(B)	<u>10.53</u>	<u>(6.19)</u>
C. Cash flow from financing activities			
Net cash (used in) financing activities	(C)	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	<u>1.74</u>	<u>182.53</u>
Cash and cash equivalents as at the beginning of the year		<u>196.59</u>	<u>14.06</u>
Cash and cash equivalents as at the end of the year		<u>198.33</u>	<u>196.59</u>

Notes:

- i) The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

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Sudarshan Electronics & TV Limited
Statement of Cash Flows for the year ended 31 March 2021
(All amount in ₹ lakh, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
ii) Cash and cash equivalents comprises of:		
Cash on hand	-	-
Balances with banks		
- In current accounts	3.00	6.53
Bank deposits with maturity less than 3 months	195.33	190.06
	198.33	196.59

This is the standalone Statement of cash flows referred to in our report of even date.

For Vivek M Tamhane & Co.
Chartered Accountants
FRN - 111608W



Vivek M Tamhane
Proprietor
Membership No. 033228

Place: Mumbai
Date : 12th May 2021



For and on behalf of the board of directors
Sudarshan Electronics & TV Limited



Rohin Bomanji
Director
DIN: 06971089



Parasmal Rakhecha
Director
DIN: 03287230

Sudarshan Electronics & TV Limited

Statement of Changes in Equity for the year ended 31 March 2021

(All amount in ₹ lakh, unless otherwise stated)

(A) Equity

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	782.67	782.67
Changes in Equity Share capital during the year	-	-
Equity Share Balance at the end of the year	782.67	782.67

(B) Other equity

	Retained Earnings	Reserve & Surplus	Capital reserve	Security Premium	Other Comprehensive Income (OCI)	Total
As at 01 April 2019	(847.06)	(842.11)	84.36	844.37	(0.87)	(761.32)
Profits for the year	3.64	-	-	-	-	3.64
Items of Other comprehensive income, net of tax:						
- Net fair value gain on investment in equity through OCI	-	-	-	-	(0.36)	(0.36)
As at 31 March 2020	(843.42)	(842.11)	84.36	844.37	(1.23)	(758.04)
Profits for the year	6.52	-	-	-	-	6.52
Items of other comprehensive income, net of tax:						
- Net fair value gain on investment in equity through OCI	-	-	-	-	1.00	1.00
As at 31 March 2021	(836.91)	(842.11)	84.36	844.37	(0.23)	(750.52)

This is the standalone Statement of Change in Equity referred to in our report of even date.

For Vivek M Tamhane & Co.

Chartered Accountants

FRN - 111608W

Vivek M Tamhane

Vivek M Tamhane

Proprietor

Membership No. 033228

Place: Mumbai

Date: 12th May 2021

For and on behalf of the board of directors
Sudarshan Electronics & TV Limited

Rohin Bomanji

Rohin Bomanji

Director

DIN: 06971089

Parasimal Rakhecha

Director

DIN: 03287230



1 (a) Corporate Information

Sudarshan Electronics & TV Limited ("the Company") is a Public limited Company domiciled in India and registered under the provisions of the Companies Act, 1956. The Company is a subsidiary of Instant Holdings Limited and is engaged in the businesses as per its main objects of Memorandum of Association (MOA) of the company.

(b) Basis of preparation of financial statements

General information and statement of compliance with Indian Accounting Standards

These financial statements have been prepared in accordance with Indian Accounting Standards notified under section 133 of the Companies Act 2013, read together with Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS).

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

Current/Non-current classification

The Company presents all its assets and liabilities in the balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- iv. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- v. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

(c) Presentation of financial statements

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business.
- The event of default.
- The event of insolvency or bankruptcy of the Company and/or its counterparties.

(d) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. 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 future periods.

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(d) Significant accounting judgements, estimates and assumptions (cont'd)

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair value. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business. Where the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

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2 Significant accounting policies

2.01 Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs. Revenue from contracts with customers is recognized on transfer control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to exchange for those goods or services.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

2.02 Financial instruments

Point of recognition

Financial assets and liabilities, with the exception of loans, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities, deposits and borrowings when funds reach the Company.

Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, per the principles of the Ind AS. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Company accounts mentioned below:

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs that are observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain or loss. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

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2 Significant accounting policies (cont'd)

2.02 Financial instruments (cont'd)

Subsequent measurement of financial liabilities

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Subsequent measurement of financial assets

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset; and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- (a) Financial assets measured at amortized cost
- (b) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- (c) Financial assets measured at fair value through profit or loss (FVTPL)

(a) Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows; and
- (ii) 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.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss. The amortized cost of a financial asset is also adjusted for loss allowance, if any.

(b) Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- (i) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets; and
- (ii) 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.

This category applies to certain investments in equity instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of profit and loss under 'Other Comprehensive Income (OCI)'. On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss, except for instruments which the Company has irrevocably elected to be classified as equity through OCI at initial recognition, when such instruments meet the definition of definition of Equity under Ind AS 32 Financial Instruments:

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in the statement of profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

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2 Significant accounting policies (cont'd)

2.02 Financial instruments (cont'd)

(c) Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

De-recognition:

(a) Financial asset:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset. A regular way purchase or sale of financial assets has been derecognised, as applicable, using trade date accounting.
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the Financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

(b) Financial liability:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

Impairment of financial assets:

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

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weight. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets:

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

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2 Significant accounting policies (cont'd)

2.02 Financial instruments (cont'd)

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make this assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.03 Fair Value

The Company measures its financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 (unadjusted) - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

- Level 2 - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

- Level 3 - Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

2.04 Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information

(All amount in ₹ lacs, unless otherwise stated)

2 Significant accounting policies (cont'd)

2.04 Income Taxes (cont'd)

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 under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Company has not recognised a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, a interests in joint arrangements, except to the extent that both of the following conditions are satisfied:

- the parent, investor, joint venturer or joint operator is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.05 Provisions and contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of 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. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.06 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

2.07 Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service.

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2 Significant accounting policies (cont'd)

2.08 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

2.09 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.10 Property, plant & equipment

Measurement at recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes and levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

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.

Depreciation

Depreciation on each part of an item of property, plant and equipment is provided using the written down value method based on the useful life of the asset as prescribed in Schedule II to the Act. Depreciation is calculated on a pro-rata basis from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortised over the underlying lease term on a straight line basis.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

2.11 Earnings per equity share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources. For the purpose of calculating diluted earnings per share, net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. As on the balance sheet date, the Company has no dilutive potential equity shares.

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information
(All amount in ₹ lakh, unless otherwise stated)

3 Property, plant and equipment

	<u>Lease Hold Land</u>	<u>Total</u>
Gross block		
Balance as at 01 April 2019	-	-
Additions	16.55	16.55
Disposal	-	-
Balance as at 31 March 2020	16.55	16.55
Additions	-	-
Disposal	-	-
Balance as at 31 March 2021	16.55	16.55
Accumulated depreciation and impairment		
Balance as at 01 April 2019	-	-
Charge for the year	-	-
Disposal/adjustments	-	-
Balance as at 31 March 2020	-	-
Charge for the year	-	-
Disposal/adjustments	-	-
Balance as at 31 March 2021	-	-
Net Block		
Balance as at 31 March 2020	16.55	16.55
Balance as at 31 March 2021	16.55	16.55

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information

(All amount in ₹ lakh, unless otherwise stated)

	<u>As at</u> <u>31 March 2021</u>	<u>As at</u> <u>31 March 2020</u>
4 <u>Investment</u>		
<u>Non Current</u>		
Investment in Equity Instrument (Quoted)		
(non trade, measured at FVOCI)		
Ceat Limited (No of Sh. 31st Mar 2021:1; No of Sh. 31st Mar 2020:1)	0.02	0.01
HCL Technologies Limited (No of Sh. 31st Mar 2021:1; No of Sh. 31st Mar 2020:Nil)	0.01	-
KEC International Limited (No of Sh. 31st Mar 2021:1; No of Sh. 31st Mar 2020:1)	0.00	0.00
RPG Life Science Limited (No of Sh. 31st Mar 2021:501; No of Sh. 31st Mar 2020:501)	1.94	0.85
Zensar Technologies Limited (No of Sh. 31st Mar 2021:5; No of Sh. 31st Mar 2020:5)	0.01	0.00
Reliance Industries Limited (No of Sh. 31st Mar 2021:1; No of Sh. 31st Mar 2020:1)	0.02	0.01
	<u>2.00</u>	<u>0.88</u>
5 <u>Deferred Taxes</u>		
Deferred Tax Assets		
Fair valuation on Equity Shares measured at FVOCI	0.03	0.14
Total deferred tax assets	<u>0.03</u>	<u>0.14</u>
Deferred tax (liabilities) / assets(net)	<u>0.03</u>	<u>0.14</u>
6 <u>Cash and bank balances</u>		
Cash and cash equivalents		
Cash on hand	-	-
Balances with banks		
- In current accounts	3.00	6.53
- In deposit account (with original maturity upto 3 months)	195.33	190.06
	<u>198.33</u>	<u>196.59</u>
7 <u>Other financial assets</u>		
Unsecured, Considered Good :		
Deposit with NSDL	0.10	0.10
Receivable from LLP	0.09	0.09
Interest receivable on FD	3.97	4.47
	<u>4.16</u>	<u>4.66</u>
8 <u>Other Current assets</u>		
Other Advance	0.01	0.01
	<u>0.01</u>	<u>0.01</u>

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information

(All amount in ₹ lakh, unless otherwise stated)

9 Share capital

(a) Disclosure pursuant to Note no. 6(A)(a,b, c & d) of Part I of Schedule III to the Companies Act, 2013

Particulars of Equity Share Capital	Numbers	Rs.
Authorised Share Capital		
Equity Shares of Rs. 10/- each		
At March 31, 2019	80,00,000	800.00
Increase/(decrease) during the year	-	-
At March 31, 2020	80,00,000	800.00
Increase/(decrease) during the year	-	-
At March 31, 2021	80,00,000	800.00
Issued Share Capital		
Equity Shares of Rs. 10/- each		
At March 31, 2019	79,33,660	793.37
Increase/(decrease) during the year*	-1,06,984	(10.70)
At March 31, 2020	78,26,676	782.67
Increase/(decrease) during the year	-	-
At March 31, 2021	78,26,676	782.67
Subscribed and Paid-up Share Capital		
Equity Shares of Rs. 10/- each		
At March 31, 2019	78,26,676	782.67
Increase/(decrease) during the year	-	-
At March 31, 2020	78,26,676	782.67
Increase/(decrease) during the year	-	-
At March 31, 2021	78,26,676	782.67

* During the FY 19-20, vide Special Resolution passed by the members at the Annual General Meeting held on September 5, 2019, 1,06,984 (One Lakh Six Thousand Nine Hundred and Eighty Four) equity shares of Rs. 10/- (Rupees Ten Only) each, Out of the Total Issued Capital comprising of 79,33,660 Equity Shares of Rs. 10 each which had not been agreed to be taken up by any person, were cancelled.

(b) Disclosure pursuant to Note no. 6(A)(e) of Part I of Schedule III to the Companies Act, 2013

Terms / rights attached to Equity Shares :

Equity shares : The Company has issued one class of equity shares having face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The Shareholders have all other rights as available to the Equity Shareholders as per the provisions of Companies Act, 2013 read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

(c) Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule III to the Companies Act, 2013

(i) The Company is a 100% subsidiary company of Instant Holdings Limited as on March 31, 2021

(ii) 78,26,676 Equity shares are held by Instant Holdings Limited, the holding company as on March 31, 2021

(iii) Instant Holdings Limited is the wholly owned subsidiary of Summit Securities Limited.

(iv) Swallow Associates LLP directly holds more than 50% of the shares of Summit Securities Limited.

(d) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013 (if more than 5%)

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	Share Holding	% of Holding	Share Holding	% of Holding
Instant Holdings Limited	78,26,676	100%	78,26,676	100%

Disclosures pursuant to Note 6 (A)(h), (i), (j), (k) and (l) are not applicable to the company and hence not given

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information

(All amount in ₹ lakh, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
10 Other equity		
Other reserves		
Securities Premium	844.37	844.37
General Reserve	(842.11)	(842.11)
Capital Reserve	84.36	84.36
Retained earnings	(836.91)	(843.42)
Other comprehensive income	(0.23)	(1.23)
	(750.52)	(758.04)
Nature and purpose of reserves:		
Retained earnings		
Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.		
Balance at the beginning of the year	(843.42)	(847.06)
Add: Profit for the year	6.52	3.64
Balance at the end of the year	(836.91)	(843.42)
Other comprehensive income		
The Company has elected to recognize changes in fair value of certain investments in equity instruments in Other Comprehensive Income. These changes are accumulated within "Equity instruments through OCI" under other equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity instrument is derecognized.		
Balance at the beginning of the year	(1.23)	(0.87)
Add: Changes in fair value of equity instruments (net of tax)	1.00	(0.36)
Balance at the end of the year	(0.23)	(1.23)
11 Other financial liabilities		
Current		
Charges Payable	0.06	6.07
Advance Received towards Leasehold Land	190.00	190.00
	190.06	196.07

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information

(All amount in ₹ lakh, unless otherwise stated)

	year ended 31 March 2021	year ended 31 March 2020
12 <u>Other income</u>		
<u>Interest Income</u>		
-on fixed deposits	10.54	6.97
-on others	-	0.01
Dividend Income	0.00	0.03
Liability written back	-	2.08
Share of Profit from LLP	-	0.09
	<u>10.54</u>	<u>9.19</u>
13 <u>Employee Benefit Expenses</u>		
Salaries & Wages	0.02	0.06
	<u>0.02</u>	<u>0.06</u>
14 <u>Other expenses</u>		
Legal and professional fees	1.22	2.56
Filing fees	0.02	0.06
General expenses	0.01	0.04
Rates & Taxes	-	0.45
Auditor's remuneration	0.06	0.06
	<u>1.31</u>	<u>3.17</u>

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information

(All amount in ₹ lakh, unless otherwise stated)

	year ended 31 March 2021	year ended 31 March 2020
15 Tax expense		
(a) Income tax in the statement of profit and loss:		
Current tax	2.68	2.32
Tax pertaining to previous years	0.01	-
	<u>2.69</u>	<u>2.32</u>
(b) Income tax recognised in other comprehensive income comprises:		
Fair Value of Equity Instrument	(0.12)	0.04
	<u>(0.12)</u>	<u>0.04</u>
(c) Reconciliation of current tax expense :		
Profit before tax	9.21	5.96
Enacted tax rates (%)	25.17%	25.17%
Income tax expense calculated at corporate tax rate	2.32	1.50
Effect of prior period taxes	0.01	
Impact on account of non-deductible expenses and expenses disallowed	0.33	0.81
Income exempted from tax	-	(0.03)
Other adjustments	0.03	0.04
Total income tax expense as per the statement of profit and loss	<u>2.69</u>	<u>2.32</u>
(d) Income tax balances		
Non-current tax assets/(Current Tax Liabilities)		
Opening balance	1.87	(0.03)
Add: During the year	(0.75)	1.91
Closing balance	<u>1.12</u>	<u>1.87</u>
16 Earnings per equity share (EPS)		
Net profit attributable to equity shareholders (in ₹ lakhs)	6.52	3.64
Weighted average number of equity shares outstanding during the year	78,26,676	78,26,676
Face value per share (in ₹)	10.00	10.00
Earnings per share (in ₹):		
- Basic earnings per equity share	0.08	0.05
- Diluted earnings per equity share	0.08	0.05
	<u>0.08</u>	<u>0.05</u>
	As at	As at
	31 March 2021	31 March 2020
17 Contingent liabilities		
Sales Tax	1.97	1.97
Income Tax	0.08	7.57
Excise Duty	18.78	18.78
	<u>20.83</u>	<u>28.32</u>

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information

(All amount in ₹, unless otherwise stated)

18 Related party disclosures

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31st March 2021

(a) List of related parties

Parties where control exists (subsidiary)

Relationship	Name of the Entity
Directly holds more than 50% of shares of Summit Securities Limited	Swallow Associates LLP
100% Holding Company of Instant Holdings Limited	Summit Securities Limited
Holding Company	Instant Holdings Limited
Key Managerial Person	Pratibha Mishra - Company Secretary (till 31.07.2020) Paras Mal Rakhecha - Director Kamlesh Talekar - Director (w.e.f 29.01.2021) Rohin Feroze Bomanji - Director Hari Narain Singh Rajpoot - Director

(b) Transactions with related parties

Particulars	year ended 31 March 2021	year ended 31 March 2020
Remuneration		
Pratibha Shailesh Mishra	0.02	0.00

(c) Balances of related parties:

Particulars	As at 31 March 2021	As at 31 March 2020
Payable		
Summit Securities Limited	-	5.90

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information

(All amount in ₹ lakh, unless otherwise stated)

19 Fair value measurement

(a) Category wise classification of financial instruments:

Particulars	Level	As at 31 March 2021	As at 31 March 2020
A. Financial assets:			
(i) Measured at amortised cost			
Cash and cash equivalents	Level 3	198.33	196.59
Other Financial Assets	Level 3	4.16	4.66
Measured at FVTOCI			
Investment	Level 1	2.00	0.88
Total financial assets		204.49	202.12
B. Financial liabilities			
(i) Measured at amortised cost			
Other financial liabilities	Level 3	190.06	196.07
Total financial liabilities		190.06	196.07

(b) **Fair value hierarchy**

The fair value of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly market between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

The categories used are as follows:

- Level 1: quoted prices (unadjusted) in active markets for financial instruments.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(c) **Fair value of assets and liabilities measured at cost/amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, bank deposits, loans to employees, advance and other financial liabilities approximate their carrying amounts due to the short term maturities of these instruments. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

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Sudarshan Electronics & TV Limited**Summary of significant accounting policies and other explanatory information**

(All amount in ₹, unless otherwise stated)

20 Financial risk management

Company's business activities are exposed to a variety of financial risks like credit risk, market risks and liquidity risk. Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyze potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies need approval of its Board of Directors.

(a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as other balances with banks, loans and other receivables.

i) Other financial instruments

Credit risks from other financial instruments includes mainly cash and cash equivalents and deposits with banks. Such risks is managed by the central treasury department of the Company with accordance with Company's overall investment policy approved by its Board of Directors. Investments of surplus funds are made in short term debt/liquid mutual funds of rated fund houses having the highest credit rating and in short term time deposits of reputed banks with a very strong financial position. Investment limits are set for each mutual fund and bank deposits. Risk concentration is minimized by investing in a wide range of mutual funds/bank deposits. These investments are reviewed by the Board of Directors on a quarterly basis.

ii) Price risk

Price risk is the risk that the fair value or future cash flows will fluctuate due to change in market prices. The Company is exposed to price risk arising from its short term investments in debt or liquid mutual funds. Company's central treasury department manages such risk in accordance with its overall risk management policy approved by the Board of Directors. The Company mitigates the risk by investing in a large number of rated funds. Investment limit in each fund is specified. All purchase or sale of mutual funds are reviewed by the Board of Directors on a quarterly basis. Company assesses that as returns from short term debt or liquid mutual funds are steady and depends on interest rates or market yield, there is very remote chance of any significant fluctuation in their fair values which can materially impact Company's future cash flows.

(b) Liquidity risk:

Liquidity risk is the risk that the Company may not be able to meet its contractual obligations associated with its financial liabilities. The central treasury department of the Company manages its liquidity risk by preparing and continuously monitoring business plans or rolling cash flow forecasts which ensures that the funds required for carrying on its business operations and meeting its financial liabilities are available in a timely manner and at an optimal cost. The Company plans to meet the contractual obligations from its internal accruals and also maintains sufficient fund based and non-fund based credit limits with banks. Additionally, surplus funds generated from operations are parked in short term debt or liquid mutual funds and bank deposits which can be readily liquidated when required.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis and includes contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 year to 3 year	3 year to 5 year	Total
As at 31 March 2021				
Other financial liabilities	190.06	-	-	190.06
As at 31 March 2020				
Other financial liabilities	196.07	-	-	196.07

(c) Capital management

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserves and borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximise shareholder's value. Company has fund based and non fund based credit facilities with banks from which it borrows during peak seasons to meet its working capital requirements. However such short term borrowings are generally squared off as on the Balance Sheet date.

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Sudarshan Electronics & TV Limited

Summary of significant accounting policies and other explanatory information

(All amount in ₹ lakh, unless otherwise stated)

- 21 There is no reportable amount of dues on account of principal or interest or any such payments during the year as required by Micro Small and Medium Enterprises Development Act, 2006 in respect of Micro Enterprises and Small Enterprises as defined in the Act.
- 22 The previous year figures have been regrouped/rearranged wherever considered necessary to confirm current period classification.

As per our report of even date.

For Vivek M Tamhane & Co.

Chartered Accountants

FRN - 111608W



Vivek M Tamhane

Proprietor

Membership No. 033228

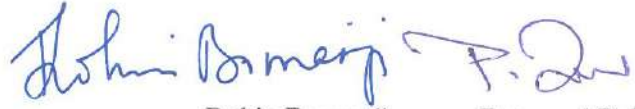
Place: Mumbai

Date : 12th May 2021



For and on behalf of the board of directors

Sudarshan Electronics & TV Limited



Rohin Bomanji

Director

DIN: 06971089

Parasmal Rakhecha

Director

DIN: 03287230