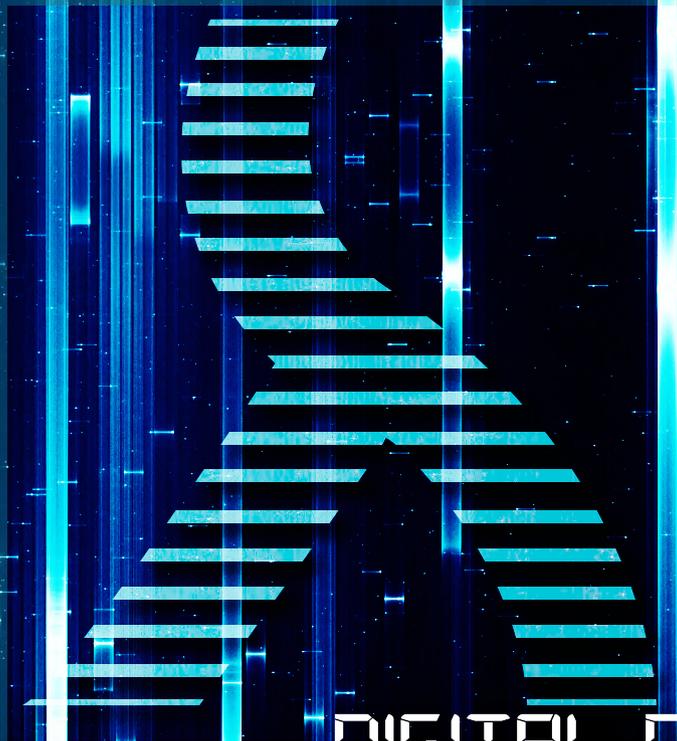




**ASM**  
**TECHNOLOGIES**<sup>®</sup>

engineering innovation



**DIGITAL DELIVERED**

ASM TECHNOLOGIES LIMITED

**ANNUAL REPORT 2020-21**

# Corporate Information

## BOARD OF DIRECTORS

Mr. M. R. Vikram	Chairman & Independent Director
Mr. Rabindra Srikantan	Managing Director
Mr. M. Lakshminarayan	Independent Director
Mr. Shekar Viswanathan	Independent Director
Mr. Ramesh Radhakrishnan	Non-Independent Non-Executive Director
Ms. Preeti Rabindra	Non-Independent Non-Executive Director

## AUDIT COMMITTEE

Mr. M. R. Vikram	Chairman
Mr. M. Lakshminarayan	
Mr. Shekar Viswanathan	

## STAKEHOLDERS RELATIONSHIP & SHARE TRANSFER COMMITTEE

Mr. M. R. Vikram	Chairman
Mr. Rabindra Srikantan	
Ms. Preeti Rabindra	

## NOMINATION & REMUNERATION COMMITTEE

Mr. Shekar Viswanathan	Chairman
Mr. M. R. Vikram	
Mr. M. Lakshminarayan	

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ms. Preeti Rabindra	Chairperson
Mr. M. R. Vikram	
Mr. Rabindra Srikantan	
Mr. Shekar Viswanathan	

## CHIEF FINANCIAL OFFICER

Mr. Narsingh Rathod

## COMPANY SECRETARY

Ms. Vanishree Kulkarni

## AUDITORS

B K Ramadhyani & Co. LLP.  
Chartered Accountants  
Bangalore, Karnataka, India

Venu & Vinay  
Chartered Accountants  
Bangalore, Karnataka, India

N. Rajan Associates  
Certified Public Accountants  
Jalan Besar, Singapore

## TAX ADVISORS

Sudhakar Pai Associates  
Chartered Accountants  
Bangalore, Karnataka, India

Chugh CPAs, LLP  
Santa Clara, CA, USA

Butler Co. LLP  
Chartered Accountants  
London, UK

## COMPANY LAW ADVISOR

K. Dushyantha Kumar & Associates  
Company Secretaries  
Bangalore, Karnataka, India

BMP & Co. LLP  
Company Secretaries  
Bangalore, Karnataka, India

## LEGAL ADVISORS

Saakshya Law, Advocates  
Bangalore, Karnataka, India

Spice Route Legal,  
Bangalore, Karnataka, India

The Law Office of Anthony Abear P.C. Attorney  
Wheaton, Illinois, USA

## BANKERS

State Bank of India, Bangalore, Karnataka, India  
HSBC Bank Limited, Bangalore, Karnataka, India  
Indian Bank, Singapore  
First Federal Bank, Ohio, USA  
State Bank of India, London, UK  
HSBC Bank USA, New York, USA

## STOCK EXCHANGE

(Where the shares of the Company are listed)  
BSE Limited  
Mumbai, Maharashtra, India

STOCK EXCHANGE CODE  
BSE - 526433

DEMAT ISIN NUMBER  
INE867C01010

## INVESTOR RELATION CELL

Secretarial Department  
#80/2, Lusanne Court, Richmond Road, Bangalore - 560 025,  
Karnataka, India  
Tel: +91 80 6696 2309 | [compliance.officer@asm ltd.com](mailto:compliance.officer@asm ltd.com)

## REGISTRARS & SHARE TRANSFER AGENTS

KFin Technologies Pvt. Ltd.  
Selenium Tower B, Plot 31 & 32,  
Financial District, Nanakramguda, Serilingampally Mandal,  
Hyderabad - 500 032, Telangana, India  
Toll free number - 1- 800-309-4001 | [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
[www.kfintech.com](http://www.kfintech.com)

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# Letter To The Shareholder

Dear Fellow Shareholder,

2020 was a year of great strife, challenges, and worries. The COVID-19 pandemic disrupted lives and businesses, shook up supply chains, and upended human society. As we continue to grapple with the crisis, our thoughts and prayers remain with those individuals, families and communities most affected by the Pandemic.

Our company was not immune to these challenges. Like thousands of firms worldwide, we also experienced the pandemic's health, economic and business repercussions.

Our leadership and management made sure that our customers' business continuity was never affected. To this end, they efficiently managed our transition to a work-from-home model, ensuring zero impact on deliverables or customer relationships. Our existing Business Continuity Plan (BCP) enabled us to meet these goals smoothly and painlessly. Following national lockdowns in early 2020, some of our manufacturing facilities had to be shut down partially or fully. This affected our production, but we successfully made up for most shortfalls in the subsequent months.

## Adapting to the New Normal

Collectively, we adapted to the post-pandemic "new normal" with newer business models, a more pragmatic world view, and a keener appreciation for human grit and resilience. Every employee and partner is part of the ASM family, it's always been people first, profits later. Over the past year, the ties binding us have strengthened, and together, we have discovered ways to grow, progress, and prepare for future successes.

In the new, unprecedented environment of the post-pandemic world, we are focusing on opportunities, not challenges. We have also renewed our commitment to generate greater value for stakeholders. Our original mission to deliver engineering innovation is a big part of this pledge, and has enabled us to outperform our expectations with respect to achievements, accolades and goals.

We're especially proud of these recent accomplishments:

- **CII Award: RV Forms & Gears**, one of our group companies, won the prestigious Confederation of Indian Industry (CII) Industrial Innovation Award 2020 under the "Top 25 Most Innovative Companies" category for its **SmartFix 4.0 solution**
- **Acquisition:** We acquired the Semcon AB's India delivery centre. **ASM Digital Engineering Pvt Ltd (Formerly Known as Semcon India Pvt Ltd)** expand our delivery expertise in engineering services, with particular focus on automotive and Digital Engineering. This acquisition has given access to marquee customers in Northern and Central Europe.



## Key highlights for the year 2020-21

■ **ASM Ventures:** We are making key strategic investments in several emerging technology companies, while co-creating innovative new products in future-focused areas like Cloud, forefront of cutting-edge technologies, and allow us to take advantage of the huge growth potential in these areas.

Some of our strategic investments are :

- **Lavelle Networks:** Leading provider of SD-WAN solutions
- **RV Forms and Gears:** Pioneer in Design Led manufacturing for working holding, IIoT, Industry 4.0, Special Purpose Machines, Manufacturing Engineering.
- **Polylogyx Inc:** Endpoint detection and response. Polylogyx was acquired by Eclectic IQ (<https://www.eclecticiq.com/>).
- **Semcon India Pvt Ltd** (now known as ASM Digital Engineering Pvt Ltd) specialising in Digital Engineering, Vehicle Engineering, Value Engineering with marquee customers in Europe.

- **BARO Vehicles Ltd:** Intelligent robots and autonomous vehicles.
  - **Kogence Inc.:** Cloud-native workflow orchestration engine for engineering modelling and simulation workflows.
- Our revenues have grown by 35.04% a high over 2019-20 to hit a high of 1132.17 Mn. and a digital revenue of Rs. 261.55 Mn (23.10%) for the year 2020-21.

Looking back on the year, I'm more proud of our performance and achievements than I can ever express. I'm also excited about what the future has in store for us. Our acquisition, expansion and patent applications are all geared towards the goal of bringing the most innovative offerings to our esteemed customers.

### **New Initiatives for 2021 and Beyond**

We're particularly excited by these new initiatives in the pipeline:

#### **Engineering Services**

In the current era, digital transformation is a key business imperative across many industries. This has increased the demand for Semiconductors & Electronics. Semiconductor Engineering and Electronics Engineering continue to be focus areas for ASM.

ASM will continue to focus on customer acquisition in the Semiconductor Engineering, Vehicle Engineering, Automotive, Industrials, and Electronics sectors. This sector has seen sustained demand and will continue to scale in these sectors. We will continue to increase our presence in Product Development and Design led Manufacturing to these verticals.

In the area of automotive engineering, the increasing demand for new mobility solutions like autonomous vehicles have also opened up huge opportunities, which we plan to explore in the near future.

#### **Digital Engineering and Product R&D**

ASM expects to be at the forefront of these developments, helping companies to rapidly digitise and grow at scale. We're already using these technologies for our current Product R&D customers in the areas of wireless, networking, cybersecurity and expanding to IIoT, AI/ML, Edge Computing and Intelligent Automation,

In the near future, we will be offering "Compromise Assessment" as a Managed Service to further expand our service portfolio.

#### **Increased Focus on Design-Led Manufacturing**

ASM will continue to focus on highly-engineered, complex, medium-volume Design led manufacturing. We will continue to innovate in our design to create high-quality products serving a diverse customer base and use cases. Our goal is to combine the benefits of Software, systems engineering, advanced processes,

product development, testing and evaluation to meet previously-unmet needs with precision, highly-customised products.

ASM is also leading the way with digitisation in Manufacturing Engineering with our SmartFix 4.0 solution across various industry verticals including Automotive, Industrials, Electronics, and Semiconductors.

### **Future prospects**

We plan to focus more of our energies and attention on increasing our revenues from digital initiatives. We will be developing our digital competencies to expand our offerings for both existing and new customers.

Our plans to expand into other geographies in Asia and Europe, particularly Japan and the UK, are also on track.

The COVID-19 pandemic has reinforced the importance of community and empathy— qualities that only human beings can bring to our beleaguered planet. As we shift our goalposts, and aim for newer, more ambitious goals in a post-COVID world, we trust that you, our shareholders, vendor partners and customers will continue to support and encourage us. As always, we're grateful for your faith in our capabilities, and your trust in our brand.

On behalf of the company management and leadership, I take this opportunity to thank:

- Our esteemed customers, stakeholders, vendors, business partners, advisors and consultants for their support,
- Employees for their valuable contributions, sustained efforts, and dedicated spirit,
- State Bank of India, Incube Branch, HSBC Bank Limited, ICICI Limited, Bangalore, Indian Bank, Singapore, HSBD Bank, New York, USA and First Federal Bank, Ohio, USA for support
- Central and State Government, Customs, Reserve Bank of India, Software Technology Parks (STPI) and NASSCOM for their guidance.

Place: Bangalore

Date: 26.05.2021

Rabindra Srikantan

Managing Director

# Board of Directors



**MR. M R VIKRAM**  
CHAIRMAN



**MR. RABINDRA SRIKANTAN**  
MANAGING DIRECTOR



**MR. M LAKSHMINARAYAN**  
DIRECTOR



**MR. SHEKAR VISWANATHAN**  
DIRECTOR



**MR. RAMESH RADHAKRISHNAN**  
DIRECTOR



**MS. PREETI RABINDRA**  
DIRECTOR

## KEY MANAGERIAL PERSONNEL



**N.L. RATHOD**  
CHIEF FINANCE OFFICER



**VANISHREE KULKARNI**  
COMPANY SECRETARY



### Mr. M R Vikram - Chairman

Mr. M.R. Vikram, is a Partner of M. Anandam & Co., Secunderabad, a leading firm of Chartered Accountants in India. He has over 41 years rich experience in Audit and Assurance Services. He is an expert on capital markets, finance and regulatory issues in the Indian business landscape.

Over his long and illustrious career, Vikram has conducted various special assignments for the RBI, IRDA, IDBI and other leading financial institutions in the country.

Formerly, he has held Directorship positions at Indian Bank, Indian Overseas Bank and Bank of Rajasthan.

Presently, he is the Director of many companies including, Facebook India Online Services Pvt. Ltd., Glochem Industries Ltd., Chettinad Cement Corporation Limited, Evertogen Life Sciences Ltd, Shirdi Sai Electricals Ltd, GVPR Engineers Ltd, GTN industries Ltd, ANA ARC Pvt. Ltd. etc.

Vikram is the Secretary Trustee of M.Venkataramangaiya Foundation, one of India's largest non-profit initiatives to eradicate child labour and has mobilised more than a million children to schools. He is also the founder trustee of Manthan, India's leading discussion group on public issues. He is also the Chairman of Sahakara Mitra Samstha dealing with farmer cooperatives and REEDS involved in livelihood skills.

### Mr. Rabindra Srikantan - Managing Director

Mr. Rabindra Srikantan, founder and Managing Director of ASM Technologies Ltd, is a seasoned, team-oriented business entrepreneur with a highly successful track record of building business based on sound strategic analysis spanning over 2 decades. He is an effective leader, who is heading the team at ASM in providing medium and long-term business strategies on leading edge technologies. As a thorough leader, Rabindra has developed and mentored leaders, brought in an Entrepreneurial Spirit across the organization for growth, while building a sustainable business model.

Rabindra has professional experience in the areas including, Product R & D, Engineering Services, Manufacturing Engineering. He has implemented operational strategies to improve Quality and customer satisfaction ratings. His philosophy of driving continuous business reformation by leveraging on state-of-the-art technologies, backed by a strong customer driven service perspective, has enabled ASM to emerge as one of the leading Product R & D and Engineering Services organisation.

Rabindra has been instrumental in the M&A of Companies through ASM Ventures and integrating them with the vision of ASM Technologies Ltd. ASM Ventures has successfully invested in several start-ups and made strategic investments in growth oriented companies.

Rabindra holds dual MS degrees in Computer Engineering and Computer Science from the University of Louisiana, USA. Completed his Bachelor of Engineering in Electrical and Electronics from PSG College of Technology, Coimbatore and did his schooling from Hyderabad Public School, Begumpet.

Rabindra Srikantan is the Designated Partner of RV Forms and Gears LLP, Subsidiary and is the President and Chief Operating officer of Pinnacle Talent Inc. USA, the Director of Advanced Synergic Pte Ltd, Singapore wholly owned subsidiaries of the company and the President of ESR Associates Inc., step down subsidiary of the company

Rabindra is Convenor - CII Karnataka Technology & Innovation Panel 2021, Capital Goods Working Group - Indian Cellular and Electronics Association (ICEA) Charter Member -TIE, Former Member -NASSCOM Engineering R&D Council, Past National Executive Council Member - Indo American Chamber of Commerce and Past Chairman - Indo American Chamber of Commerce.



# Board of Directors



## Mr. M Lakshminarayan - Director

Mr. M. Lakshminarayan holds a Master's Degree in Technology from the Indian Institute of Technology (IIT) Bombay. Prior to ASM, he was the Executive Chairman of HARMAN International (India) Pvt. Ltd. His experience spans over 40 distinguished years in companies such as Bosch and Tata Motors. At Bosch, where he spent over 22 years, he held various leadership positions and was responsible for the company's tremendous growth in India's automotive space. Before Bosch, he served in a senior management role at Tata Motors.

Currently, Lakshminarayan also serves as Director on the Boards of Kirloskar Oil Engines Ltd., Brose India Automotive Systems Pvt. Ltd., WABCO India Ltd, TVS Electronics Ltd., Dickinson Fowler Private Ltd, Janaadhar (India) Private Ltd., TVS Automobile Solutions Private Ltd., Kostal India Private Ltd, Invest Karnataka Forum, Wendt (India) Ltd, Sansera Engineering Ltd. and Suprajit Engineering Ltd.

Lakshminarayan has served as the Chairman (South) at Confederation of Indian Industry (CII) and has been on the executive council team at the American Chamber of Commerce. He is also the co-founder and current Chairman of Bengaluru City Connect, a non-profit forum that brainstorms solutions to issues related to urban management in Bengaluru.

## Mr. Shekar Viswanathan - Director

Mr. Shekar Viswanathan, retired in November 2020 as the Vice Chairman and Whole-time Director of Toyota Kirloskar Motor Pvt. Ltd. having joined the car company's Board of Directors in 2008. Prior to this, he was a member of the Board of Directors of Toyota Kirloskar Auto Parts Pvt. Ltd. where he was responsible for the finance, human resources and legal functions. He was also on the Board of TG Kirloskar Automotive Pvt. Ltd another Toyota group company.

Shekar's experience spans a career of 38 years across the automobile, financial services and project finance sectors. He is a member of many leading industrial associations in India, and has held positions such as President of the Bangalore Chamber of Commerce & Industry (2009-2010), and Chairman of SIAM MUV Committee 2010. He was also an elected member of CII Southern Regional Council 2009-2011 and was also the Chairman of CII Karnataka and FICCI Karnataka. He was also an Executive Committee member of FICCI at the national level.

He is currently a Director on the Boards of Kirloskar Systems Limited (since 2005), as well as L&T-MHI Power Boilers Pvt Ltd., L&T-MHI Power Turbine Generators Pvt. Ltd., and ANA ARC Pvt. Ltd.





### **Mr. Ramesh Radhakrishnan - Director**

Mr. Ramesh Radhakrishnan has been a member of the founding entrepreneurial team in three startups. He has over 20 years of operational and business experience in the high-technology industry, including in networking, security, and wireless companies. He presently works with Artiman Capital India Pvt. Ltd. Prior to this role, he was the VP of Engineering at FireEye, a network security company that uses virtualisation technology to detect and combat the menace of malware, botnets and crimeware.

Ramesh led the systems and software development team at Airgo Networks, the company that pioneered and invented the 802.11n MIMO OFDM wireless LAN standards. It was acquired by Qualcomm in 2005. Prior to Airgo, Ramesh was the Director of the Wireless Access Business Unit at Cisco Systems. This business unit was the result of the acquisition of Clarity Wireless, a startup company where Ramesh led the engineering team that pioneered and created the wireless last mile standard now known as WiMax.

Before Clarity Wireless, Ramesh was a founding member at ZeitNet (acquired by Cabletron in 1996), where he led the engineering team developing high-speed LAN products. He was an engineering manager at Adaptive Corporation (acquired by NET in 1994) that brought ATM technology to the LAN. Ramesh started his career as a software engineer at Hewlett Packard's Network Division in Cupertino, California, USA.

Ramesh holds two patents in the area of networking protocol technologies. He has a B.E. degree from the Indian Institute of Technology (IIT), Chennai, India, and an M.E. in Systems Engineering from the University of Virginia, Charlottesville, USA.

### **Ms. Preeti Rabindra - Director**

Ms. Preeti Rabindra holds Bachelor's and Master's degrees in Commerce from the University of Delhi. She is the designated partner at IDS Systems LLP. She is an avid sports enthusiast.

Preeti is also involved in all CSR activities of ASM Technologies, such as Dr. S Srikantan Memorial Award – SUSIEC in association with IETE, Techlabike Programme – Agastya International Foundation, and Dr. R.P. Shenoy award for Excellence in Science – Kendriya Vidyalaya, DRDO Complex. She leads the Go Sports Foundation and Rahul Dravid Athlete Mentorship programme that support many Indian athletes focused on Olympic participation and glory as the CSR initiative of ASM Technologies.



# Connect with Us



**Website**

[www.asmltd.com](http://www.asmltd.com)

**Social Media**

**LinkedIn:** [linkedin.com/company/asm-technologies](https://www.linkedin.com/company/asm-technologies)

**Twitter:** <https://twitter.com/ASMTechLtd>

**Investor Section:**

<https://www.asmltd.com/investor-relationships>

**Career Section:**

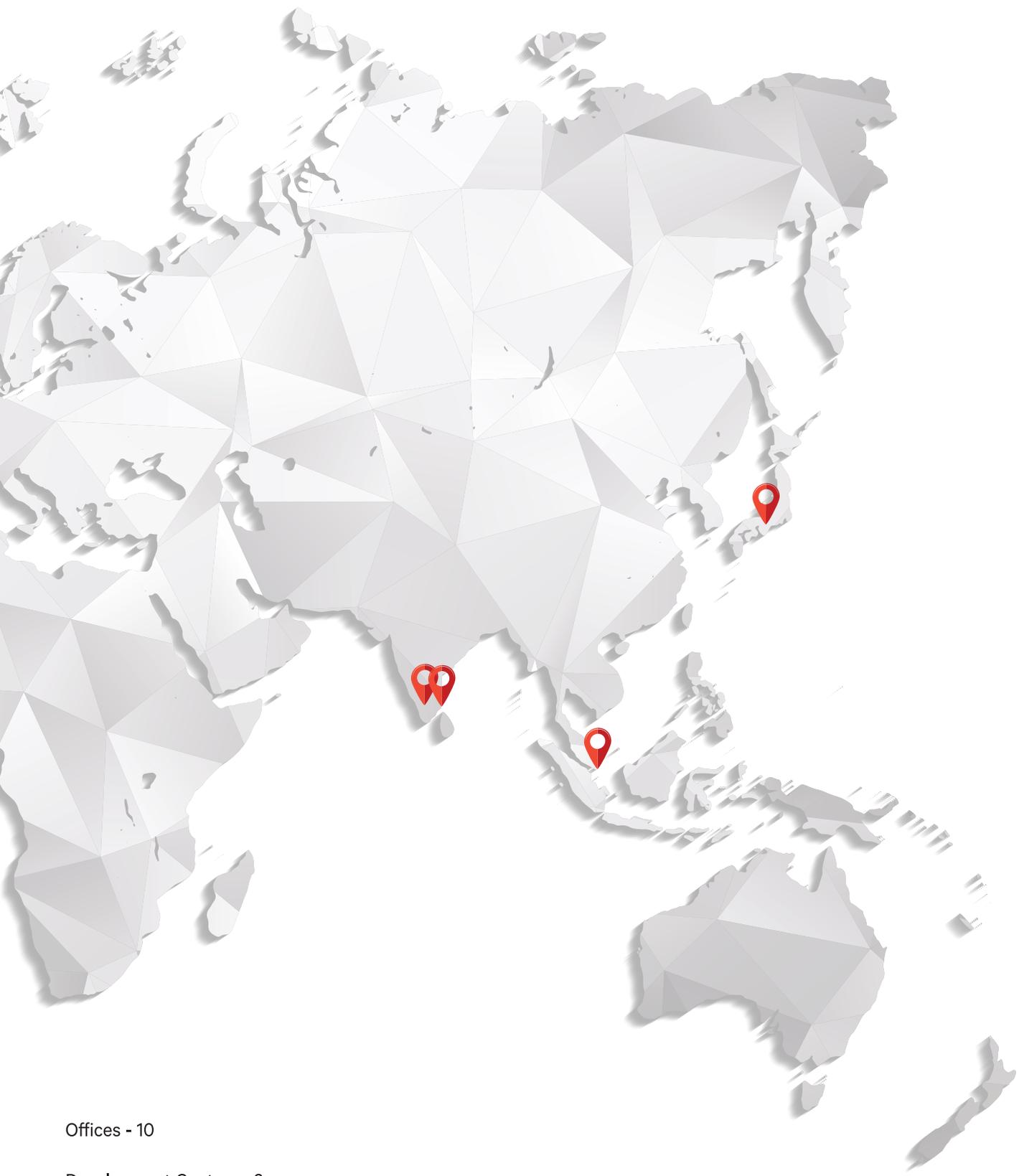
<https://www.asmltd.com/careers>

**Corporate Social Responsibility:**

<https://www.asmltd.com/corporate-social-responsibility>

**News & Events:**

<https://www.asmltd.com/news-events>



Offices - 10

Development Centres - 2

Manufacturing Facilities - 2

# Our Core Business



## INDUSTRIES



Hi-tech / Semiconductor  
Tools



Medical  
Equipment



Transportation



Enterprise  
Storage  
& Networking



Consumer  
Electronics

# Vehicle Engineering



## Mechanical Design

- Interior Trims
- Exterior Trims
- Exhaust system
- BIW & Cooling system



## Electrical & Electronics

- W/H Packaging
- Circuit Schematic
- Embedded Software
- Hardware Development
- Verification & Validation
- Android App develop



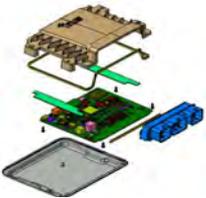
## Numerical Simulation

- Full vehicle integration
- Strength & Durability
- Crash & Ped. Safety
- NVH
- CFD



## Electrical Vehicle & ADAS

- VCU enclosure design & simulation
- Wiring harness design, installation & packaging
- Battery study in crash
- EV prototypes (Urban M)
- Autonomous vehicle



Research & Development

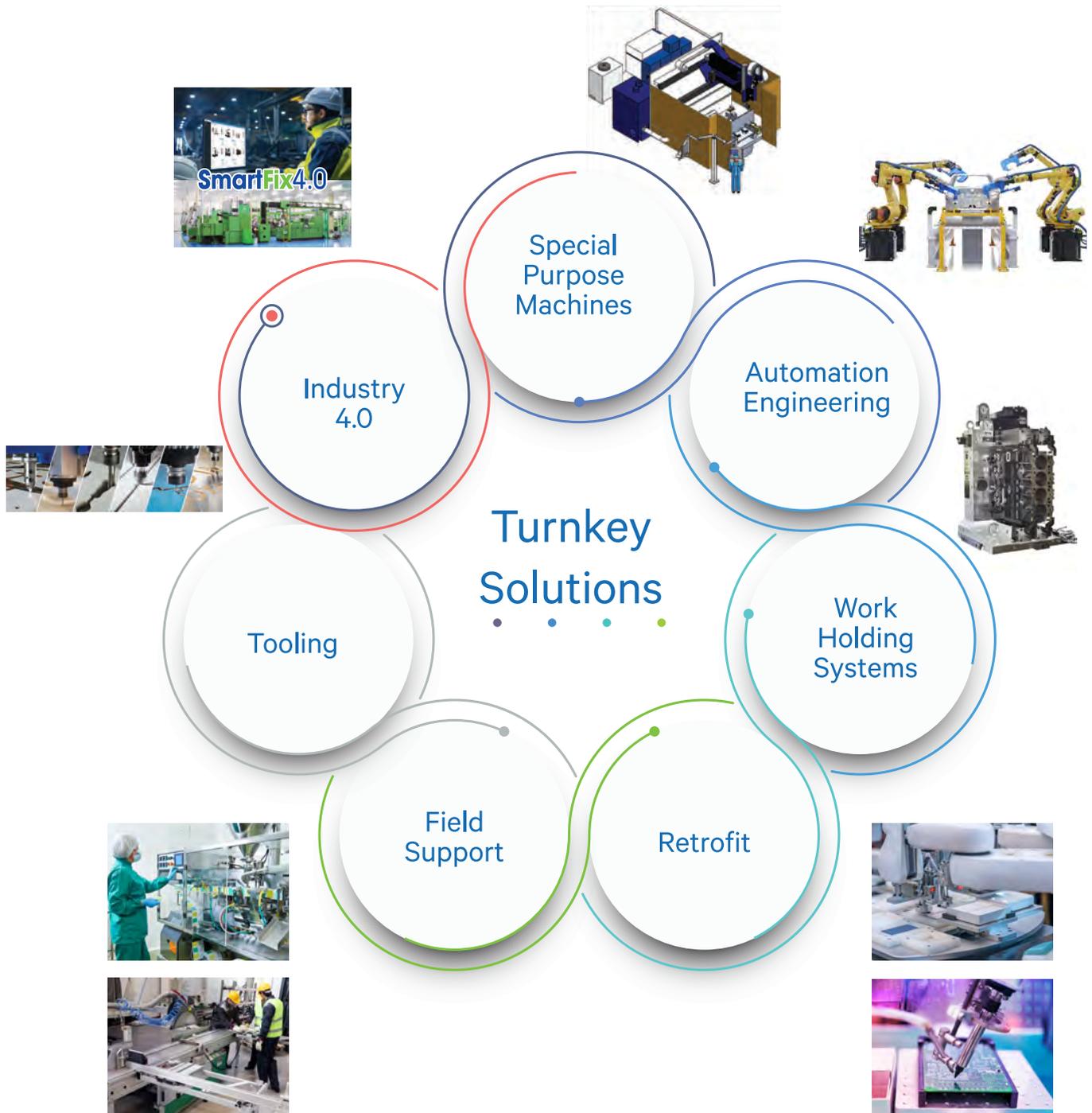
Materials and light weighting



# Our Core Business



# Manufacturing Engineering



# Letter from MD, Forms & Gears

Dear Fellow Shareholder,

Forms & Gears – An ASM Technologies Limited Company, is one of the country's oldest and best known fixture building companies and has been designing and manufacturing fixtures to the world's leading auto OEMs and machine makers for over 45 years.

The year 2020-21 was the year of the pandemic and we were under total lockdown in April and May, we worked with 30% workforce in June and July, and 50% in August.

Despite these setbacks we have doubled our turnover in 2020-21 as compared to the previous year. This increased performance in a pandemic year was due to the decision we took over a year and a half back to diversify into new markets where we could leverage our inherent strengths of engineering, design and high precision manufacture.

**Exports:** A significant part of our fixture related turnover was from exports as we executed a project in Thailand. We are hopeful of a repeat order for this particular project and we have also bid for two other projects in Thailand.

**Italian Machine Maker:** Towards the end of March 2021 we have also bagged an important order from an Italian machine maker for Engine block and Head fixtures. This is a prestigious project as this the first time this Italian company has ordered Engine Fixtures in India.

**Electronics Sector:** The last year saw a boom in the electronics sector after the Government issued the PLI scheme which received enormous traction, as global leaders in the mobile phone and electronic industry, shifted a part of their global production capacities to India.

Forms and Gears has made a major foray into this sector and we have bagged orders for special equipment / fixtures from a Finnish company, that is the world's leading charger manufacturer.

We also bagged an order from an Indian consumer electronics company that sells earpods, travel chargers, headphones etc, for design and manufacture of fixtures for their ear- dope cases.

Forms and Gears also bagged orders from a US based MNC that provides electronic manufacturing services and solutions throughout the world.

We expect the electronics sector to grow exponentially over the next five to ten years and we expect a major portion of our revenue to come from the electronics sector over the medium and long term.

We are investing in machinery and manpower to scale up to meet the demands of this industry.

## **Capital Goods Committee of**

**ICEA:** Rabindra

Srikantan MD of ASM Technologies and

I were amongst a small group of people who were

chosen to sit on the Capital Goods Committee of the Indian Cellular and Electronics Association. The committee was formed to enhance the competitiveness of the Indian capital goods sector and to advise the government on capital goods policy.

**Onsite Service Support:** Machine and special equipment makers from Malaysia, China, USA, Switzerland, Germany and Japan approached us to provide onsite service support for their installations at electronics manufacturing facilities in India and Thailand.

These equipment range from very high precision laser equipment to PCB and component assembly and testing equipment, and require a very skilled and knowledgeable workforce, which Forms and Gears has inhouse. We are also hoping to expand these services to Vietnam shortly.

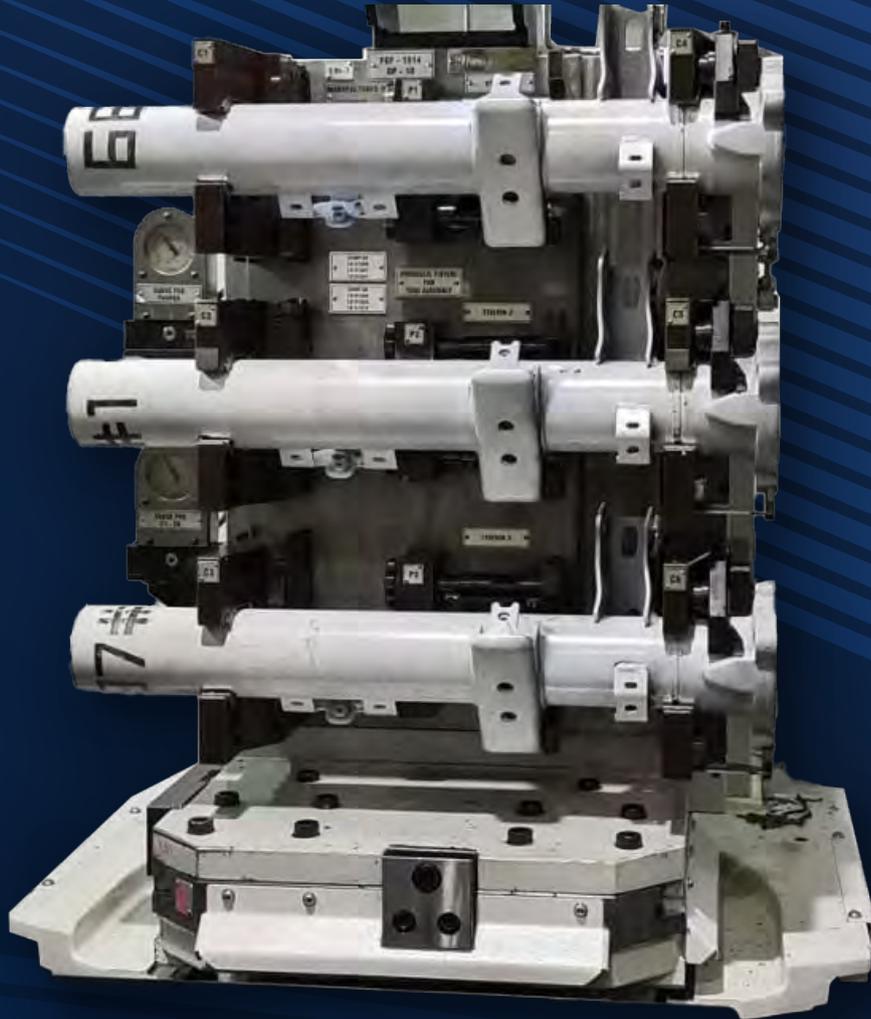
**Smartfix - CII Innovation Award:** Our Industry 4.0 product Smartfix 4.0 won the prestigious Confederation of Indian Industry (CII) Industrial Innovation Award 2020 under the 'Top 25 Most Innovative Companies' in December 2020.

The award is a validation of the ASM group's wide range of expertise in technologies such as cloud computing, artificial intelligence, data analytics and industrial iot, along with a deep knowledge of fixture building.

Despite the current Covid situation being very fluid and uncertain, the medium to long term outlook in the sectors we are in looks very promising.

**- Reji Varghese**





**Multiple sets of high precision hydraulic fixtures supplied to a leading Tier - 1 automotive company in Thailand. The Company produces a broad range of products for passenger cars, pick-up trucks and agricultural machinery.**

For over 45 years Forms & Gears has been supplying Precision Machining Centre Fixtures to the world's leading Auto OEMs and Machine Makers in Japan, Germany, UAE, Qatar, Thailand, Turkey, Indonesia and all over India.

**RV Forms & Gears LLP**  
MF 11, SIDCO Industrial Estate, Guindy,  
Chennai - 600 032, Tamilnadu, India  
Call +91 77570 53326 or email us on  
[marketing@rvformsandgears.com](mailto:marketing@rvformsandgears.com)



# CSR Beneficiaries

## GoSports Foundation - Rahul Dravid Athlete Mentorship Programme



GoSports Foundation is a non-profit venture working towards the development of some of India's most talented emerging and elite athletes, competing in Olympic and Paralympics disciplines. We have been supporting the foundation through our contributions towards their Rahul Dravid Athlete Mentorship Programme for the training of athletes, executing the vision of former Indian cricket captain Rahul Dravid.

This is the fifth year we are extending our support to the athletes of the Rahul Dravid Athlete Mentorship Programme as part of our CSR initiative.

## Dr. R.P. Shenoy award for Excellence in Science – Kendriya Vidyalaya, DRDO

ASM Technologies Ltd. instituted the 'Dr. R. P. Shenoy award for Excellence in Science' in memory of its former Director, Late Dr. R. P. Shenoy, a Distinguished Scientist of Defence Research & Development Organization (DRDO) of the Government of India. The award is extended to 8th and 9th grade students of Kendriya Vidyalaya, DRDO, Bangalore, who have secured A1 Grade in Science.



## Dr. S Srikantan Memorial Award – SUSIEC, IETE

The Institution of Electronics & Telecommunication Engineers (IETE) Bangalore Centre has been organising Summer School in Electronics & Computers (SUSIEC) over the last three decades for 8th, 9th and 10th standard students, during their summer vacations with a motto of “catch them young” and motivate them to choose the fascinating field of Electronics and Telecommunication as their chosen profession/career.

SUSIEC- Starting from the year 2017- 2018, ASM as part of CSR decided to sponsor part of the course fee & equipments and the prizes and awards for SUSIEC as “Dr. S Srikantan Memorial Award/s” instituted in memory of its former Chairman Late Dr. S Srikantan. This is the fourth year, ASM is extending their support.



Dr. Kailasavadivoo Sivan (Chairman, ISRO Satellite Centre, Bangalore / Secretary Dept of Space, Govt of India), Padma Sri Dr. Mylswamy Annadurai (Director, ISRO Satellite Centre, Bangalore), Dr. Ajit T Kalghatgi, Former Director (R&D) Bharat Electronics Ltd., Bangalore, Dr. K D Nayak Former Director General, DRDO, Dr. MVKV Prasad, Director of Aeronautical Development Establishment, Bangalore, Prof. B. S. Sonde (Former Vice Chancellor, Goa University & Former IETE President, Bangalore) have been the chief guests of the Dr. S. Srikantan Memorial Awards.



## TechLaBike Programme – Agastya International Foundation

Agastya International Foundation was set up intending to transform and stimulate the reasoning of underprivileged kids and educators by making practical, hands-on science education available to rural government schools through its efforts & techniques that include: “Lab on a bike” and “TechLaBike” programs. The objectives being comparable, ASM recognized Agastya to promote, for the cause of education by contributing towards the operating expenses of the TechLaBike programme, as part of its CSR initiatives.



# Highlights of the Year

## Recognition



wins CII Industrial  
Innovation Award 2020

Under the 'Top 25 Most Innovative Companies'  
category for its smart fixture device

### SmartFix4.0<sup>®</sup>



## Acquisition

### ASM Technologies Limited acquired Semcon's India delivery centre.

**ASM also signs global agreement with Semcon to enhance  
its growth & market access in Europe.**

ASM and Semcon have also entered into a Global Cooperation Agreement to provide Semcon continued access to India's unrivalled scale and capability base for Engineering Services. Pursuant to the agreement, ASM will also deliver services to the Scandinavian market leveraging Semcon's customer-facing team. Both the companies will collaborate to scale by reciprocal access to a combined talent pool and strong capabilities in key areas such as Product Design and R&D, Embedded and Electronics, Value Engineering, Digital Engineering and Manufacturing Engineering.

## Boards' Report

To the Boards' Members,

We are pleased to present the 29th Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2021

1. Financial Results	(Rs. In Mn.)	
	2020-2021	2019-2020
Income from Software services and Products	1132.17	838.40
Other operating income	34.56	39.00
Expenses		
Employee benefits expense	730.27	596.56
Finance Costs	18.93	9.98
Depreciation	10.07	22.41
Other expenses	227.86	224.06
<b>Profit/(Loss) before tax</b>	<b>179.60</b>	<b>24.39</b>
Current Tax	44.95	7.64
Deferred Tax Income/expense	0.98	7.66
<b>Profit/(Loss) for the year</b>	<b>126.53</b>	<b>10.90</b>
Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss Remeasurement of defined benefit plans	(1.45)	(2.07)
(ii) Income tax relating to items that will not be reclassified to profit or loss Deferred tax on remeasurement of defined benefit plans	0.37	0.52
B (i) Items that will be reclassified to profit or loss Changes in fair value of investments in equity instruments	(1.19)	(1.35)
(ii) Income tax relating to items that will be reclassified to profit or loss Deferred tax on changes in fair value of investments in equity instruments	0.30	0.31
<b>Total comprehensive income for the year</b>	<b>124.56</b>	<b>8.31</b>

## 2. Results of Operation

ASM along with its subsidiaries provide world class consulting and product development services in the areas of Engineering Services, Product R&D Services and Digital Transformation with successful Offshore Development with Support Centers in India and Overseas for its global clientele.

During the financial year, the Company explored new growth opportunities and performed significantly well in both the domestic as well as international markets. The performance reflects ASM's journey to reposition itself as a unique technology solutions provider that is committed to develop an emerging breed of platforms, thus enabling its customers to gain competitive advantage through the Company's future ready digital transformation initiatives.

On the standalone front your company registered a total revenue of Rs.1132.17 Mn for the year ended 31st March 2021.

Domestic sales was Rs.281.28 Mn while Export sales was Rs. 850.89 Mn. EBIDTA was at Rs. 208.60 Mn and Net profit after tax was Rs.126.53 Mn.

The Consolidated total revenue for the year ended 31st March 2021 was Rs.1373.88 Mn. EBIDTA was at Rs. 201.49 Mn and Net Profit after tax at Rs.86.01 Mn.

### 3. Dividend/ Transfer to reserves

During the year 2020-21 your company declared an Interim dividend of Rs. 2.00/- on 4<sup>th</sup> August, 2020 followed by a Special 2 Interim dividend of Rs. 2.00/- on 4<sup>th</sup> November, 2020. In keeping with the Dividend policy your Directors are pleased to recommend for approval of the members a final dividend of Rs.3.00/- per equity share of Rs.10/- each for the financial year 2020-2021. The dividend amount paid/payable if approved by shareholders will be Rs.30.00 Mn.

The dividend payout for the year under review has been formulated in accordance with the Company's policy to pay sustainable dividend linked to long term growth objectives of the company to be met by internal cash accruals and the shareholders' aspirations.

Your Company has not transferred any amount to reserve for the Financial Year ended 31st March, 2021.

The paid up Share Capital of your Company is Rs. 100 Mn divided into 100,00,000 equity shares of Rs 10/- each. Your Company has issued bonus share of 1:1 during the Financial Year under review.

### 4. Subsidiary Companies

The consolidated Accounts of your Company and its subsidiaries viz., Advanced Synergic Pte Ltd, Singapore, Pinnacle Talent Inc, USA, ASM Technologies KK, Japan and RV Forms & Gears LLP and ASM Digital Engineering Pvt Ltd., India duly audited, are presented as part of this Report in accordance with Indian Accounting Standards ( IndAs) and the Listing Regulations with the Stock Exchange, wherever applicable. The statement pursuant to the provisions to Section 129(3) of the Companies Act 2013, containing salient features of the financial statement of the Company's Subsidiaries in Form AOC1 is given in **Annexure –II**. The Accounts of the Subsidiaries audited for the purpose of consolidation shall be placed on your Company's website and made available for inspection by any Shareholder at the Company's Registered Office and at the respective registered offices of the Subsidiary companies. Copies can be made available on request, to the shareholders of the Company.

Your Company has formulated and adopted a "Policy for determining Material Subsidiaries" so that your company could identify such subsidiaries and formulate governance framework for them. The Policy for determining 'material' subsidiaries is posted on Company's website: <https://www.asmltd.com/policy-disclosures>.

During the year ASM acquired Semcon India Pvt. Ltd. (Now known as ASM Digital Engineering Pvt. Ltd.)

### 5. Future Outlook

We're pleased to announce that we executed well on our predictions in last year's Future Outlook. Knowing that we managed to meet all the goals we set for ourselves validates our journey, and encourages us to make some predictions this year as well.

At this time last year, we were already exploring new opportunities in several key business areas. We will continue to do so in the coming year and at a much larger scale.

This edition of ASM's Future Outlook is a result of the confidence and sense of hope we carry with us into the future.

#### **The World and ASM After COVID**

The entire world is caught within the COVID-19 quagmire. This global pandemic has not only increased the healthcare burden on many countries, but also directly impacted multiple industries. This, in turn, has

affected the socio-economic fabric of human society. To put it mildly, COVID-19 is an unprecedented adversity for businesses, governments, and individuals alike.

At ASM, we have always believed that every adversity has opportunities hidden within it. We only need to look past the challenges, find the opportunities and then take the right actions to leverage them in meaningful and profitable ways. In the recent past, we have relied on these belief as guideposts to inform our strategic direction and business decision-making. Our consistent successes in a challenging business landscape are a testament to the rightness of our convictions and choices.

In the post-COVID “new normal”, ASM will continue to focus on opportunities, rather than challenges. We have identified many such growth areas, especially in *Digital Engineering* . In fact, we foresee an accelerated global push towards these developments, which will have a huge positive impact on both industry, and human society.

### **Scaling Up Digital Engineering Initiatives**

In future, Digital Engineering will be a key business imperative across everything we do, whether it’s in Product R&D, Engineering Services, Design led manufacturing engineering or any of our other lines of business. We are increasing our focus on Internet of Things (IoT), Big Data, Artificial Intelligence (AI), Machine Learning (ML), Virtual Reality (VR), Augmented Reality (AR), Mixed Reality (MR), Mobile Applications, Cloud, Virtualization, Networking, Cybersecurity and Industry 4.0 (Smart Manufacturing . We believe that we’re in an excellent position to take advantage of these opportunities, not only to improve our own prospects, but to better serve the customers and stakeholders who rely on our capabilities.

In the coming years, ASM will also scale up its investments in many other cutting-edge technologies where we foresee strong demand including: Product R&D, Engineering Services, and Design-led Manufacturing.

We see continued demand from the massive Digital Transformation around the around, this has resulted in increased demand in our industry verticals – Semiconductor Engineering, Networking, Cybersecurity, Wireless and Automotive.

### **SmartFix 4.0 Wins CII Industrial Innovation Award 2020**

ASM has launched its own patent-pending solution SmartFix 4.0 – a one-of-a-kind solution for the manufacturing industry.

SmartFix 4.0 is an industrial AI solution offering a potent combination of world-class hardware, software and data analytics to increase manufacturing yield and throughput. With a robust global client base and a host of strategic partnerships with multiple OEMs, SmartFix is set to deliver value over the next two years.

### **ASM Ventures**

Through its investment arm ASM Ventures, ASM is increasing its strategic investments in several emerging technology companies. At the same time, we are co-creating several products and solutions in the fast-growing areas of Cloud, Network, Cybersecurity, Electric Vehicles, Autonomous Vehicles, and more.

We see enormous business potential in these areas, and are determined to stay at the forefront of these cutting edge technologies and innovations. To this end, we are continuously evaluating new opportunities in technology, manufacturing and boutique service/product companies, and looking to expand our investments in these and other areas.

The future looks bright in the Engineering Services Outsourcing (ESO) space. There are many driving forces at play here, particularly around customers’ needs to reduce the product development lifecycle, and get a first mover advantage by ring-fencing their intellectual property. These are two reasons why so many companies are excited to collaborate with the best Engineering Service providers like ASM. By partnering with us, they can effectively leverage our capabilities to grow in global, regional and adjacent markets, thereby optimizing R&D Operations for mutually-beneficial growth.

## **6. Management Discussion and Analysis Report**

Management Discussion and Analysis Report as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, is disclosed separately in the Annual Report.

## **7. Board Meetings**

During the year under review the Board of Directors held 7 meetings, on 02.06.2020, 10.07.2020, 04.08.2020, 30.10.2020, 04.11.2020, 30.12.2020 and 13.02.2021. The maximum interval between two meetings did not exceed 120 days.

## **8. Directors and Key Managerial Personnel**

As per the provision of Companies Act 2013 Mr. Ramesh Radhakrishnan (DIN 02608916) Director, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting (AGM). The Board recommends his appointment for consideration of members of the Company. Brief profile of Mr. Ramesh Radhakrishnan is given in the notes to the Notice of the ensuing AGM.

## **9. Disclosure on compliance with Secretarial Standards**

Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.

## **10. Independent Directors**

Your Company has laid down procedures to be followed for familiarizing the Independent Directors with your Company, their roles, rights, responsibilities in your Company and to impart the required information and training to enable them contribute significantly to your Company. All the Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct. All the Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations.

## **11. Director's Responsibility Statement**

Pursuant to the provisions of Section 134 (5) of the Companies Act 2013, the Directors hereby confirm that:

- a) in the preparation of the annual financial statements for the year ended 31st March 2021 the applicable accounting standards has been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared annual accounts of the company on a going concern basis.
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**12. Significant and material orders passed by the regulators or courts and Material Changes and commitments affecting the financial position of the company.**

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the company and its future operations. There are no material changes and commitments, if any, affecting the financial position of the company which occurred between the end the financial year of the company to which the financial statements relate and the date of this report.

**13. Audit Committee**

The Audit committee met four times during the financial year under review and all its recommendations were accepted by the Board.

Your Company has established the Vigil Mechanism, an Ombuds process which is a channel for receiving and redressing of employees complaints. This mechanism covers questionable financial or accounting matters and reporting fraudulent financial information to the shareholders, the government or any other legal authority. This meets the requirement under Section 177(9) and(10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**14. Nomination and Remuneration Committee and Stakeholders Relationship and Share Transfer Committee**

The Nomination and Remuneration Committee has framed a policy for selection and appointment of Directors including determining qualifications of Independent Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013. A copy of the policy forms part of this report vide **Annexure- I**. The Nomination and Remuneration Committee of a company has been obligated under Section 178 of the Act to formulate a policy for recommending to the Board of directors of the company for setting the criteria based on which the performance of every Director including the performance of the Board as a whole shall be assessed by the Board of Directors of the Company.

**15. Familiarisation Programme**

The Company has put in place an induction and familiarisation programme for all its Directors including the Independent Directors. The familiarisation programme for Independent Directors in terms of provisions of Regulation 46(2)(i) of Listing Regulations, is uploaded on the website of the Company.-<https://www.asmltd.com/policy-disclosures>

**16. Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed BMP & Co., LLP, Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit in Form MR3 for the financial year ended March 31, 2021 is annexed as **Annexure - III** to the Report. Further, in accordance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, the material subsidiary of the Company - ASM Digital Engineering Pvt Ltd undertook secretarial audit for the FY 2020-21 and Form MR-3 (Secretarial Audit Report) is annexed with this annual report. There are no qualifications, reservations or adverse marks made by Secretarial Auditor in the Report.

**17. Auditor's Report**

There are no qualifications, reservations or adverse remarks made by M/s B K Ramadhyan & Co, LLP, Chartered Accountant Statutory Auditors, in their report for the financial Year ended 31st March, 2021. The Statutory Auditors have not reported any incident of fraud under Section 143(12) of the Act and the rules made thereunder to the Audit Committee of the company in the year under review.

## 18. Conservation of energy, technology absorption and Foreign Exchange Outgo

The company's operations involve low energy consumption. However the efforts to conserve and optimize the use of energy through improved operational method and other means will continue.

The company has not imported any technology.

Foreign exchange earnings and outgo

During the financial year under review 75.16 % of the revenue came from export of software services resulting in a foreign exchange inflow of Rs. 850.90 Mn and the foreign exchange outgo on account of overseas salaries, traveling etc was Rs. 31.11 Mn.

## 19. Public Deposits

Your Company has not accepted any deposits from the public during the financial year under review.

## 20. Disclosures as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act , 2013

Your Company has in place a Prevention of Sexual Harassment ( POSH) Policy in line with the requirements of Sexual harassment of Women at Workplace ( Prevention, Prohibition and Redressal) Act 2013. Your Company has through the Policy constituted a committee and has established a grievance procedure for protection against victimization. Your Company is committed to provide a healthy environment to all employees conducive to work without the fear of prejudice and gender bias. During the year under review , there were no cases filed pursuant to the said Act.

Number of complaint filed during the financial year 2020-21 Nil

Number of complaint disposed off during the financial year 2020-21 Nil

Number of complaint pending as end of the financial year Nil

## 21. Details of Adequacy of Internal Financial Controls

Your Company has deployed adequate Internal Control Systems in place to ensure a smooth functioning of its business. The processes and systems are reviewed constantly and improved upon to meet the changing business environment. The Control Systems provide a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets. The Internal auditors periodically review the internal control systems, policies and procedures for their adequacy, effectiveness and continuous operation for addressing risk management and mitigation strategies.

## 22. Particulars of Loans, guarantees or investments

During the Financial Year under review, your Company had given Corporate Guarantee and security of Deposits at prevailing bank lending rate to its subsidiary, RV Forms & Gears LLP for meeting its working capital requirements. The balance outstanding as on 31st March, 2021 is Rs 128.65Mn.

## 23. Risk Management Policy

The Risk management Policy of your company continuously evaluates the various risks surrounding business and seeks to review and upgrade its risk management process. To further the endeavour your Board constantly formulates strategies directed at mitigating these risks which get implemented at the Executive Management level and a regular update is provided to the Board.

## 24. Credit rating of securities:

(a) credit rating obtained in respect of various securities: NA

(b) name of the credit rating agency; NA

(c) date on which the credit rating was obtained: NA

- (d) revision in the credit rating: NA
- (e) reasons provided by the rating agency for a downward revision, if any: NA

**25. Annual Return.**

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at <https://www.asmltd.com/financials/>

**26. Corporate Social Responsibility Policy (CSR)**

Your company has formulated CSR policy which is posted on the website at <https://www.asmltd.com/policy-disclosures>. In pursuance to the provisions of Section 135 and Schedule VII of the Companies Act, 2013 the company constituted a CSR Committee of the Board to (a) formulate and recommend a CSR policy (b) recommend the amount of expenditure to be incurred on the CSR activities and (c) monitor implementation of the CSR policy from time to time. The terms of reference of the CSR committee are in accordance with Section 135 of the Companies Act 2013. The Annual Report on CSR in the prescribed format is enclosed to this Report as **Annexure-IV**.

**27. Related Party Transactions**

The company has in place formulated a Policy on materiality of Related Party transactions for dealing with such transactions in line with the requirements of the Listing Regulations with the Stock Exchange. . The policy on related party transactions is available on the Company's website at -<https://www.asmltd.com/policy-disclosures>.

Particulars of contracts or Arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 in the format specified as Form AOC2 forms part of this Report as **Annexure- V**

**28. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board is required to monitor and review the Board evaluation framework. In line with the Corporate Governance Guidelines, Annual Performance Evaluation is conducted for all Board Members as well as the working of the Board and its Committees. The Board works with the Nomination and Remuneration committee to lay down the evaluation criteria for the performance of executive/non-executive/independent directors through a peer evaluation, excluding the director being evaluated through a Board effectiveness survey. The questionnaire of the survey forms an integral part of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is required to evaluate the effectiveness of the Board and its committees on various parameters and feed back on each Director is part of the survey. The outcome of the Board evaluation for the financial year 2020-21 was discussed by the Board at their meeting held on 13<sup>th</sup> February 2021.

**29. Remuneration to Director and Employees**

Details/Disclosures of ratio of remuneration to each Director to median employee's remuneration as required pursuant to Section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and details of remuneration paid to Employees vide Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure- VI**

**30. Corporate Governance Report**

Your Company has taken adequate steps to adhere to all the stipulations as laid down in Pursuant to Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. As required, a Report on Corporate Governance is provided elsewhere in this Annual Report along with Auditor's Certificate on compliance thereof.

### 31. Auditors

At Annual General Meeting of the Company held on 20th June 2017 the shareholders appointed M/s B K Ramadhyan & Co, LLP, Chartered Accountants, Bangalore, bearing Registration No.002878S/S00021 with the Institute of Chartered Accountants of India, as Statutory Auditors of the Company for a period of five years from conclusion of the 25th Annual Meeting of the Company. The requirement for the annual ratification of auditors' appointment at the AGM has been omitted as per Companies (Amendment) Act 2017 notification on May 7 2018.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

	Rs. in Mn.
Payment to Statutory Auditors	FY 2020-21
Audit Fees	0.85
Others Service	0.00
Reimbursement of expenses	0.00
<b>Total</b>	<b>0.85</b>

### 32. Acknowledgments

Your Directors take this opportunity to express their gratitude to -

Our esteemed customers, shareholders, vendors, business partners, advisors and consultants for their unstinted support. The contribution made by our employees at all levels. Our consistent growth was made possible by their solidarity, cooperation and support.

- State Bank of India, (India), HSBC Bank Ltd (India), ICICI Bank Ltd., (India), Indian Bank, (Singapore), HSBC Bank, (USA) and First Federal Bank, (USA) , for their support and guidance.
- Customs, Reserve Bank of India, Software Technology Parks (STPI) and NASSCOM, Central & State Governments, Software Technology Park (STPI) and NASSCOM for their continued support.

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

Place : Bangalore  
Date : 26.05.2021

**M. R. Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

# ANNEXURE – I

## Nomination and Remuneration Policy

### 1. Title

This Policy will be called “Nomination and Remuneration Policy”

### 2. Introduction

The company considers human resources as its invaluable assets. This Policy is formulated for the Company to attract, motivate and retain high-caliber senior executives/directors in a competitive market, who possess the required core competencies, professional backgrounds and skill sets in line with the identity of the Company and its business. This Policy reflects the Company’s objectives for good corporate governance as well as sustained long-term value creation for stakeholders.

In order to align with the provisions of the Companies Act, 2013 and the schedule V of Listing Obligations Disclosure Regulation 2015, the Board of Directors have changed the nomenclature of the “Remuneration Committee” as “Nomination and Remuneration Committee”. The “Nomination and Remuneration Committee” has formulated the “Nomination and Remuneration policy” which has also been approved by the Board of Directors of the Company.

### 3. Objective

The objective of this policy is to lay down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management personnel. The Key objective of the committee would be:

- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board the Remuneration payable to the Directors, Key Managerial Personnel and Senior Management personnel.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage.

### 4. Applicability and Commencement

This policy is applicable to Directors, Key Managerial Personnel and Senior Management. This policy is effective from 28th March 2015.

### 5. Definitions

- Board means the Board of Directors of the Company.
- Company means ASM TECHNOLOGIES LIMITED.
- Director means Directors of the Company.
- Policy means “Nomination and Remuneration policy” as amended from time to time.
- Committee means “Nomination and Remuneration Committee”.

**Key Managerial Personnel** means

- Managing Director
- Chief Financial Officer
- Company Secretary
- such other officer as may be prescribed

**Senior Management** means personnel of the company who are members of its core management team excluding the Board of Directors, comprising all members of the management one level below the Executive Directors including Functional Heads.

**Managing Director** means a Director who is in the whole time employment of the Company and includes a Whole time Director.

**Nomination & Remuneration Committee** means the Committee of the Board constituted as such under the provisions of section 178 of the Companies Act, 2013 and as per the Regulation 27 of SEBI LODR.

**Non-Executive Director** means a Director who is not in the whole time employment of the Company and includes an Independent Director.

**Independent Director** means a Director referred to in section 149 of the Companies Act, 2013 and as per the Regulation 27 of SEBI LODR.

## 6. Role and Duties of the Committee

The Role and Duties of the committee inter alia will be as follows:

- To recommend to the Board the appointment removal of Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board the Remuneration payable to the Directors, Key Managerial Personnel and Senior Management personnel.
- To formulate a criteria for determining qualifications, positive attributes and independence of a Director and to recommend to the Board the Policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Formulate criteria for evaluation of the Independent Directors and the Board and to carry out evaluation of every Director's performance.
- Ensure that level and composition of remuneration is reasonable and sufficient, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

## 7. Membership / Constitution of the Committee

- The Committee shall comprise of at least three (3) Directors, all of whom shall be Non-Executive Directors and at least half shall be Independent. The Committee comprises of the following Independent Directors:  
Shekar Viswanathan; Chairman  
M.R.Vikram  
M. Lakshminarayan
- The Chairman of the Committee shall be an Independent Director.
- The Chairperson of the Company (whether executive or non-executive) may be appointed as a Member of the Committee but shall not Chair the Committee.
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as the Chairman.
- The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013, Listing Regulations and any other applicable statutory requirement.

## 8. Quorum

Minimum two (2) Directors will constitute a quorum for the Committee meeting.

## 9. Frequency of Meetings

The meeting of the Committee shall be held at least once in a year.

## 10. Appointment and Removal of Directors, Key Managerial Personnel and Senior Management

### 10.1 Appointment Criteria and Qualifications:

- The person should possess adequate qualification, expertise, skills and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- Before appointment, the Company shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel and Senior Management Personnel.
- The Committee shall approve the remuneration as well as the appointment, made by the HR Department/ Company of the Senior Management personnel and put forward it the Board. The same shall be done after considering the integrity, qualification, expertise and experience of the person appointed.
- The Committee may call and seek the help of the head of HR Department or any other Company Official including the recommender or a Key Managerial Personnel while approving the appointment.

### 10.2 Term / Tenure

- a) Managing Director/Whole-time Director/Executive Director/Manager:
  - The Company shall appoint or re-appoint any person as its Managing Director, Executive Chairman or Executive Director or Whole Time Director for a term not exceeding five years at a time or as applicable by the respective provisions of the Companies Act 2013. No re-appointment shall be made earlier than one year before the expiry of term.
  - The Company shall not appoint or continue the employment of any person as Managing Director/ Executive Chairman/ Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- b) Independent Director:
  - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company in this regard.
  - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director of the Company. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 (Five) years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he shall be eligible for appointment for one more term of 5 (Five) years only.
  - At the time of appointment of an Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven Listed companies as an Independent Director and three Listed companies as an Independent Director in case such person is serving as a whole-time Director in any Listed company.

- c) **Key Managerial Personnel and Senior Management:**
- A whole-time KMP of the Company cannot hold the office in any other company except in its subsidiary at the same time. However a Managing Director of the Company can hold office in one another company provided such appointment is approved by a resolution passed at a meeting of the Board of Directors with the consent of all the Directors present at the meeting and of which meeting and of all the resolutions to be moved thereat, specific notice has been given to all the Directors there in India.
  - The tenure and terms of appointment of Key Managerial Personnel and Senior Management will be as per the prevailing HR policy of the Company or as per the applicable provisions of the Companies Act 2013.

### **10.3 Evaluation**

- The Committee shall diligently carry out annual evaluation of performance of every Director, KMP and SMP on the basis of the criteria(s) laid down by the Committee or the Company or under the Act or as per SEBI Regulations.

### **10.4 Removal**

- Due to reasons for any disqualification/misconduct/fraud mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### **10.5 Retirement**

- The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act 2013 and in accordance with the applicable policy of the Company .

## **11. Remuneration of Directors, key Managerial Personnel and Senior Management**

- a) **Remuneration to Managing Director/Whole-time Director/Executive Director/Manager:**
- The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- b) **Remuneration to Non- Executive / Independent Director:**
- The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force
- c) **Remuneration to Key Managerial Personnel and Senior Management:**
- The Remuneration/Compensation /Commission payable to the Key Managerial Personnel and Senior Management shall be as per the prevailing HR policy of the Company or as per the provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- d) For continual long term engagement and to enhance their standard of living of KMP and Senior Management Personnel where the Committee extends benefits/welfare facilities such as group mediclaim insurance policy or indemnify them against liability, premium paid on such insurance shall not be treated as part of the remuneration payable of such personnel.

## **12. Review and Amendments**

- The Committee or the Board may review the policy as and when it deems necessary.
- The Board of Directors or the Committee or the Company Secretary shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with new provisions or replace this Policy entirely with a new Policy.

## ANNEXURE – II

Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures  
(Pursuant to first proviso to sub-section(3) of Section 129 read with rule 5 of Companies (Accounts) Rules 2014-  
Form AOC-1)

### Part “A” : Subsidiaries

Rs. in Mn

Sl. No.	Particulars	Advanced Synergic Pte Ltd, Singapore (WOS)	Pinnacle Talent Inc, USA (WOS)	ASM Technologies KK Japan (WOS)	ESR Associates Inc, USA (Step down subsidiary)	RV Forms & Gears LLP Indian Subsidiary	ASM Digital Engineering Private Limited (WOS)
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.11.2020 to 31.03.2021
2.	Reporting Currency	SGD	USD	YEN	USD	INR	INR
3.	Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	54.33	73.24	0.66	73.24	1.00	1.00
4.	Share Capital	54.33	10.40	0.63	7.32	23.11	40.00
5.	Reserves & Surplus	(81.73)	(54.29)	(11.39)	(65.33)	6.71	79.92
6.	Total Assets	1.94	90.61	4.48	3.27	242.99	195.39
7.	Total Liabilities	27.40	157.12	-	61.28	223.83	75.47
8.	Investments	7.88	-	-	-	-	-
9.	Turnover	9.39	27.73	-	-	158.32	220.70
10.	Profit/(Loss) before taxation	(4.47)	(1.54)	(4.36)	(14.10)	0.34	12.45
11.	Provision for taxation	-	-	-	-	(3.18)	6.27
12.	Profit/( Loss) after taxation	(4.47)	(1.54)	(4.36)	(14.10)	3.52	6.18
13.	% of shareholding	100	100	100	100	70	100

#### Notes:

- ESR Associates Inc is a wholly owned subsidiaries of Advanced Synergic Pte Ltd, the WOS of the company. Proposed dividend from any subsidiary is “NIL”

#### Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act 2013 related to Associate Companies and Joint Ventures.

There are no associate companies and joint ventures during the current financial year.

For and on behalf of the Board of Directors

**ASM Technologies Ltd.**

Place : Bangalore

Date : 26.05.2021

**M. R. Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

## ANNEXURE – III

### Secretarial Audit Report

#### Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2021

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

#### To,

The Members,  
ASM TECHNOLOGIES LIMITED  
80/2, Lusanne Court, Richmond Road, Bangalore 560025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ASM Technologies Limited (hereinafter called the “Company”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

- i. The Companies Act, 2013 (‘the Act’) and the Rules made thereunder and the relevant provisions of the Act;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009; – Not Applicable as the Company did not issue any security during the financial year under review.
  - d. The Securities and Exchange Board of India (Share Benefits Employee Benefits) Regulations, 2014; - Not Applicable as the Company does not have Employee Stock Option Scheme for its employees;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – Not applicable as the Company has not issued any debt securities during the financial year under review;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable as the Company has not done any buyback of its securities during the financial year under review.
- vi. The following key / significant laws as specifically applicable to the Company: -

- 1) The Special Economic Zone Act,2005;
- 2) Policy relating to Software Technology Parks of India and its Regulations

We have also examined compliance with the applicable clauses/regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

**For BMP & Co. LLP**  
Company Secretaries

**Pramod S M**  
Partner  
FCS 7834 / CP No. 13784  
UDIN : F007834C000375190

Place: Bangalore,  
Date: 26.05.2021

## ANNEXURE – A

To,

The Members,  
ASM Technologies Limited  
CIN: L85110KA1992PLC013421  
80/2, Lusanne Court, Richmond Road,  
Bangalore - 560025

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whereever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit and also on the review of quarterly compliance report issued by the respective departmental heads/Company Secretary/Managing Director, taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.
8. We further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

**For BMP & Co. LLP**  
**Company Secretaries**

**Pramod S M**  
Partner

FCS 7834 / CP No. 13784  
UDIN : F007834C000375190

Place: Bangalore  
Date: 26.05.2021

## Secretarial Audit Report

### Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

**ASM DIGITAL ENGINEERING PRIVATE LIMITED**

CIN: U72900KA2006PTC049744

RMZ NXT, Campus IB, 1<sup>st</sup> Floor,

Mahadevapura Unit 102, Sonnenahalli Village,

K. R. Puram Hobli, Bangalore - 560066

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ASM DIGITAL ENGINEERING PRIVATE LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder and the relevant provisions of the Act;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder to the extent applicable to an unlisted Company which is a Material subsidiary of a listed Company;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- to the extent applicable to an unlisted Company which is a Material subsidiary of a listed Company;
- vi. The Company has identified the following laws as specifically applicable to the Company:
  - 1) The Special Economic Zone Act, 2005
  - 2) Information Technology Act, 2000 and the rules made thereunder;
  - 3) Policy relating to Software Technology Parks of India and its Regulations

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:- to the extent applicable to an unlisted Company which is a Material subsidiary of a listed Company;
- iii. SEBI (Prohibition of Insider Trading) Regulations, 2015:-

The Company being a 'material subsidiary' of ASM Technologies Limited ("ASM"), as defined in Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certain employees of the Company have been categorized as Designated Persons and are covered by ASM's Code of Conduct framed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of ASM.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

- The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that, during the audit period the Company has done the following transactions in due compliance with the applicable provisions of the Act:-

1. The Company become a subsidiary of ASM Technologies Limited with effect from 6<sup>th</sup> November, 2020 consequently the company has become a public Limited Company as it is a subsidiary of the Listed Public Company.
2. Alteration / Amendment to the Memorandum and Articles of Association of the Company pursuant to change of Name of Company.
3. Change in the Key Managerial Personnel of the Company.
4. Change in the Statutory Auditor of the Company.

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

There are no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's affairs.

For **BMP & Co. LLP**,  
Company Secretaries

**Pramod S M**  
Designated Partner

Membership No.: F7834, CP No.: 13784  
UDIN: F007834C000375311

Place: Bangalore  
Date: 26th May, 2021

## ANNEXURE – A

To,

The Members,  
**ASM DIGITAL ENGINEERING PRIVATE LIMITED**  
CIN: U72900KA2006PTC049744  
RMZ NXT, Campus IB, 1<sup>st</sup> Floor,  
Mahadevapura Unit 102, Sonnenahalli Village,  
K R Puram Hobl, Bangalore-560066

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the lockdown the only soft copies of the documents were verified.
8. We further report that, based on the information provided by the Company its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/Company Secretary/Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.
9. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **BMP & Co. LLP**,  
Company Secretaries

**Pramod S M**

Designated Partner

Membership No.: F7834, CP No.: 13784

UDIN: F007834C000375311

Place: Bangalore  
Date: 26th May, 2021

## ANNEXURE – IV

### Annual Report on CSR Activities

1. Social and environmental responsibility has always been at the forefront of ASM’s operating philosophy and as a result has been contributing to such socially responsible activities. For ASM, Corporate Social Responsibility means responsible business practices through the involvement of all stakeholders in the decision making process and in operations. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees consumers and society in which it operates.

2. The CSR Committee comprises of the following members:

Ms. Preeti Rabindra - Chairperson

Mr. M.R. Vikram

Mr. Shekar Viswanathan

Mr. Rabindra Srikantan

Rs. in Mn.

3. Average Net profits of the company for the last three financial years	6.19
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above) is	1.25
5. Details of CSR spent during the financial year 2020-21	
Amount to be spent for the financial year 2020-21	1.25
Total amount spent for 2020-21	0.30
Amount unspent of 2020-21	0.95

Manner in which the amount was spent in 2020-21 is detailed below-

Sl No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs 1.Local area or other 2.Specify the state and district where projects or programs was undertaken	Amount outlay (budget) Project or programs wise Amt in Rs.	Amount spent on the projects or programs Sub heads: 1.Direct expenditure on projects / programs 2. Overheads Amt in Rs.	Cumulative expenditure upto the reporting period- Amt in Rs.	Amount Spent: Direct or through implementing agency- Amt in Rs.
1.	ArtMantram		Project in Bangalore	0.20	-	0.20	0.20 Agency
2.	Idhayangal Charitable Trust	Promoting Health	Project in Bangalore	0.10	-	0.10	0.10 Agency-

The education sector in India has evolved substantially over the years and providing universal and quality education has been some of the challenges. With the Companies Act 2013 providing for mandatory contributions towards CSR and education being specified as an eligible activity the company spearheaded its CSR activities with education as its main thrust. However in the past year with the outbreak of Covid -19 pandemic the education sector was severely affected, calling for schools to be shut down and shifting classrooms to digital platforms. This brought about uncertainty in two of our projects namely “Dr. R.P. Shenoy award for Excellence in Science”\* and Dr S Srikantan Memorial Award\*\* with uncertainty in the opening of schools and the students not being reachable and were forced to look out for newer projects which resulted in delay in identifying them.

\*During the year 2013-14 the company instituted the “Dr. R.P. Shenoy award for Excellence in Science” in memory of its Director, Dr. R.P. Shenoy, a Distinguished Scientist of Defence Research & Development Organization (DRDO) of the Government of India. The award is given each year to students of Grade 8th & 9th, Kendriya Vidyalaya, DRDO complex, Bangalore, who have secured A1 Grade in Science. The award includes a cheque for Rs. 1000 a certificate and write up of Dr. Shenoy.

\*\*Dr. S Srikantan Memorial Award : The Institution of Electronics & Telecommunication Engineers (IETE) Bangalore Centre has been organising Summer School in Electronics & Computers (SUSIEC) over the last three decades for 8<sup>th</sup>, 9th and 10th standard students during their summer vacations with a motto of “catch them young” and motivate them to choose the fascinating field of Electronics and Telecommunication as their chosen profession/ career. Starting from the year 2017-18, ASM ,as part of CSR has been sponsoring part of the course fee, tool kits, awards & prizes for SUSIEC as Dr. S Srikantan Memorial Award, instituted in memory of its former Chairman Late Dr. S. Srikantan. The schedule comprises of two hours of technical presentations followed by two hours of practical’s every day. At the end of the course, an exhibition is arranged to showcase the projects which are evaluated and rated by a panel of distinguished academicians and corporate leaders.

6. The CSR Committee, hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board  
**ASM Technologies Ltd.**

Place : Bangalore  
Date : 26.05.2021

**Preeti Rabindra**  
Chairperson of the CSR Committee

**Rabindra Srikantan**  
Managing Director

## ANNEXURE- V

### Particulars of contracts/ arrangements made with related parties

Pursuant to clause(h) of Sub section(3) of Section 134 of the Act and Rule8(2) of the Companies (Accounts) Rules, 2014 – Form AOC-2

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of Companies Act 2013 including certain arms length transactions.

1. Details of contracts or arrangement or transactions not at arms length basis

There was no contract/arrangement/transaction entered into during the financial year ended 31st March 2021 which were not at arm`s length basis.

2. Details of material contracts or arrangements or transactions at arm`s length.

The details of material contracts or arrangements or transactions at arm`s length basis for the financial year ended March 31st, 2021 is as follows:

Rs. In Mn.					
Particulars	Advanced Synergic Pte Ltd, Singapore	Pinnacle Talent Inc, USA	RV Forms & gears LLP India	ASM Technologies KK	ASM Digital Engineering Pvt Ltd
Nature of Relationship	Wholly owned Subsidiary	Wholly owned Subsidiary	Subsidiary	Wholly owned Subsidiary	Wholly owned Subsidiary
Rendering of services	-	-	17.06	-	5.00
Guarantees given on behalf of subsidiary	-	-	50.00	-	-
Purchase of Service	-	27.73	-	-	-

#### Notes:

1. The duration of the above contracts/arrangements/transactions are all ongoing.
2. Salient terms of the contracts or arrangements or transactions as mentioned above are all based on transfer pricing guidelines.
3. Appropriate approvals have been taken for these related party transactions.
4. Advances paid have been adjusted against billings, wherever applicable.

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

Place : Bangalore  
Date : 26.05.2021

**M.R.Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

## ANNEXURE - VI

### PARTICULARS OF EMPLOYEES

#### 1. Information as per Rule 5(1) of Chapter XIII of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2020-21 and percentage increase in remuneration of each Director as against previous year and also the comparison of remuneration of each such person against the performance of the Company.

Name of Directors	Designation	% of increase compared to previous year	Ratio to median remuneration of employees	% of revenues	% of profits after tax
Mr.M.R.Vikram	Chairman	(100)	0.14	0.01	0.10
Mr.Rabindra Srikantan	Managing Director	36.21	17.56	1.40	12.68
Mr.M.Lakshminarayan	Independent Director	(109.09)	0.12	0.01	0.09
Mr.Shekar Viswanathan	Independent Director	(140.00)	0.11	0.01	0.08
Mr. Ramesh Radhakrishnan	Non-Executive Director	NA	0.08	0.01	0.06
Ms. Preeti Rabindra	Non-Executive Director	(166.67)	0.10	0.01	0.07

2. Non- executive Directors are paid sitting fees for meetings of the Board and committee attended and commission on Net Profits as per section 198 of companies Act 2013.

- (ii) The percentage increase in remuneration of Chief Financial Officer & Company Secretary in the Financial Year and also the comparison of such remuneration against the performance of the Company.

Name of person	Designation	% of increase compared to previous year	% of revenues	% of profits after tax
Mr. N.L. Rathod	Chief Financial Officer	No Change	0.02	0.20
Ms. Vanishree Kulkarni	Company Secretary	No Change	0.09	0.80

- (iii) The percentage increase in median remuneration of employees in the Financial year:  
The percentage increase in the median remuneration of the company during the financial year is 8%. This has been arrived at by comparing the median remuneration  
The percentage increase in the median remuneration of the company during the Financial year is 8%. This has been arrived at by comparing the median remuneration
- (iv) The number of permanent employees on the rolls of company:  
The number of permanent employees on the rolls of the company as on 31st March 2021 was  
Male: 899 Female: 208
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration  
The average increase was 9% for all employees who went through the compensation review cycle in the year and for the managerial personnel there was no increase in remuneration the previous year.
- (vi) Affirmation that the remuneration is as per the remuneration policy of the company  
Your company affirms that the remuneration is as per the remuneration policy of the company
- b. Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014- NIL

For and on behalf of the Board of Directors  
**ASM Technologies Ltd.**

Place : Bangalore  
Date : 26.05.2021

**M. R.Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Overview

ASM along with its subsidiaries has been providing world class consulting and product development services in the areas of Engineering Services and Product R&D with successful Offshore Development & Support Centers in India and Overseas for its global clientele. The company is a public limited company incorporated in India and having its registered office in Bengaluru, Karnataka, India. The company's shares are listed with BSE Limited.

The Ministry of Corporate Affairs (MCA) vide notification dt February 16,2015,notified the Ind AS applicability to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014. For ASM group Ind AS is applicable from 1st April 2017.

## 1. Industry Structure and Development

India's IT industry is increasingly focusing on digital opportunities as digital is poised to be a major segment in the next few years. While overall IT spend is estimated to decline in FY2021, momentum in digital spend has only strengthened through the course of COVID-19, led by demand for remote working solutions and enterprise-scale transformations being pulled forward several years ahead. Indian Tech industry's performance is an indication of resilience and readiness to take on the new virtual world. At an estimated \$194 billion, the sector is set to add \$4 billion in revenues in FY2021. It is also expected to add 138,000 employees to reach a total direct employment of 4.47 million, and will contribute 52% to overall services exports. IT Services itself is nearing the \$100 billion mark backed by a strong deals pipeline and strong digital tailwind. Domestic spend has kept momentum, estimated to grow by 3.4% in FY2021 to clock \$45 billion, backed by sustained demand for robust, connected, and secure infrastructure. In fact, domestic demand is set to leapfrog exports growth in FY2021, by nearly 2X. At 28-30% of industry revenue, digital revenues are the true growth story, clocking 5X the rate of overall services growth.

## 2. Opportunities

Digitisation, disruptive technologies and innovation will fuel growth with new opportunities in the years ahead. Technologies such as artificial intelligence (AI), Internet of things (IoT), augmented reality, virtual reality, machine learning (ML), big data analytics, blockchain are providing numerous new opportunities for large enterprises as much as they are aiding the start-ups in developing new products and service lines, improving efficiency, productivity, and competence levels, giving thrust to the economic growth of the country. Indian IT companies have to adopt these new technologies in a big way by skilling their employees and by taking risks in building products around these technologies. The focus of the government to expand the domestic market through a focus on indigenisation and self-reliance has led to capability building among Indian organizations for future relevant domains such as Product Engineering, Data Analytics, Embedded software etc.

We believe in our competitive strengths and with our Global Delivery Model and core competencies consider to address the changing economic scenarios as an opportunity to provide greater value to existing clients and add new clients. Our specific industry, domain and technology expertise allows us to enable clients to transform their businesses through innovative strategies and solutions. Our process driven engineering and planning ensures in delivering quality products in the optimum time and cost. ASM is a pioneer in Mechanical, Electrical/Electronics System and Sub System design.

## 3. Outlook

This has been provided elsewhere in the Annual Report.

## 4. Risks and Concerns

- a. Competition Risk

In this highly competitive global business environment only firms that continually upgrade their capabilities and offerings in line with emerging technologies and market imperatives can hope to survive and even prosper in this environment. Capability building and continual upgrading are essential for organizational survival and growth.

Technologies are moving rapidly from traditional technologies to Analytics, Big data, Artificial Intelligence and Robotics. The Company stays invested in enhancing the value proposition for its customers by way of deepening its domain expertise, technological capabilities and customer engagement. We compete with other technology service providers in response to requests for proposals and in certain services there is increased competition resulting in pressures in pricing. The company's capability to offer innovative and value added solutions and services by integrating its diverse domain knowledge. The unrivaled blend of engineering culture and technology skills adopted by the company and its strategic acquisitions and management resources adds to its capability to offer innovative and value added solutions and services by integrating its diverse domain knowledge experience. .

**b. Financial Risk.**

The IT sector would have to re-adopt technology disruptions by reshaping enterprises and focus on technology-led platforms, as the currency volatility and innovative technologies such as artificial intelligence, automation, etc have disrupted the sector's traditional products and solutions.

With a significant portion of the company's revenues coming from exports, volatility in exchange rates may impact Company's business adversely. The company however mitigates the risks with robust accounts receivable management, centralised framework to control expenses and currency hedging strategies by the management. The company has a defined policy for managing its foreign exchange exposure. The company tracks the foreign exchange markets closely and takes appropriate hedging decisions from time to time if need be. The risk policy of the Board covers some of this large macro level risk and the remedial measures taken by the company to face and mitigate some of these risks.

**c. New Technologies and Business Models**

Engineering Research & Development continues to be the fastest growing segment, driven by global majors increasingly embedding Software & Engineering into their products. India continues to be the core for digital innovation with a rich ecosystem of start-ups, tech providers and services providers engaging in global delivery and investing in IP, solutions and Centers of Excellence (CoEs). Digital became mainstream during the year, with the industry increasingly investing in digitized solutions to drive future growth opportunities. The Indian ER&D companies need to speed up the process of adopting technology in order to stay future proof as today, the Industry is fraught with challenges and opportunities, with Artificial Intelligence (AI), automation and machine learning having permeated every facet of a business. As a System Design House, ASM is fully equipped to handle complex Software, Electronics, Mechanical and Embedded software design and development to complete the product under one roof. Further, working prototype and manufacturing results in the entire product realization for the client. In our effort to step up non-linear growth, some of the key designs by the Engineering Services group are being prototyped and will be manufactured in limited quantities through partner companies and delivered to strategic customers. The company also regularly audits and verifies its compliance with security and disaster recovery measures. The impact of investments in Innovation and R&D has accelerated growth of ASM and has set the company into the forefront of Product Development, whilst getting a global recognition. The initiative has therefore been on developing the products of the future, to align with the changing technologies, market and customer demands.

**d. Geography Risk**

Business environment in the past year has been volatile and uncertain given the current pandemic. The company has insulated its overall performance from the impact of market exigencies and vagaries

with a domestic international spread of business and combinations of its various solutions and services. The company's well honed skills enable it to spread efficiently its business across various geographies. The company moreover derives most of the revenues from off shoring business resulting in a healthier bottom line and protection from risks from any downward spiral in any economy. The company's growth is not dependent on any specific geographic area or specified industry segment.

## **5. Internal Control System and their adequacy**

The Internal Control System has been designed to ensure that assets and interest of the company are protected and dependability of accounting data and its accuracy are ensured with proper checks and balances. The internal control systems adopted by the company are adequate and appropriate to its operations so as to ensure uninterrupted functioning of its business. The system has been designed to ensure that assets and interest of the company are protected and dependability of accounting data and its accuracy are ensured with proper checks and balances. The existing internal control systems and their adequacy are frequently reviewed and improved upon to meet the changing business environment.

The Company has internal audit to examine and evaluate the adequacy and effectiveness of Internal Control system. The internal audit ensures that the system designed and implemented to provide adequate internal control commensurate with the size and operations of the company. The Audit Committee of the company chaired by the independent director and consisting of other non-executive independent directors, periodically review and commend the quarterly, half yearly and annual financial statement of the company. A detailed note on the functioning of the audit committee forms part of the chapter on Corporate Governance in this Report.

The management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and independent Audit Committee of the Board of Directors.

## **Financial Overview**

### **a. Share Capital**

The Company has at present only one class of shares. The authorized share capital is 1,50,00,000 Equity shares of Rs. 10/- each, constituting to Rs.150.00 Mn There was increase in the issued, subscribed and paid up capital of Rs. 100.00 Mn during the year under review. Company issued Bonus Shares of 1:1 during the year under review.

### **b. Shareholder Funds**

The total shareholder funds was Rs. 650.75 Mn as at 31st March, 2021 against Rs. 558.74 Mn as of the previous year end.

### **c. Fixed Assets**

As on 31st March 2021 the gross block of assets stood at Rs. 45.97 Mn for the standalone and Rs. 122.98 Mn for the consolidated.

### **d. Net Worth**

The return on Net worth (RONW) for the year ended 31st March 2021 was 1.74% for the standalone and 2.34% for the consolidated.

### **e. Earnings per share**

Earnings per share for the year ended 31st March 2021 was Rs. 12.65 for the standalone and Rs. 8.60 for consolidated.

### **f. Revenue**

On the standalone front the company registered a total revenue of Rs. 1132.17 Mn for the year ended 31st March 2021 compared to Rs. 838.40 Mn, the previous year. Domestic sales at Rs. 281.27 Mn and Export sales at Rs. 850.90 Mn contributed to the revenue.

The Consolidated total revenue for the year ended 31st March 2021 was Rs. 1373.88 Mn compared to Rs. 920.13 Mn, the previous year.

**g. Operating Profit (EBIDTA)**

We earned an operating profit Rs. 208.60 Mn representing 18.42% of total revenues for the year ended 31st March 2021 as compared to Rs. 43.29 Mn representing 5.16% of total revenues, during the previous year.

On the consolidated front, EBIDTA was at Rs. 201.49 Mn representing 14.67% of the total revenues for the year ended 31st March 2021.

**h. Net Profit after Tax**

Net profit after tax was Rs. 126.53 Mn. on the standalone front and Rs. 86.01 Mn for the consolidated, for the year ended 31st March, 2021.

**i. Developments in Human Resources/ Industrial Relations**

The total employee strength of the company, as on 31st March, 2021 was 1107 as compared to 629 the previous year.

At ASM, employees are the Company's biggest asset and the Company continuously focuses towards innovative initiatives to attract, train, retain and motivate its employees. The Company's endeavors are driven by a strong set of values imbibed in it and policies that it abides by. All the Company's policies are focused towards a healthy, happy and prosperous work environment for its employees and thereby also fulfill the aspirations of the people at work. . Your company believes that people are the primary drivers in the success of an organization and hence people and HRD remain at the forefront of its mission. In this pursuit, the Company is providing timely and cost effective recruitment system for attracting the cream of talented professionals, ensuring a clear compensation and benefit policy in tune with the latest IT market trends. Our endeavors are driven by a strong set of values imbibed in us and policies that we abide by.

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## **CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE TO THE MEMBERS OF ASM TECHNOLOGIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by ASM Technologies Limited ("the Company"), for the purpose of certifying of the Corporate Governance under Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the period April 01, 2020 to March 31, 2021. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : 26.05.2021  
Place : Bangalore

For **BMP & Co**  
Company Secretaries

**Pramod SM**  
Partner  
FCS 7834 / CP No. 13784  
UDIN : L85110KA1992PLC013421

# REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015)

## I COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. These values and principles set the context to manage our Company affairs in a fair and transparent manner. We at ASM believe, that sound corporate governance is critical to enhance and retain investor trust and consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance of the Company.

Effectual Corporate governance requires a clear understanding of the respective roles of the Board and the senior management and their relationships with others in the corporate structure. During the year under review, the Board continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies, prudent business plans, monitoring of major risks of the company's business and ensuring that the company pursues policies and procedures to satisfy its legal and ethical responsibilities. At the core of its corporate governance practice is the board, which is responsible for safeguarding and advancing the interests of the shareholders, acting as their representative in establishing corporate policies and reviewing management's execution of those policies. The Board of Directors fully support and endorse Corporate Governance practices and attempt to go beyond the statutory requirements.

## II BOARD OF DIRECTORS

### i. Composition of Board:

The Board is primarily responsible for the overall management of the Company's business.

The Board comprises of 6 members, three of whom are Independent Directors, two Non-Executive Non Independent Directors and one Executive Director being the Managing director. The company has a Non-Executive Chairman and the number of Independent Directors is more than one third of the total number of Directors. The company is in compliance with the requirements relating to the composition of Board of Directors, in line with Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) 2015.

The Chairman is primarily responsible for ensuring that the Board provides effective governance to the company and in doing so presides over meetings of the Board and shareholders of the company. The Chairman takes a lead role in managing the Board and facilitating effective communication among Directors.

The Managing Director is responsible for corporate strategy, planning and other management matters. The Managing Director and the senior management personnel being responsible for achieving annual business targets, acquisitions, new initiatives and investments make periodic presentations to the Board on their responsibilities and performance.

Board meetings are held generally at the Registered Office Bangalore, India or through video conferencing. The agenda for each Board meeting along with explanatory notes are distributed in advance to the Directors. The Board meets at least once a quarter to review the quarterly results and other items of agenda and also on the occasion of the Annual General meeting of the shareholders. During the Financial Year 2020-21, information as mentioned in Schedule II Part A of the Listing Regulations has been placed before the Board for its consideration.

In accordance with Section 149 read with Schedule IV to the Act and Listing Regulations, a meeting of the Independent Directors was held during the Financial Year 2020-21 without the attendance of the Non-Independent Directors and members of the management.

The Independent Directors have undergone a formal induction programme to familiarise them with the business and operations of the Company. The details of the familiarization programme is available on the Company's website at <http://www.asmltd.com/policy-disclosures>.

During the financial year 2020-21, the Board has accepted all the recommendations of its Committees

During the financial year 2020-21, 7 meetings of the Board were held, on 02.06.2020, 10.07.2020, 04.08.2020, 30.10.2020, 04.11.2020, 30.12.2020 and 13.02.2021.

Details of Director's attendance during the Financial Year, directorships/committee memberships held by them as on 31st March, 2021 are given below:

Name & Designation	Category	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM held on 10th July, 2020	No. of Director-ships of other public companies	No. of Committee Positions held in Other companies #	
						Member	Chairman
Mr. M R Vikram Chairman	Independent, Director	7	7	Yes	6	3	-
Mr. Rabindra Srikantan* Managing Director	Promoter, Executive Director	7	7	Yes	-	-	-
Mr. M. Lakshminarayan Director	Independent, Director	7	7	Yes	7	4	1
Mr. Shekar Viswanathan Director	Independent, Director	7	6	Yes	1	-	-
Mr. Ramesh Radhakrishnan Director	Non Independent Non Executive Director	7	7	Yes	-	-	-
Ms. Preeti Rabindra* Director	Non Independent Non Executive Director	7	7	Yes	-	-	-

# Chairmanship/Membership in Board, Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies as per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

\* Mr. Rabindra Srikantan, Managing Director, is the spouse of Ms. Preeti Rabindra, Director.

ii Name of other listed entities where Directors of the company are directors and the category of Directorship:

Name of the Director	Name of listed entities in which the concerned Director is Director	Category of Directorship
Mr. M R Vikram Chairman	GTN Industries Limited Ahlada Engineering Limited	Independent Director
Mr. M.Lakshminarayan Director	* Kirloskar Oil Engines Limited * Wendt (India) Limited * WABCO * TVS Electronics * Suprajit Engineering Limited	Independent Director

iii. Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates - Mr. Rabindra Srikantan.

- b. Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company - Mr. Rabindra Srikantan, Mr. Lakshminarayan
  - c. Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making. - Mr. Rabindra Srikantan, Mr. M. Lakshminarayan, Mr. M R Vikram, Mr. Shekar Viswanathan, Mr. Ramesh Radhakrishnan and Ms. Preeti Rabindra.
  - d. Financial and Management skills
  - e. Technical / Professional skills and specialized knowledge in relation to Company's business
- iv. Confirmation as regards to Independence of Independent Directors:
- (i) All Independent Directors have given declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent directors, fulfil the conditions of Independence specified in section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.
  - (ii) None of the directors are related to each other within the meaning of the term "Relative" as per Section 2(77) of the Companies Act, 2013.
  - (iii) No director shall hold office as a director in more than 10 public companies. No director of the Company shall serve on more than 10 committees or can act as chairman of more than five committees across all Indian public limited companies in which he/she is a Director. For the Purpose of this limitation, membership and chairmanship of the Audit committee and Stakeholders' Relationship committee are only considered. No Independent director shall serve as Independent Director in more than seven listed companies or three listed companies in case he/she is a whole-time director in any listed company.
  - (iv) A letter of appointment encompassing the terms and conditions of appointment, roles, duties and liabilities have been issued to the Independent Directors. The terms and conditions of appointment of the Independent Directors are disclosed in the Company's website at : <https://www.asmltd.com/wp-content/uploads/2016/10/terms-and-condition-for-apt-of-id.pdf>

### III. BOARD COMMITTEES

The Board has four committees namely, Audit committee, Stakeholders Relationship & Share transfer committee Nomination & Remuneration committee and Corporate Social Responsibility (CSR) Committee. The quorum for meetings is either two members or one-third of the members whichever is higher. Usually the committees meet four times a year and the recommendations of the committees are submitted to the Board for approval. The Board has complete access to any information within the company.

Updates provided to the Board include the following

- Annual operating plans, budgets, capital budgets and updates,
- Quarterly results of business operations.
- General notices of interest.
- Dividend data
- Minutes of Committee meetings.
- Materially important litigations, show cause notice, prosecution and penalty notices.
- Details of joint ventures, acquisitions of companies or collaboration agreements.
- Information on recruitment and remuneration of senior officers immediately below the Board level.
- Non-compliance of any regulatory, statutory or listing requirements including shareholder services such as non-payment of dividend and delays in share transfer.

- Any major development in the Human resources front.
- Any issue involving public or product liability claims of a sizeable nature.
- Sale of assets, investments, subsidiaries of material nature, not in the regular course of business

## 1. Audit Committee

The Audit committee is constituted according to the provisions of Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

- ♦ Terms of Reference The Board has constituted the Audit Committee and terms of reference include:
  - a) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
  - b) Review and monitor the auditor's independence and performance and effectiveness of audit process;
  - c) Examination of the financial statement and the auditors' report thereon;
  - d) Approval or any subsequent modification of transactions of the company with related parties;
  - e) Scrutiny of inter-corporate loans and investments;
  - f) Valuation of undertakings or assets of the company, wherever it is necessary;
  - g) Evaluation of internal financial controls and risk management systems;
  - h) Monitoring the end use of funds raised through public offers and related matters.
  - i) To oversee the vigil mechanism as prescribed by the rules
  - j) To discuss issues with internal and statutory auditors.
- ♦ Composition as on 31.03.2021

Sl. No.	Name of Director	Position	Status
1.	Mr. M.R.Vikram	Chairman	Independent Director
2.	Mr. M Lakshminarayan	Member	Independent Director
3.	Mr. Shekar Viswanathan	Member	Independent Director

Secretary  
Ms. Vanishree Kulkarni - Company Secretary

By Invitation

The Chief Financial Officer and senior members of the Accounts department are present at the meetings. The representatives of the Statutory Auditors and Internal Auditors are also invited to the Audit meeting.

Meeting and attendance during the year

Members	No. of Meetings held	No. of Meetings Attended
Mr. M.R.Vikram	4	4
Mr. M Lakshminarayan	4	4
Mr. Shekar Viswanathan	4	4

Meeting of Audit Committee held during the year: 02.06.2020, 04.08.2020, 04.11.2020 and 13.02.2021

## 2. Stakeholders Relationship & Share Transfer Committee

- ♦ Role of the Committee

The Committee reviews and administers transfer of shares, transmission of shares, rematerialisation, transposition and issuance of duplicate share certificates as and when required, redressal of investor complaints pertaining to transfer of shares, non-receipt of annual reports, non-receipt of dividend , etc. & reports the same to the Board periodically.

#### **Share Transfers in Physical Mode.**

In order to expedite the process of share transfers, the Board of Directors of the Company have delegated the power to the Registrar & Share Transfer Agents, KFin Technologies Pvt Ltd, (The R&STA). The R&STA transfer the shares received in physical mode on a fortnightly basis. Summary of the shares transferred are sent to the company to be approved by the share transfer committee and noted by the Board.

In compliance with the listing agreement and SEBI , every quarter, the system is audited by a Practicing Company Secretary and Compliance Certificate to that effect is issued and filed with the Stock Exchange where the Company's shares is listed.

- ♦ Composition as on 31.03.2021

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Position</b>	<b>Status</b>
1.	Mr. M R Vikram	Chairman	Independent Director
2.	Mr. Rabindra Srikantan	Member	Executive Director
3.	Ms. Preeti Rabindra	Member	Non executive Director

Name and designation of Compliance Officer  
Ms. Vanishree Kulkarni, Company Secretary

Meeting and attendance during the year

<b>Members</b>	<b>No. of meetings held</b>	<b>Attendance</b>
Mr. M.R. Vikram	4	4
Mr. Rabindra Srikantan	4	4
Ms. Preeti Rabindra	4	4

Stakeholders relationship & Share transfer Committee Meetings held during the year: 02.06.2020, 04.08.2020, 04.11.2020 and 13.02.2021

During the year 2020-2021, 59 complaints were received all of which were resolved with nothing pending as on 31st March 2021. The shareholding in dematerialized mode as on March 31st, 2021 as being 94.67 %.

As on 31.03.2021 there is no investor Complaints/queries pending to be solved by the company /Registrars & Share Transfer Agents.

### **3. Nomination and Remuneration Committee**

The Managing Director, being the only Executive Director is paid remuneration within the limits envisaged under Schedule V of the Companies Act 2013 and does not receive any commission from the subsidiary companies. The remuneration is approved by the Board, Remuneration Committee as well as the Shareholders of the Company. At the Annual General meeting of the company held on the 20th of June 2017 the shareholders approved payment of increased remuneration to the Managing Director , within the limits of Schedule V of Companies Act 2013. This apart the shareholders also approved payment of commission to Non-executive & Independent Directors for a period of five years, from April, 1 2017 of a sum not exceeding 1% of the Net Profits calculated in accordance with provisions of Section 198 of the Companies Act 2013.

- ♦ **Terms of reference**

Brief Terms of Reference is as follows-

1. To recommend to the Board the appointment removal of Directors, Key Managerial Personnel and Senior Management and the remuneration payable to them.
  2. To formulate a criteria for determining qualifications, positive attributes and independence of Director and to recommend to the Board the Policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
  3. Formulate criteria for evaluation of the Independent Directors and the Board and to carry out evaluation of every Director's performance.
  4. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
  5. To perform such other functions as may be necessary or appropriate for the discharge of its duties and functions generally indicated under the Listing Regulations, Companies Act 2013 and the rules made there under.
- ♦ Composition as on 31.03.2021

Sl. No.	Name of Director	Position	Status
1.	Mr. Shekar Viswanathan	Chairman	Independent Director
2.	Mr. M Lakshminarayan	Member	Independent Director
3.	Mr. M.R.Vikram	Member	Independent Director

Meeting and attendance during the year

Members	No. of meetings held	Attendance
Mr. Shekar Viswanathan	3	3
Mr. M Lakshminarayan	3	3
Mr. M.R.Vikram	3	3

Meetings of Nomination & Remuneration Committee held during the year: 02.06.2020, 04.08.2020 and 13.02.2021

**Performance evaluation criteria for Independent Directors-** The performance of Independent Directors is done by the entire Board of Directors (excluding the Director being evaluated), based on the criteria as formulated by the Nomination & Remuneration Committee, including factors such as- Personal attributes, Leadership & Initiative, Objectivity, Role & Accountability. Details of the same is provided in the Board's Report.

Details of Remuneration paid to Directors for the FY 2020-2021

(Rs. in Mn.)

Name of Director	Salary & perquisites (Rs.)	Sitting Fees (Rs.)	Commission (Rs.)
Mr. M.R.Vikram	-	0.13	-
Mr. Rabindra Srikantan	15.8	-	-
Mr. M. Lakshminarayan	-	0.11	-
Mr. Shekar Viswanathan	-	0.10	-
Mr. Ramesh Radhakrishnan	-	0.07	-
Ms. Preeti Rabindra	-	0.09	-

Shareholding in the Company of Non-Executive Directors as on 31.03.2021

Name	No. of Equity shares held
Mr. M.R.Vikram	NIL
Mr. M. Lakshminarayan	NIL
Mr. Shekar Viswanathan	NIL
Mr. Ramesh Radhakrishnan	NIL
Ms. Preeti Rabindra	761048

**4. Corporate Social Responsibility “CSR” Committee**

- The CSR committee was constituted on 29th July, 2014 to develop the CSR policy which shall indicate the activities to be undertaken by the company as specified in Section 135 and Schedule VII of companies Act 2013.

**Terms of Reference**

- To formulate and recommend to the Board a CSR Policy which shall indicate the activities undertaken by the Company.
  - Recommend the amount of expenditure to be incurred on CSR activities and
  - Monitor the CSR Policy of the company from time to time.
- Composition as on 31.03.2021

Sl. No.	Name of Director	Position	Status
1.	Ms. Preeti Rabindra	Chairperson	Non Independent Non Executive Director
2.	Mr. M.R.Vikram	Member	Independent Director
3.	Mr. Shekar Viswanathan	Member	Independent Director
4.	Mr. Rabindra Srikantan	Member	Executive Director

Meeting and attendance during the year

Members	No. of meetings held	Attendance
Mr. M.R.Vikram	1	1
Mr. Shekar Viswanathan	1	1
Mr. Rabindra Srikantan	1	1
Ms. Preeti Rabindra	1	1

Meetings of Corporate Social Responsibility Committee held during the year: 13.02.2021

**IV. SHAREHOLDERS’ MEETINGS**

Date, time and venue of the last three AGM’s

Year	Date & Time	Venue	Special Resolution Passed
2017-2018	2nd July 2018	Pai Vista, No 3/1, 27th Cross, End of K R Road, Banashankri 2nd Stage, Bangalore 560070	NIL
2018-2019	20th June 2019	Pai Vista, No 3/1, 27th Cross, End of K R Road, Banashankri 2nd Stage, Bangalore 560070	1. To make loan(s) / give guarantee(s) / provide To make loan(s) / give guarantee(s) / provide security(ies) in connection with loan(s) made /

			acquire by way of subscription, purchase or otherwise, the securities of any other bodies corporate
			2. Change of Object Clause of the Memorandum of Association of the Company
			3. Adoption of Object clause of Memorandum of Association as per provisions of Companies Act, 2013
2019-20	10 <sup>th</sup> July 2020	Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	1. Appointment of Mr. M Lakshminarayan (DIN: 00064750) as an Independent Director of the company 2. Appointment of Mr. Ramesh Radhakrishnan (DIN: 02608916) as a Director of the Company

- Whether special resolutions were put through postal ballot last year- details of voting pattern, person who conducted the postal ballot exercise. - Yes

Special resolution	1. Increase in Authorized Share Capital and consequent amendment to Memorandum of Association of the Company 2. To alter the capital clause 5 of the Article of Association 3. Issue of Bonus Shares
Details of Voting Pattern	E-Voting
Name of the Person who conducted the postalBallot exercise	M/s BMP & Co. LLP

## V OTHER DISCLOSURES

- a) Disclosures on materially significant related party transactions of the Company of material nature with its founders, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.

None

- b) Details of Non-compliance by the Company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

None

## VIGIL MECHANISM

The company has put in place a Vigil Mechanism which covers the aspect of employees or other stakeholders in the Company to report questionable financial or accounting matter, fraudulent financial information, violation of Company rules, policies and any other legal requirements. The said Policy has been communicated to the employees and is also available on the company's website. The company affirms that no employee has been denied access to the Audit Committee during the Financial Year 2020-2021.

Weblink- The company has in place Policy on Materiality of Related Party Transactions and Materiality of Subsidiaries and same is available on Company's website-Investor Relations-Corporate Governance-Policy Disclosures. <http://www.asmltd.com/policy-disclosures>.

## MANDATORY/ NON-MANDATORY REQUIREMENTS

During the financial year 2020-2021, the Company

- (a) Duly complied with all the mandatory requirements of Regulations as per Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- (b) Compliance Report on Non-mandatory requirements under Regulation 27(1)
  1. As per para A of Part E of Schedule II of the Listing Regulations 2015, a non-executive Chairman of the Board may be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in performance of his duties. The Chairman of the Company being an Independent Director is paid for maintenance for home office and also allowed to reimburse expenses incurred in performing his duties.
  2. We communicate payment of dividend by email to shareholders in addition to dispatch of letters to all shareholders. We publish the voting results of shareholder meetings and make it available on our website [www.asmltd.com](http://www.asmltd.com), and report the same to Stock Exchanges in terms of regulation 44 of the Listing Regulations.
  3. Modified opinion(s) in audit report -.The Auditors have issued an un-qualified opinion on the financial statements of the Company.

## VI MEANS OF COMMUNICATION

Quarterly Audited/Unaudited financial results and Annual results are published in a widely circulated newspaper, Business Line and also in Sanjayvani, a regional daily published from Bangalore. The results are also posted on the official website of the Company, [www.asmltd.com](http://www.asmltd.com), Quarterly reports are also sent to each shareholder via email.

## VII CODE OF CONDUCT

Annual declaration pertaining to compliance of Code of Conduct as per Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements), 2015

I, Rabindra Srikantan, Managing Director of ASM Technologies Ltd, to the best of my knowledge and belief, hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year ended 31st March, 2021.

This is to confirm that all the Board members and senior management personnel of the company have affirmed compliance of the Code of Ethics of the Company for the year ended 31st March, 2021.

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Part C (10) (i) of the Securities Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
ASM Technologies Limited  
80/2, Lusanne Court, Richmond Road, Bangalore 560025

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ASM Technologies Limited having CIN: L85110KA1992PLC013421 and having registered office at 80/2, Lausanne Court, Richmond Road, Bangalore - 560025 (hereinafter referred to as the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Part C (10) (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

<b>Sl No.</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>Date of Appointment</b>
1.	Mr. Rabindra Srikantan	00024584	Executive Director, Managing Director
2.	Mr. Vikram Ravindra Mamidipudi	00008241	Non-Executive - Independent Director, Chairperson
3.	Mr. Muthuswami Lakshminarayan	00064750	Non-Executive -Independent Director
4.	Mr. Shekar Viswanathan	01202587	Non-Executive - Independent Director
5.	Mr. Ramesh Radhakrishnan	02608916	Non-Executive - Non Independent Director
6..	Ms. Rabindra Preethi	00216818	Non-Executive - Non Independent Director

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : 26.05.2021  
Place : Bangalore

For **BMP & Co LLP**  
Company Secretaries

**Pramod SM**  
Partner  
FCS 7834 / CP No. 13784  
UDIN : F007834C000375291

## VIII SHAREHOLDER'S INFORMATION FOR THE FY 2020-21

### 29<sup>TH</sup> ANNUAL GENERAL MEETING

1. Date & Time : 8<sup>th</sup> July 2021 at 10.00 am
2. Venue : The Company is conducting meeting through VC/ OAVM pursuant to the MCA Circular dated May 5<sup>th</sup>, 2020 and as such there is no requirement to have a venue for the AGM.
3. Date of Book Closure : 07.07.2021- 08.07.2021 (Both Days inclusive)
4. Financial year of Company : April to March
5. Corporate & Registered Office : No. 80/2 Lusanne Court, Richmond Road, Bangalore- 560 025
6. Exchanges Listed at : BSE Limited P J Towers, No. 25 Dalal Street, Mumbai – 400 001  
: The Listing Fees for the financial year 2020-21 has been paid.
7. Stock Code : BSE- 526433
8. De-mat ISIN No. in NSDL & CDSL for Equity Shares : INE867C01010
9. Payment Dividend : The Board has recommended final dividend of Rs. 3.00 per equity share of Rs. 10/- each, subject to the approval of the share holders at the ensuing AGM.
10. Unclaimed Dividend: Section 124 of the Companies Act, 2013, mandates that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within the period of seven years will be transferred to IEPF. The Company sends periodic intimation to the shareholders concerned, advising them to lodge their claims with respect to unclaimed dividends. Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF, including all benefits accruing on such shares, if any, can be claimed back from IEPF following the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company. Members who have not yet encashed their dividend warrant(s) pertaining to the final dividend for the Financial Year 2013-14 and onwards are requested to make their claims without any delay.

Year	Dividend per share of Rs. 10/-	Date of declaration	Unpaid Amt as on 31.3.2021 Rs.	7 year period from transfer to unpaid A/c	Due date for transfer to IEPF
2013-14 Final	Rs. 1.80	28 <sup>th</sup> June 2014	359010	31 <sup>st</sup> July 2021	29 <sup>th</sup> August 2021
2014-15 Interim	Rs. 1.20	29 <sup>th</sup> October 2014	256101	1 <sup>st</sup> December 2021	30 <sup>th</sup> December 2021
2014-15 Final	Rs.0.80	14 <sup>th</sup> August 2015	174016	19 <sup>th</sup> September 2022	17 <sup>th</sup> October 2022
2015-16 Interim	Rs.1.80	15 <sup>th</sup> October 2015	382941	19 <sup>th</sup> November 2022	18 <sup>th</sup> December 2022
2015-16 2 <sup>nd</sup> Interim	Rs.6.00	15 <sup>th</sup> March 2016	1379976	19 <sup>th</sup> April 2023	18 <sup>th</sup> May 2023
2016-17 Interim	Rs.2.50	19 <sup>th</sup> October 2016	576416	23 <sup>rd</sup> November 2023	22 <sup>nd</sup> December 2023
2016-17 Final	Rs.2.50	20 <sup>th</sup> June 2017	603271	23 <sup>rd</sup> July 2024	21 <sup>st</sup> August 2024
2017-18 Interim	Rs. 2.50	4 <sup>th</sup> November 2017	656556	8 <sup>th</sup> December 2024	6 <sup>th</sup> August 2025
2017-18 Final	Rs. 2.50	2 <sup>nd</sup> July 2018	354116	2 <sup>nd</sup> August 2025	1 <sup>st</sup> September 2025
2018-19 Interim	Rs. 3.00	3 <sup>rd</sup> November 2018	474294	6 <sup>th</sup> December 2025	5 <sup>th</sup> January 2026
2018-19 Final	Rs. 3.00	20 <sup>th</sup> June 2019	430371	24 <sup>th</sup> July 2026	23 <sup>rd</sup> August 2026
2019-20 Final	Rs. 2.50	10 <sup>th</sup> July 2020	367549	14 <sup>th</sup> August 2027	13 <sup>th</sup> September 2027
Interim 2020-21	Rs. 2.00	4 <sup>th</sup> August 2020	251596	8 <sup>th</sup> September 2027	9 <sup>th</sup> October 2027
2 <sup>nd</sup> Interim 2020-21	Rs. 2.00	4 <sup>th</sup> November 2020	289437	8 <sup>th</sup> December 2027	7 <sup>th</sup> January 2028

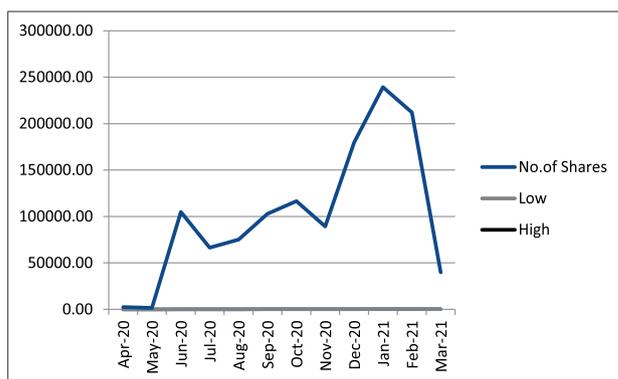
**11. Shares Transferred to IEPF:** Pursuant to Section 124(6) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting Audit Transfer and Refund) Rules, 2016 as amended by the Ministry of Corporate Affairs with the effect from 28 February, 2017 (“the Rules”), in case the beneficial owner has not encashed dividend warrant(s) during the last seven years, shares pertaining to such beneficial owners shall be required to be transferred to the Fund established by the Authority. Shareholders are therefore requested to contact KFin Technologies Pvt Ltd, Registrar and Share Transfer Agent with respect to their unclaimed dividends.

**12. Market Price Data:**

The month wise high and low prices and volume of shares of the Company traded on the BSE Limited for the period April 2020- March 2021 is given below:

Month	High	Low	No. of Shares
Apr-20	69.30	50.40	2437.00
May-20	58.00	52.00	1418.00
Jun-20	79.35	58.75	104777.00
Jul-20	75.00	65.00	66378.00
Aug-20	120.95	68.00	74903.00
Sep-20	171.45	113.95	102582.00
Oct-20	185.45	151.35	116163.00
Nov-20	176.60	145.95	88854.00
Dec-20	195.50	137.60	179495.00
Jan-21	274.85	205.25	238821.00
Feb-21	291.60	148.70	211512.00
Mar-21	172.75	111.25	39432.00

**ASML- Volume of shares traded at BSE**



13. Dematerialisation of Shares : 94.67 % of the capital has been dematerialised as on 31.3.2021
14. Market Capitalisation as on 31.3.2021 : Rs. 1112.5 Mn ( as per closing price in BSE)
15. No. of Employees as on 31.03.2021 : Male-899 Female-208
16. No. of Shareholders as on 31.03.2021 : 5749
17. Share Transfer : As the Company’s shares are traded in dematerialized form, transfer requests are processed and approved in electronic form by NSDL/CDSL through their depository participants. Transfer of shares in physical form are processed by our Registrar and Share Transfer Agent, KFin Technologies Pvt Ltd and approved by the Share Transfer Committee of the Company. Physical shares sent for transfers or Dematerialisation are generally registered and returned within a period of 15 days from the date of receipt of completed and validly executed documents.
18. Details of complaints received and solved from 1 April, 2020 to 31 March 2021

Complaints	Received	Attended	Pending
Non receipt of dividend	45	45	NIL
Non receipt of Annual Report	0	0	NIL
Others	14	14	NIL

19. Distribution of shareholding as on 31.03.2021

No.of Shares From To	No. of Shareholder	% of Holders	No.of Shares	% to total Shares
1` - 5000	5038	87.64	615848	6.16
5001- 10000	402	6.99	311515	3.12
10001- 20000	150	2.61	242176	2.42
20001- 30000	41	0.71	101546	1.02
30001- 40000	29	0.50	108177	1.08
40001- 50000	16	0.28	72996	0.73
50001- 100000	35	0.61	241043	2.41
100001& Above	38	0.66	8306699	83.07
Total	5749	100.00	10000000	100.00

20. The company does not have any outstanding GDRS/ ADRS/warrants or any convertible instruments.

21. Office locations

The addresses and contact details of offices/locations are given in this Annual Report elsewhere.

22. Web link where policy for determining 'material subsidiaries is given below The Policy for determining 'material' subsidiaries is posted on Company's website : <http://bit.do/ASM-Policy>.

23. Disclosure of commodity price risk and commodity hedging activities

Your Company does not have commodity price risk being in the ITsector and hence no commodity hedging is done.

24. Non-compliance of any requirement of the corporate governance report of Sub-paras (2) to (10) of part c of schedule v of sebi (listing obligations and disclosure requirements) regulations, 2015, with reasons shall be disclosed.

The Company has complied with all the requirements of the Corporate Governance report of sub- paras (2) to (10) of part C of Schedule V of Listing Regulations

25. Share holding in physical & electronic form as on 31.03.2021

Particulars	No. of shares	% of holding
Physical	532528	5.33
Electronic	9467472	94.67
Total	10000000	100

26. Shareholding Pattern as on 31.3.2021

Category	No. of Shares	% age
Indian Promoter(Including Person acting in concert)	6183806	61.84
Institutions/ Bank	2200	0.02
Private Corporate Bodies	185961	1.86
Indian Public	3384106	32.94
NRI's/OCB's	10055	1.00
IEPF	233872	2.34
TOTAL	10000000	100

27. Investor Correspondence : All enquiries clarifications and Correspondences Should be addressed to Registrars & Share Transfer Agents or to the Compliance Officer at the Following address

Registrars & Share Transfer Agents  
KFin Technologies Pvt. Ltd  
Karvy Selenium Tower B,  
Plot number 31 & 32 Financial District,  
Nanakramguda Serilingampally Mandal,  
Hyderabad – 500032  
Tel: 040 67162222  
Email: einward.ris@kfintech.com

: Compliance Officer  
Ms. Vanishree Kulkarni  
Company Secretary  
80/2, Lusanne Court,  
Richmond Road  
Bangalore- 560025  
Tel: 080 66962300  
E-mail ID : vanishree.kulkarni@asm ltd.com

## CEO/CFO CERTIFICATION

To  
The Board of Directors  
ASM TECHNOLOGIES LTD  
Bangalore

We hereby certify the following:

- (a) We have reviewed the financial statements and the cash flow statement for the year 2020-2021 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies
- (d) We have indicated to the auditors and the Audit Committee
  - i. significant changes if any in internal control over financial reporting during the year;
  - ii. significant changes if any in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting

Place : Bangalore  
Date : 26.05.2021

**Rabindra Srikantan**  
Managing Director

**Narsingh Rathod**  
Chief Financial Officer

# INDEPENDENT AUDITOR'S REPORT

## To the Members of ASM Technologies Limited Report on Audit of the Standalone Financial Statements

### Opinion:

We have audited the standalone Ind AS financial statements of ASM Technologies Limited (“the Company”) which comprise of balance sheet as at March 31, 2021, the statement of profit & loss, statement of changes in equity, the cashflow statement for the year then ended, and notes to 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, profit, changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Adoption of Ind AS 115 - Revenue from Contract with Customers as described in note 2 i. and note 17 of the financial statements:</b>	
The Company has accounted revenue as per Ind AS 115 - Revenue from Contracts with Customers. Application of Ind AS 115, including selection of transition method involves significant judgment in determining when ‘control’ of the goods or services underlying the performance obligation is transferred to the customer and the transition method to be applied.	As part of our audit procedures, our procedures included the following: <ul style="list-style-type: none"><li>- We have read the accounting policy for revenue recognition and assessed compliance of the policy in terms of principles enunciated under Ind AS 115.</li><li>- We obtained and understood the revenue recognition process including determination of point of transfer of control and completion of performance obligation.</li></ul>

As the revenue recognition, due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.	<ul style="list-style-type: none"> <li>- We performed test of details, on a sample basis, and examined the underlying customer contracts.</li> <li>- We examined the disclosures made by management in compliance with the requirements of Ind AS 115.</li> </ul>
	<p><b>Conclusion:</b> Our procedures did not identify any material exceptions.</p>

**Other Matters:**

Attention of the members is drawn to note 37 of the financial statements regarding the impact of COVID-19 on Business, where the management has estimated the future cash flows for the Company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 Pandemic may be different from that estimated as at the date of the approval of these financial statements. Our report on the standalone financial statements have not modified in respect of this matter.

**Other Information [“Information Other than the Financial Statements and Auditor’s Report Thereon”]**

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the board report but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

**Management’s Responsibility for Standalone Ind AS Financial Statements:**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor’s Responsibilities for the Audit of the standalone Ind AS Financial Statements:**

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

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

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

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, statement of changes in equity 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 requirement of Section 197 (16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Company is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director/ manager by the Company, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed its pending litigations which would impact its financial position in note 30 of the Standalone Ind AS financial statements.
  - ii) The Company did not have any long-term contracts as required under the applicable law or accounting standards, and also not entered into any derivative contracts, accordingly no provision is required to be made in respect of material foreseeable losses.
  - iii) Company has not transferred an amount of Rs.438,434/- which became due for transfer to the Investor Education and Protection Fund (IEPF) in the financial year 2020-21.

**For B.K.RAMADHYANI & CO LLP**  
**Chartered Accountants**  
**Firm Registration No. 002878S/S200021**

**(CA C R Deepak)**  
**Partner**

Membership No. 215398  
UDIN: 21215398AAAABP7374

Place: Bangalore  
Date: May 26, 2021

## ANNEXURE-A

### REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF ASM TECHNOLOGIES LIMITED.

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment (“PPE”).
  - b) The management during previous year has not physically verified all the PPE. We have been informed by the management that the same will be carried out in the ensuing year.
  - c) According to the information and explanation given to us by the Company, title deed of all immovable properties are held in the name of the Company.
2. The Company doesn’t have any Inventories during the year. Accordingly, clause 3 (ii) of the Order is not applicable.
3. The Company has granted unsecured loan to its holding Company, terms and conditions of such loan is not prejudicial to the interest of the Company. There are no overdue instalments as at March 31, 2021. An amount of Rs.2.47 million interest overdue for the period more than 90 days.
4. In our opinion and according to information and explanation furnished to us, the Company has complied with the provisions of section 185 and 186 of the Act for investments and guarantees given during the year.
5. The Company has not accepted any deposits as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Act and rules framed under. Accordingly, the provisions of clause 3(v) of the said Order are not applicable.
6. To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Act as the Company is not engaged in any manufacture of the goods. Accordingly, the provisions of clause 3(vi) of the said Order are not applicable.
7. a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, goods and service tax, customs duty, cess and any other statutory dues to the appropriate authorities as at March 31, 2021 barring certain delays in certain months. There are no undisputed statutory dues exceeding six months from the due date of payment as at March 31, 2021.
  - b) According to the records of the Company and according to the information and explanation given to us, there are certain dues outstanding on account of any disputes in respect of income tax, service tax, customs duty or excise duty or value added tax are as under:

Name of the statute	Nature of dues	Amount (Rs. In million)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	15.89	June 16, 2005 to September 30, 2009	CESTAT, Bangalore
	Service Tax	19.63	2012 – 13	Commissioner of Service Tax (Appeals)
The Income Tax Act, 1961	Tax on transfer price adjustment	19.20	2009 - 10	ITAT, Bangalore
		2.40	2011 -12	ITAT, Bangalore

8. The Company has not defaulted in repayment of loans taken from banks and financial institutions. The Company has not borrowed from a government or has issued debentures.
9. In our opinion based on the information and explanation given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Term loan from bank has been used for the purpose for which it was borrower.
10. According to the information and explanation given to us, there are no frauds reported by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year. Accordingly, the provisions of clause 3(x) of the said Order are not applicable.
11. According to the information and explanation given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
12. The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the said Order are not applicable.
13. In our opinion and according to the information and explanation given to us and as represented to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
14. 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 said Order are not applicable.
15. As represented to us by the management and according to the information and explanation given to us, 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 said Order are not applicable.
16. According to the information and explanation given, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

**For B. K. RAMADHYANI & CO LLP**  
**Chartered Accountants**  
**Firm Registration No. 002878S/S200021**

**(CA C R Deepak)**  
**Partner**

Membership No. 215398  
UDIN: 21215398AAAABP7374

Place: Bangalore  
Date: May 26, 2021

## ANNEXURE-B

### **REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF ASM TECHNOLOGIES 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 ASM Technologies Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls:**

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

#### **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 Act, 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 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.

#### **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, in all material respects, has 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 “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”.

**For B. K. RAMADHYANI & CO LLP**  
**Chartered Accountants**  
**Firm Registration No. 002878S/S200021**

**(CA C R Deepak)**  
**Partner**

Membership No. 215398  
UDIN: 21215398AAAABP7374

Place: Bangalore  
Date: May 26, 2021

## Standalone Balance Sheet as at March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

Particulars		Note no.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>				
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	45.97	52.48
	(b) Financial Assets			
	(i) Investments	4(i)	254.61	90.48
	(ii) Loans	4(ii)	1.11	1.04
	(c) Deferred tax assets (net)	5	32.25	32.56
	(d) Other non-current assets	6	47.96	125.50
	<b>Total Non-current assets</b>		<b>381.90</b>	<b>302.06</b>
(2)	<b>Current assets</b>			
	(a) Inventories			
	(b) Financial Assets			
	(i) Investments	7	91.18	75.19
	(ii) Trade receivables	9(i)	197.79	205.59
	(iii) Cash and cash equivalents	9(ii)	5.77	2.12
	(iv) Bank balances other than (iii) above	9(ii)	71.67	59.74
	(v) Loans	9(iii)	6.24	6.03
	(vi) Others	9(iv)	10.28	3.92
	(c) Current tax assets (Net)		-	-
	(b) Other current assets	9	266.77	132.28
	<b>Total Current Assets</b>		<b>649.70</b>	<b>484.87</b>
	<b>Total Assets</b>		<b>1,031.60</b>	<b>786.93</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
	(a) Equity Share capital	10	100.00	50.00
	(b) Other Equity	11	550.75	508.74
	<b>Total Equity</b>		<b>650.75</b>	<b>558.74</b>
<b>LIABILITIES</b>				
(1)	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	12	77.93	48.00
	(b) Deferred tax liabilities (Net)		-	-
	(c) Other non-current liabilities	13	-	1.09
	<b>Total Non-current liabilities</b>		<b>77.93</b>	<b>49.09</b>
(2)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	14	148.21	89.24
	(ii) Trade payables			
	(A) total outstanding dues of micro and small enterprises		-	-
	(B) total outstanding dues of creditors other than micro and small enterprises		11.27	7.06
	(iii) Other financial liabilities		26.21	16.85
	(b) Other current liabilities	15	99.06	65.95
	(c) Provisions	16	18.17	
	<b>Total Current liabilities</b>		<b>302.92</b>	<b>179.10</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,031.60</b>	<b>786.93</b>

For and on behalf of Board of Directors  
ASM Technologies Limited

M R Vikram  
Chairman

Rabindra Srikantan  
Managing Director

M Lakshminarayan  
Director

Shekar Viswanathan  
Director

In Accordance with our Report Attached  
for BK Ramadhyan & Co. LLP  
Chartered Accountants  
Firm Registration No.: 0028785/ S200021  
CA. C R Deepak  
Partner  
Membership No.: 215398

Ramesh Radhakrishnan  
Director

Preeti Rabindra  
Director

Narsingh Rathod  
Chief Financial Officer

Vanishree Kulkarni  
Company Secretary

Place: Bangalore  
Date: May 26, 2021

**Statement of Profit and Loss for the period ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

Particulars		Note no.	Current Year	Previous Year
I	Revenue from operations	17	<b>1,132.17</b>	838.40
II	Other income	18	<b>34.56</b>	39.00
	<b>Total Income (i)</b>		<b>1,166.73</b>	<b>877.40</b>
	<b>Expenses</b>			
III	Employee benefits expense	19	<b>730.27</b>	596.56
IV	Finance costs	20	<b>18.93</b>	9.98
V	Depreciation and amortization expenses	21	<b>10.07</b>	22.41
VI	Other expenses	22	<b>227.86</b>	224.06
	<b>Total expenses (ii)</b>		<b>987.13</b>	<b>853.01</b>
VII	<b>Profit/(loss) before tax [(i)- (ii)]</b>		<b>179.60</b>	<b>24.39</b>
VIII	<b>Tax expenses</b>			
	(i) Current tax	33	<b>44.45</b>	5.83
	(ii) Deferred tax		<b>0.98</b>	7.66
	(iii) Prior Year tax		<b>7.64</b>	
	<b>Total tax expense</b>		<b>53.07</b>	<b>13.49</b>
IX	<b>Profit/(Loss) for the year</b>		<b>126.53</b>	<b>10.90</b>
X	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans		<b>(1.45)</b>	(2.07)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		<b>0.37</b>	0.52
	Deferred tax on remeasurement of defined benefit plans			-
	B (i) Items that will be reclassified to profit or loss			
	Changes in fair value of investments in equity instruments		<b>(1.19)</b>	(1.35)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		<b>0.30</b>	0.31
	Deferred tax on remeasurement of defined benefit plans			
			<b>(1.97)</b>	<b>(2.59)</b>
XI	<b>Total Comprehensive Income for the year</b>		<b>124.56</b>	<b>8.31</b>
XII	Earnings per equity share [nominal value of share Rs.10 (March 31, 2020: Rs.10)]	23		
	Basic and Diluted		<b>12.65</b>	1.09

For and on behalf of Board of Directors  
**ASM Technologies Limited**

**M R Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

**M Lakshminarayan**  
Director

**Shekar Viswanathan**  
Director

In Accordance with our Report Attached  
for **BK Ramadhyani & Co. LLP**  
Chartered Accountants  
Firm Registration No.: 0028785/ S200021  
**CA. C R Deepak**  
Partner  
Membership No.: 215398

**Ramesh Radhakrishnan**  
Director

**Preeti Rabindra**  
Director

**Narsingh Rathod**  
Chief Financial Officer

**Vanishree Kulkarni**  
Company Secretary

Place: Bangalore  
Date: May 26, 2021

## Cash Flow Statement for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

	Particulars	Current Year	Previous Year
(A)	<b>Cash flows from operating activities</b>		
	Profit / (loss) before tax	179.56	24.39
	<i>Adjustment to reconcile profit before tax to net cash flows:</i>		
	Depreciation and amortization expense	10.09	22.41
	Finance costs	18.93	9.98
	Interest income	(17.24)	(6.19)
	Dividend income	(0.01)	(0.08)
	Fair valuation of investments	(6.09)	(13.97)
	Share of profit in LLP	(2.04)	12.68
	Provision for diminution in value of investments	-	1.94
	Loss on sale of investments	0.08	
	(Profit)/ loss on sale of Property, Plant & Equipment & IP	(0.01)	-
	<b>Operating profit before working capital changes</b>	<b>183.27</b>	<b>51.16</b>
	<i>Movements in working capital :</i>		
	Increase/ (decrease) in trade payables	4.21	3.92
	Increase/ (decrease) in other liabilities	5.02	18.99
	Decrease / (increase) in trade receivables	7.80	(39.89)
	Decrease / (increase) in other non current assets	(134.51)	(1.60)
	Decrease / (increase) in other current assets	(0.21)	(40.92)
	Decrease / (increase) in other financial assets	(0.08)	(33.35)
	Decrease / (increase) in loans and advances	-	(0.01)
	Increase / (decrease) in provisions	3.62	-
	<b>Cash generated from / (used in) operations</b>	<b>69.12</b>	<b>(41.70)</b>
	Direct taxes paid, net	(38.22)	56.86
	<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>107.34</b>	<b>(98.56)</b>
(B)	<b>Cash flows from investing activities</b>		
	Purchase of Property, plant & equipment	(3.64)	(6.06)
	(including capital work in progress and capital advances)		
	Proceeds from sale of Property Plant & equipment	0.07	-
	Purchase of non current investments	(130.92)	(4.49)
	Purchase of current investments	(10.00)	83.08
	Proceeds from sale of current investments	0.02	-
	(Increase)/decrease in other bank balances	(11.93)	(2.03)
	Dividend received	-	0.08
	Interest received	10.88	3.49
	<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(145.52)</b>	<b>74.07</b>
(C)	<b>Cash flows from financing activities</b>		
	Proceeds from long-term borrowings	96.91	58.05
	Repayment of long-term borrowings	(58.56)	(1.17)
	Lease payments	(5.02)	(13.17)
	Increase/(decrease) of short-term borrowings, net	58.97	0.66
	Interest paid	(18.89)	(9.79)
	Dividends paid (including tax on dividend)	(31.60)	(18.51)
	<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>41.81</b>	<b>16.07</b>
(D)	Net increase/(decrease) in cash and cash equivalents (A + B + C)	<b>3.63</b>	<b>(8.42)</b>
(E)	Cash and cash equivalents at the beginning of the year	<b>2.12</b>	<b>10.54</b>
(F)	<b>Cash and cash equivalents at the end of the year</b>	<b>5.75</b>	<b>2.12</b>
	The Company has followed indirect cashflow method		

For and on behalf of Board of Directors  
**ASM Technologies Limited**

**M R Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

**M Lakshminarayan**  
Director

**Shekar Viswanathan**  
Director

**Ramesh Radhakrishnan**  
Director

**Preeti Rabindra**  
Director

**Narsingh Rathod**  
Chief Financial Officer

**Vanishree Kulkarni**  
Company Secretary

Place: Bangalore  
Date: May 26, 2021

In Accordance with our Report Attached  
for **BK Ramadhyani & Co. LLP**  
Chartered Accountants  
Firm Registration No.: 0028785/ S200021  
**CA. C R Deepak**  
Partner  
Membership No.: 215398

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

(All amounts in Indian Rupees millions, except as otherwise stated)

### a. Equity Share Capital

Particulars	Equity Share Capital
<b>As at April 1, 2019</b>	<b>50.00</b>
Increase in share capital on issue	-
Effect of share based payments	-
<b>As at March 31, 2020</b>	<b>50.00</b>
Issue of Bonus shares during the year	<b>50.00</b>
Effect of share based payments	-
<b>As at March 31, 2021</b>	<b>100.00</b>

### b. Other Equity

Particulars	General Reserve	Securities Premium	Capital Reserve	Retained earnings	Other Comprehensive Income	Total
<b>As at April 1, 2019</b>	<b>110.00</b>	<b>33.00</b>	<b>0.33</b>	<b>373.74</b>	<b>1.45</b>	<b>518.52</b>
Profit/(loss) for the year				10.90		10.90
Dividend declared during the year				18.10		18.10
Other Comprehensive income				(2.59)		(2.59)
<b>As at March 31, 2020</b>	<b>110.00</b>	<b>33.00</b>	<b>0.33</b>	<b>363.95</b>	<b>1.45</b>	<b>508.73</b>
Profit/(loss) for the year	-	-	-	126.53		126.53
Other Comprehensive income	-	-	-	-	(1.97)	(1.97)
Dividend declared during the year	-	-	-	(32.50)		(32.50)
Utilized during the year for Bonus Issue	(17.00)	(33.00)	-	-	-	(50.00)
Transfer to retained earnings	-	-	-	-	-	-
	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>93.00</b>	<b>-</b>	<b>0.33</b>	<b>457.98</b>	<b>(0.52)</b>	<b>665.79</b>

### c. Nature and purpose of reserves:

#### i) General Reserve:

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. An amount of Rs. 17 million has been utilised for issue of bonus shares during the year 2020-21.

#### ii) Security Premium:

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013. The balance has been fully utilised for issue of bonus shares during the year 2020-21

#### iii) Capital Reserve:

Capital Reserve is created on forfeiture of equity shares issued by the Company.

#### iv) Retained Earnings:

It comprises of the accumulated profits/(loss) of the Company.

For and on behalf of Board of Directors  
ASM Technologies Limited

In Accordance with our Report Attached  
for **BK Ramadhyani & Co. LLP**  
Chartered Accountants  
Firm Registration No.: 0028785/ S200021

**M R Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

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**Ramesh Radhakrishnan**  
Director

**Preeti Rabindra**  
Director

**Narsingh Rathod**  
Chief Financial Officer

**Vanishree Kulkarni**  
Company Secretary

Place: Bangalore  
Date: May 26, 2021

# Notes to Standalone Financial Statements for the year ended March 31, 2021

## 1 CORPORATE INFORMATION:

ASM Technologies Limited (“the Company”) is a company incorporated under the Companies Act, 1956 and is a pioneer in providing world class consulting services in areas of Engineering services and Product Engineering services with successful offshore development & support centres in India and overseas for its global clientele. The shares of the Company is listed in Bombay Stock Exchange. The financial statements have been approved by the Board of Directors of the Company in their meeting held on May 26, 2021.

## 2 SIGNIFICANT ACCOUNTING POLICIES:

### 2.1 Basis of Preparation:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (‘Ind AS’) notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. The financial statements of the Company are prepared and presented in accordance with Ind AS.

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

### 2.2 Summary of significant accounting policies:

#### a) *Use of Estimates:*

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

#### b) *Current versus non-current classification:*

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised 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.

A liability is treated as 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

All other liabilities are classified as non-current.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

**c) *Property, Plant & Equipment:***

Property, plant and equipment (“PPE”) are stated at the cost of acquisition less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. 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 of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of PPE as per Ind AS 16 are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of PPE and are recognized in the statement of profit and loss when the PPE is derecognized.

**d) *Depreciation:***

Depreciation is provided on straight-line method as per the rates specified in schedule II of the Companies Act, 2013 (“the Act”). Depreciation for the assets purchased/sold during the year is proportionately charged. The assets’ residual values and useful lives are reviewed at each financial year end or whenever there are indicators for revision, and adjusted prospectively.

**e) *Investment Properties:***

Investment property represents properties held for rental yields and/or for capital appreciation or both rather than for:

- (a) use in the production or supply of services or for administrative purposes; or
- (b) sale in the ordinary course of business.

Investment property is stated at the cost of acquisition less accumulated depreciation.

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 of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of Investment Property as per Ind AS 40 are charged to the statement of profit and loss for the period during which such expenses are incurred.

**f) *Intangible Assets:***

Intangible assets acquired separately are measured on initial cost. Subsequently, carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software is amortised on a over a period of three years as estimated by the management.

Gains or losses arising from de-recognition of an intangible asset are measured as a difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when asset is derecognised.

**g) Leases:**

*Where Company is a Lessee:*

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

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

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

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

The borrowing rate applied to lease liabilities for discounting is 10.2%

**h) Employee Benefits:**

*(i) Short term employee benefits:*

The employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, leave travel allowance, short term compensated absences etc. and the expected cost of bonus are recognised in the period in which the employee renders the related service.

*(ii) Defined Benefit Plans:*

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

The Company doesn't have a policy for encashment of leave

**i) Revenue Recognition:**

The Company derives revenues primarily from IT related services. Effective April 01,2018, the Company has adopted Ind AS 115, “Revenue from Contracts with Customers”. Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in for those services.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

The Company recognised incentive from government in respect of Service Exports from India Scheme based on claim lodged by the Company.

**j) Taxation:**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled. Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the assets will fructify.

Deferred income tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

**k) *Foreign Currency Transactions:***

*Functional Currency:*

The functional currency of the Company is the Indian rupee.

*Transactions and translations:*

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss.

**l) *Provisions, Contingent liabilities and Contingent assets:***

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. 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 recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A contingent asset is never recognised but only disclosed in the financial statements.

**m) *Segment reporting policies:***

*Identification of segments:*

Operating Segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance in accordance with Ind AS 108, Operating Segments. Since CODM evaluates Company's performance at a geographic segment level, operating segment information is accordingly given at geographic level.

**n) *Financial Instruments:***

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

i) *Cash & Cash equivalents:*

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

ii) *Financial assets at amortized cost:*

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets 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.

iii) *Financial assets at fair value through other comprehensive income:*

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

iv) *Financial assets at fair value through profit or loss:*

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

v) *Financial liabilities:*

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For 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.

vi) *De-recognition of financial instruments:*

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

vii) *Fair value of financial instruments:*

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

*Fair value hierarchy:*

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

viii) *Investments in subsidiary:*

Investments in subsidiary is carried at cost.

**o) Impairment:**

i) *Financial assets:*

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) *Non-financial assets:*

Tangible and Intangible assets: PPE, intangible assets and investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

**p) Cashflow Statement:**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**2.3 Significant accounting judgements, estimates and assumptions:**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and 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.

a) *Judgements:*

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

(b) *Estimates and assumptions:*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

*Defined benefit plans - Gratuity*

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

### Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

#### 3. PROPERTY, PLANT AND EQUIPMENT:

Cost	Land (freehold)	Building	Plant and Equipment	Electrical fittings	Furniture & fixtures	Office Equipment	Vehicles	Generator	Right to use	Total
As at April 1, 2019	20.51	11.76	31.29	2.85	7.38	4.48	6.48	0.56	-	85.31
Additions	-	-	1.97	-	2.55	0.96	0.58	-	19.29	25.35
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2020</b>	<b>20.51</b>	<b>11.76</b>	<b>33.26</b>	<b>2.85</b>	<b>9.93</b>	<b>5.44</b>	<b>7.06</b>	<b>0.56</b>	<b>19.29</b>	<b>110.66</b>
Additions	-	-	2.96	-	0.01	0.66	-	-	-	3.63
Disposals	-	-	-	-	-	0.09	-	-	-	0.09
Other Adjustments	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2021</b>	<b>20.51</b>	<b>11.76</b>	<b>36.22</b>	<b>2.85</b>	<b>9.94</b>	<b>6.01</b>	<b>7.06</b>	<b>0.56</b>	<b>19.29</b>	<b>114.20</b>
<b>Depreciation/Amortisation</b>										
At April 1, 2019	-	0.65	24.57	1.53	3.28	2.56	2.63	0.56	-	35.78
Charge for the year	-	0.27	5.22	0.35	1.34	0.65	0.94	-	13.63	22.40
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2020</b>	<b>-</b>	<b>0.92</b>	<b>29.79</b>	<b>1.88</b>	<b>4.62</b>	<b>3.21</b>	<b>3.57</b>	<b>0.56</b>	<b>13.63</b>	<b>58.18</b>
Charge for the year	-	0.27	1.92	0.35	1.40	0.70	0.72	-	4.71	10.07
Disposals	-	-	-	-	-	0.02	-	-	-	0.02
Other Adjustment	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2021</b>	<b>-</b>	<b>1.19</b>	<b>31.71</b>	<b>2.23</b>	<b>6.02</b>	<b>3.89</b>	<b>4.29</b>	<b>0.56</b>	<b>18.34</b>	<b>68.23</b>
<b>Net Block</b>										
At March 31, 2020	20.51	10.84	3.47	0.97	5.31	2.23	3.49	-	5.66	52.48
At March 31, 2021	20.51	10.57	4.51	0.62	3.92	2.12	2.77	-	0.95	45.97

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 4. NON CURRENT FINANCIAL ASSETS:

#### Details of Investments

Name of the Company	As at March 31, 2021		As at March 31, 2020	
	No of Shares	Amount	No of Shares	Amount
<b>(i) Non Current Investments:</b>				
<b>1) Investments In Equity Instruments</b>				
<b>A) Investments in equity instruments of Subsidiaries:</b>				
<b>- Unquoted carried at cost</b>				
i) Advanced Synergic Pte Ltd., Singapore of SGD 1 each	10,00,000	34.52	10,00,000	34.52
ii) Pinnacle Talent Inc., USA of USD 0.01 each	1,60,00,000	9.94	1,60,00,000	9.94
iii) ASM Technologies Kabushiki Kaisha, Japan of JPY 100 each	10,000	0.64	10,000	0.64
iv) - in a limited liability partnership firm: R V Forms & Gears LLP (Refer Note below)				
- in Capital account		21.50		18.00
- in Current account		(9.43)		(11.48)
v) ASM Digital Engineering Private Limited, Bangalore of Rs.10/- each	39,99,971	127.75		-
<b>B) Investments in equity instruments in others:</b>				
<b>(Fairvalue through OCI)</b>				
Baro Vehicles Limited, UK (GBP 0.0001) each	7,376	3.47	7,376	3.47
<b>C) Investments in fair value through profit &amp; loss</b>				
<i>Investments in compulsory convertible preference shares (Unquoted)</i>				
Lavelle Networks Private Limited of Rs.10 each	3,202	45.52	3,202	30.52
PolyLogyx LLC		12.65		
<b>D) Investments in fair value through Other Comprehensive Income</b>				
<b>- In Venture Capital Fund</b>				
i) Ideaspring Capital Future Now		17.99		14.81
<b>Total</b>		<b>264.55</b>		<b>100.42</b>
Less: Provision for diminution in value of investments		9.94		9.94
		<b>254.61</b>		<b>90.48</b>
<b>Additional Information:</b>				
i) Aggregate amount of unquoted investments		264.55		100.42
<b>ii) Categorywise Non current investment:</b>				
Financial assets carried at amortised cost		174.98		1.68
Financial assets measured at fair value through Profit & Loss		58.17		30.52
Financial assets measured at fair value through Other Comprehensive Income		21.46		18.28
<b>Total non current investment</b>		<b>254.61</b>		<b>90.48</b>

*Additional information:*

**Details of investments made in the capital of partnership firm:**

Name of the firm	Name of the Partner	As at March 31, 2021		As at March 31, 2020	
		Partner's Capital	Profit Sharing Ratio (%)	Partner's Capital	Profit Sharing Ratio (%)
RV Forms & Gears LLP	ASM Technologies Limited (the Company)	18.00	70.00%	18.00	70.00%
	Regi Varghese	0.07	29.99%	0.07	29.99%
	Susan Varghese	0.03	0.01%	0.03	0.01%

**4. FINANCIAL ASSETS (Contd):**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>ii). Loans (Unsecured and considered good)</b>		
Security Deposits	1.11	1.04
<b>Total</b>	<b>1.11</b>	<b>1.04</b>

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 5. DEFERRED TAX

Particulars	As at March 31, 2021	As at March 31, 2020
<b>i) Deferred tax liability:</b>		
a) On account of depreciation on PPE	-	0.09
b) On account of timing differences in recognition of expenditure	0.04	0.12
c) On account of timing differences in recognition of value of investments	3.87	1.99
<b>Total</b>	<b>3.91</b>	<b>2.20</b>
<b>ii) Deferred tax asset:</b>		
a) On account of depreciation on PPE	0.12	
b) On account of timing differences in recognition of expenditure	36.04	34.76
<b>Total</b>	<b>36.16</b>	<b>34.76</b>
<b>Net Deferred tax (liability)/asset</b>	<b>32.25</b>	<b>32.56</b>

### 6. OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
<b>i) Advances:</b>		
Security deposits	-	-
Prepaid expenses	-	-
ii) Advance payment of tax (net of provision for tax)	-	77.54
iii) Export incentive receivable	11.11	11.11
iv) Disputed taxes paid	36.85	36.85
v) Others		
<b>Total</b>	<b>47.96</b>	<b>125.50</b>

### 7. FINANCIAL ASSETS:

	As at March 31, 2021		As at March 31, 2020	
	No of Units	Rs.	No of Units	Rs.
<b><i>i) Investment - fair value through statement of Profit &amp; Loss</i></b>				
<b><i>Investments in Mutual Funds:</i></b>				
i) SBI Short Term Debt Fund	12,70,580	31.79	8,62,690	20.12
ii) SBI Corporate Bond Fund	17,31,321	59.30	17,31,321	54.89
iii) ICICI Prudential Value Discovery Fund	8,349	0.08	7,695	0.08
<b><i>Investments in Portfolio Management Services:</i></b>				
i) ASK PMS	-	-	-	0.10
<b>Total</b>		<b>91.18</b>		<b>75.19</b>
Aggregate Carrying value of quoted Investments		<b>91.18</b>		<b>75.19</b>
Aggregate Market value of quoted Investments		<b>91.18</b>		<b>75.19</b>

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 8. FINANCIAL ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
<b>i) Trade Receivables</b>		
- Outstanding for more than 6 months	42.09	17.33
- Others	159.31	191.86
	<b>201.40</b>	<b>209.19</b>
Less: Allowance for bad & doubtful trade receivables	(3.60)	(3.60)
	<b>197.80</b>	<b>205.59</b>
<b>Additional Information:</b>		
Unsecured considered good	197.79	205.59
Unsecured Considered Doubtful	3.60	3.60
	<b>201.39</b>	<b>209.19</b>
Less:- Allowance for doubtful debt (includes Provision for expected credit losses)	3.60	3.60
<b>Total</b>	<b>197.79</b>	<b>205.59</b>
The above amount includes:		
- debts due by directors or other officers of the Company		
- debts due by firms/private companies in which a director is a partner or a director or a member	14.97	14.87
<b>ii) Cash and Bank Balance</b>		
<b>a) Cash and cash equivalents:-</b>		
i) Balance with Banks#		
- In current accounts	5.75	2.09
ii) Cash on hand	0.02	0.03
	<b>5.77</b>	<b>2.12</b>
<b>b) Bank Balances other than cash &amp; cash equivalents</b>		
- In unpaid dividends accounts	6.99	6.09
-in fixed deposit*	64.68	53.65
	<b>71.67</b>	<b>59.74</b>
<b>Total</b>	<b>77.44</b>	<b>61.86</b>

Bank balance includes:

Held as margin money/security against borrowings/guarantees/other commitments.

\* Deposit of Rs. 15 million has been given security for the overdraft facility availed by subsidiary RV Forms and Gears LLP.

# The above balances are subject to confirmation of balances.

<b>iii) Loans (Unsecured, considered good)</b>		
Security Deposit	6.24	6.03
<b>Total</b>	<b>6.24</b>	<b>6.03</b>
<b>iv) Other Financial Assets</b>		
Interest receivable on deposits	6.03	3.74
Interest receivable on advances to related related parties	4.25	0.18
<b>Total</b>	<b>10.28</b>	<b>3.92</b>

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 9. OTHER CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(i) Advances other than capital advances</b>		
(a) Security deposits	-	-
(b) Advance to supplier**	217.34	201.96
Less: Allowance for doubtful advances	(134.51)	(134.51)
	<b>82.83</b>	<b>67.45</b>
(c) Advance to Employees	2.98	2.60
<b>(ii) Others</b>		
Advance Gratuity	-	1.37
Unbilled Revenue	168.23	48.90
Prepaid expenses	12.73	11.96
<b>Total</b>	<b>266.77</b>	<b>132.28</b>

\*\*Includes advance paid to subsidiary companies

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 10. EQUITY SHARE CAPITAL (REFER STATEMENT OF CHANGES IN EQUITY)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorised</b> 1,50,00,000 (As at March 31, 2020: 70,00,000) Equity shares of Rs 10 each	150.00	70.00
<b>Issued, Subscribed &amp; Paid up</b> 100,00,000** (As at March 31, 2020: 50,00,000) equity shares of Rs 10 each	100.00	50.00
<b>Total issued, subscribed and fully paid-up share capital</b>	100.00	50.00

\*\*During the year, the company had issued bonus shares in the ratio of 1:1 (5 million shares) thereby increasing its paid up capital from Rs. 50 million to Rs. 100 million.

Particulars	In million
	As at March 31, 2021
No. of shares as at April 1, 2020	50
<b>Add : Fully paid up ordinary bonus shares of Rs.10 each</b>	50
<b>No. of shares as at March 31, 2021</b>	<b>100</b>

#### (a) Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity is entitled to one vote per share.

#### (b) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	As at March 31, 2021		As at March 31, 2020	
	Nos.	Rs. In million	Nos.	Rs. In million
At the beginning of the year	50,00,000	50.00	50,00,000	50.00
Add:-Issued during the year	50,00,000	50.00	-	-
<b>Outstanding at the end of the year</b>	<b>1,00,00,000</b>	<b>100.00</b>	50,00,000	50.00

#### (c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos.	% holding in class	Nos.	% holding in class
S Rabindra	42,07,354	42.07%	21,03,677	42.07%
Kannan Sundar	9,40,000	9.40%	5,54,998	11.10%
R Preeti	7,61,048	7.61%	3,80,524	7.61%
IDS Systems LLP	6,77,004	6.77%	3,38,502	6.77%
	<b>65,85,406</b>	<b>65.85%</b>	33,77,701	67.55%

**Notes to financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**11. OTHER EQUITY**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>i) Capital reserve</b>		
Opening balance	0.33	0.33
Add:- Addition during year	-	-
Less:- Utilised during year	-	-
<b>Closing at end of year</b>	<b>0.33</b>	<b>0.33</b>
<b>ii) Security Premium reserve</b>		
Opening Balance	33.00	33.00
Add:- Addition during year	-	-
Less:- Utilised during year for issue of bonus shares	(33.00)	-
<b>Closing at the end of the year</b>	<b>-</b>	<b>33.00</b>
<b>iii) General Reserve</b>		
Opening balance	110.00	110.00
Add:- Addition during year	-	-
Less:- Utilised during year for issue of bonus shares	(17.00)	-
<b>Closing at end of year</b>	<b>93.00</b>	<b>110.00</b>
<b>iv) Other Comprehensive Income</b>		
Opening balance	(1.14)	1.45
Add:- Addition during year	(1.97)	(2.59)
<b>Closing at end of year</b>	<b>(3.11)</b>	<b>(1.14)</b>
<b>v) Retained Earning</b>		
Opening balance	366.55	373.73
Add:- Addition during year	126.48	10.90
	493.03	384.63
<b>Less:- Appropriations</b>		
Interim dividend on equity shares	20.00	-
Final dividend on equity shares	12.50	15.00
Dividend distribution tax	-	3.08
	32.50	18.08
<b>Total</b>	<b>460.53</b>	<b>366.55</b>
<b>Closing at end of year</b>	<b>550.75</b>	<b>508.74</b>

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

Non current liabilities and provisions:-

### 12. FINANCIAL LIABILITIES:-

Particulars	As at March 31, 2021	As at March 31, 2020
<b>i) Borrowings:-</b>		
<b>Secured</b>		
From Banks	<b>96.91</b>	58.05
From others	-	0.51
<b>Less: Current Maturities</b>		
From Banks	<b>(18.98)</b>	(10.05)
From others	-	(0.51)
<b>Total</b>	<b>77.93</b>	<b>48.00</b>
<b>Additional Information:-</b>		
<b>1) Details Of Security for secured loan:-</b>		
<b>From Bank:-</b>		
Term Loan from HSBC Bank is secured against charge created on the Land and Building situated at No 80/2, Lusanne Court, Wellington street, Bangalore,560025 and the facility is guaranteed by Mr. Rabindra Srikantan (Managing Director) of the Company. (As at March 31, 2020: Term Loan from <b>HSBC</b> bank was secured against charge created on the Land and Building situated at No 80/2, Lusanne Court, Wellington street, Bangalore,560025 and facility is guaranteed by Mr. Rabindra Srikantan (Managing Director) of the Company.)	<b>96.91</b>	58.05
Term Loans carries interest rate of 3M T bill plus 420 bps which is presently 7.40% per annum (As at March 31, 2020: (I-MCLR-6M + 1.4%) which is 7.4% per annum at the time of Disbursal) and principal repayable in 60 & 66 equal installments of Rs. 0.98 million & Rs.0.602 million per month respectively (As at March 31, 2020: repayable in 72 equal installments of Rs. 0.8375 Million per month)		
During the year the Company has repaid loan to ICICI Bank but the Company is in the process of filing satisfaction of charges with ROC		
<b>From Others:-</b>		
Term Loan From others which was secured by hypothecation charge on BMW Car ,which carried an interest rate of 8.99 % per annum and was repayable in 36 Equated Monthly Installment of Rs.0.11 million per month, has been squared off in Oct 2020 month.	-	0.51

### 13. OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liability	-	1.09
<b>Total</b>	<b>-</b>	<b>1.09</b>

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

Current liabilities and provisions:-

### 14. FINANCIAL LIABILITIES:-

Particulars	As at March 31, 2021	As at March 31, 2020
<b>i) Borrowings</b>		
<b>Secured loans:</b>		
Loans repayable on demand		
- from banks	<b>148.21</b>	89.24
<b>Total</b>	<b>148.21</b>	<b>89.24</b>
<b>a Details of security for secured loans from banks:</b>		
i) Hypothecation charge on Receivables and other current assets of the company , further lien on 17,31,321 units of SBI mutual Fund scheme “SBI Corporate bond fund -regular plan growth “ and 12,70,580 units of SBI mutual fund scheme “SBI short term debt fund regular plan growth and secured by personal guarantee of Managing Director.	<b>148.21</b>	89.24
ii) Lien on fixed deposits of the Company and charge on 17,31,321 units of SBI mutual Fund scheme “SBI Corporate bond fund -regular plan growth “ and 12,70,580 units of SBI mutual fund scheme “SBI short term debt fund regular plan growth and secured by personal guarantee of Managing Director.		
<b>b Interest rate:-</b>		
I Secured loans from banks:		
i) Cash credit facility from state Bank of India repayable on demand and carries an interest rate of MCLR + 2%		

### ii) Trade Payables:-

Particulars	As at March 31, 2021	As at March 31, 2020
Due to Micro small and medium enterprise (Refer note 30)	-	-
Others	<b>11.27</b>	7.06
<b>Total</b>	<b>11.27</b>	<b>7.06</b>

### iii) Other Financial Liability

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturity of term loan from others	-	0.51
Current maturity of term loan from banks	<b>18.98</b>	10.05
Interest Accrued but not due	<b>0.24</b>	0.20
Unclaimed dividend	<b>6.99</b>	6.09
<b>Total</b>	<b>26.21</b>	<b>16.85</b>

## 15. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues	27.65	21.86
Employee Benefit Expenses	1.70	1.30
Accrued expense and other liabilities	68.60	37.76
Lease Liability	1.11	5.03
<b>Total</b>	<b>99.06</b>	<b>65.95</b>

## 16. PROVISIONS:

Particulars	As at March 31, 2021	As at March 31, 2020
For Gratuity	5.08	-
For Tax	13.09	-
<b>Total</b>	<b>18.17</b>	<b>-</b>

## 17. REVENUE FROM OPERATIONS

	Particulars	As at March 31, 2021	As at March 31, 2020
	a) Sale of services	1,132.17	838.40
	<b>Total</b>	<b>1,132.17</b>	<b>838.40</b>
<b>17.1</b>	<b>Disaggregated Revenue Information:</b> Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of services:		
	<b>Revenue from contracts with customers</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
	<b>Geographical location</b>		
	- In India	281.27	112.07
	- In Outside India	850.90	726.33
		<b>1,132.17</b>	<b>838.40</b>
<b>17.2</b>	<b>Contract balances:</b>		
	<b>Contract assets:</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
	Trade Receivables	197.80	205.59
	Unbilled Revenue	168.23	48.90
		<b>366.03</b>	<b>254.49</b>
	<b>Contract liabilities</b>	<b>Nil</b>	<b>Nil</b>

Trade receivables are generally on credit terms as agreed with respective customers.

Unbilled revenue is recognised on completion of performance obligation pending generation of Invoice.

**Notes to financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**18. OTHER INCOME**

Particulars	As at March 31, 2021	As at March 31, 2020
a) Interest on bank deposits	17.24	6.19
b) Share of profit from LLP	2.04	-
c) Dividend income	0.01	0.08
d) Gain or loss on mutual fund/unquoted securities	6.09	13.97
e) Miscellenous income	9.18	0.38
f) Exchange fluctuation gain	-	18.38
<b>Total</b>	<b>34.56</b>	<b>39.00</b>

**19. EMPLOYEE BENEFIT EXPENSES**

Particulars	As at March 31, 2021	As at March 31, 2020
a) Salaries and wages	684.78	560.40
b) Staff welfare expenses	2.99	2.54
c) Contribution to:	-	-
Provident fund	33.98	29.12
ESI fund	0.08	0.28
d) Gratuity (refer note 28)	8.44	4.22
<b>Total</b>	<b>730.27</b>	<b>596.56</b>

**20. FINANCE COST**

Particulars	As at March 31, 2021	As at March 31, 2020
a) Interest on bank borrowing	17.59	9.23
b) Other borrowing cost	1.34	0.75
	<b>18.93</b>	<b>9.98</b>

**21. DEPRECIATION AND AMORTIZATION EXPENSE**

Particulars	As at March 31, 2021	As at March 31, 2020
Depreciation on property, plant & equipment	5.36	8.78
Amortisation of ROU	4.71	13.63
<b>Total</b>	<b>10.07</b>	<b>22.41</b>

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 22. OTHER EXPENSES

Particulars	As at March 31, 2021	As at March 31, 2020
a) Travelling and conveyance expenses	6.16	51.70
b) Services rendered by business associates and others	69.78	66.06
c) Software, hardware and material costs	54.83	11.52
d) Communication expenses	7.64	2.92
e) Payment to Auditor (refer note below)	1.25	1.36
f) Legal and Professional fees	27.76	20.14
g) Sitting fees paid to directors	0.48	0.38
h) Rent	12.51	3.84
i) Repair and Maintenance	2.86	3.10
j) Exchange fluctuation Gain/loss	10.03	-
k) Bad debt writeoff	-	0.45
l) Electricity Expenses	2.00	2.72
m) Advertisement and Business Promotions	7.29	21.26
n) Insurance charges	5.64	4.37
o) Membership & subscription	6.76	5.40
p) Office Maintenance	7.63	5.35
q) Printing & stationary	0.33	0.60
r) Rates & Taxes	1.35	0.85
s) Share of loss in LLP	-	12.68
t) Miscellenous Expenses	3.18	4.92
u) CSR Expenses	0.30	2.50
v) Provision for dimunition in value of Investment		1.94
w) Loss of sale of mutual fund (equity fund)	0.08	-
<b>Total</b>	<b>227.86</b>	<b>224.06</b>

#### Payments to Auditor

Audit fee	0.85	0.93
Tax audit fee	0.40	0.40
Reimbursement of expenses	-	0.03

### 23. EARNING PER SHARE

Particulars	As at March 31, 2021	As at March 31, 2020
Profit for the year	126.49	10.90
Weighted average number of Equity shares	1,00,00,000	1,00,00,000
Earning per share basic and diluted (in Rs.)	12.65	1.09
Face value per equity share (in Rs.)	10.00	10.00

## 24. ADDITIONAL INFORMATION:

i) <i>Earnings in foreign currency</i> FOB value of sales	<b>850.90</b>	726.33
ii) <i>Expenditure in foreign currency:</i> Purchase of Investments	<b>127.75</b>	-
Others (including branch expenses)	<b>126.97</b>	98.79
iii) <i>Details of non-resident shareholdings</i> Number of non-resident share holders	<b>55</b>	66
Number of shares held by non-resident shareholders	<b>1,00,055</b>	41,435
Dividend Paid	<b>0.28</b>	0.12

## Notes to financial statements for the year ended March 31, 2021 (All amounts in Indian Rupees millions, except as otherwise stated)

### 25. GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity of 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with LIC.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan:

#### Statement of Profit and Loss

##### Net employee benefit expenses recognised in the employee cost:

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
Current service cost	<b>5.66</b>	4.74
Past service cost	-	-
Interest cost	<b>2.78</b>	(0.52)
<b>Net benefit expense</b>	<b>8.44</b>	<b>4.22</b>
<b>Balance sheet</b>		
<b>Benefit asset/liability:</b>		
Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
Present value of defined benefit obligation	<b>(36.18)</b>	(30.48)
Fair value of plan assets	<b>31.11</b>	31.84
<b>Plan asset/(liability)</b>	<b>(5.07)</b>	<b>1.36</b>

**Changes in the fair value of defined benefit obligation are as follows:**

<b>Particulars</b>	<b>As at March 31, 2021 Rs.</b>	<b>As at March 31, 2020 Rs.</b>
Opening defined benefit obligation	<b>30.48</b>	28.01
Current service cost	<b>5.66</b>	4.74
Past service cost	-	-
Interest cost	<b>1.66</b>	1.89
Liability transferred out/divestments	-	-
Benefits paid directly by employer	-	-
Benefits paid directly from fund	<b>(1.86)</b>	(6.23)
<u>Remeasurements</u>	-	-
Actuarial loss/(gain) from changes in demographic assumptions	-	-
Actuarial loss/(gain) from changes in financial assumptions	<b>0.34</b>	1.24
Actuarial loss/(gain) from experience over the past period	<b>(0.09)</b>	0.83
<b>Closing defined benefit obligation</b>	<b>36.19</b>	<b>30.48</b>

**Changes in the fair value of assets are as follows:**

<b>Particulars</b>	<b>As at March 31, 2021 Rs.</b>	<b>As at March 31, 2020 Rs.</b>
Fair value as at the beginning of the year	31.84	35.72
Interest Income	1.74	2.40
Expected return on plan assets	(1.20)	(0.05)
Actuarial gains	-	-
Contributions	<b>0.60</b>	-
Benefits paid	(1.86)	(6.25)
<b>Closing fair value of asset</b>	<b>31.12</b>	<b>31.82</b>

**The amounts recognized in the Balance Sheet are as follows:**

<b>Particulars</b>	<b>As at March 31, 2021 Rs.</b>	<b>As at March 31, 2020 Rs.</b>
Present value of the obligation as at the end of the year	<b>36.19</b>	30.48
Fair value of plan assets as at the end of the year	<b>31.12</b>	31.82
<b>Net liability/ (asset) recognized in the Balance Sheet</b>	<b>5.07</b>	<b>(1.34)</b>

**The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Discount rate	<b>5.45%</b>	5.45%
Employee turnover	<b>25.00%</b>	25.00%
Salary escalation rate	<b>8.50%</b>	8.50%
Mortality table	Indian Assured Lives Mortality (2006-08)	

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### Sensitivity Analysis of significant actuarial assumptions

Particulars		Change in DBO by	
		As at March 31, 2021	As at March 31, 2020
Discount rate	Increases 0.5%	<b>(0.62)</b>	(0.49)
	Decreases 0.5%	<b>0.64</b>	0.51
Employee turnover	Increases 0.5%	<b>(0.23)</b>	(0.16)
	Decreases 0.5%	<b>0.23</b>	0.16
Salary escalation rate	Increases 0.5%	<b>0.58</b>	0.46
	Decreases 0.5%	<b>(0.57)</b>	(0.45)

### Description of funding arrangements and funding policy that affect future contributions

The plan is unfunded and the status is unlikely to change over the next few years.

### Maturity profile

Projected Benefits Payable in Future Years From the Date of Reporting		
	As at March 31, 2021	As at March 31, 2020
1st following year	<b>7.67</b>	7.42
2nd following year	<b>5.30</b>	4.44
3rd following year	<b>5.07</b>	4.17
4th following year	<b>4.71</b>	3.95
5th following year	<b>4.67</b>	3.41
Sum of years 6 to 10	<b>11.28</b>	9.50

Other Information	As at March 31, 2021	As at March 31, 2020
Weighted average duration of the projected benefit obligation	<b>5.00</b>	3.00
Average expected future service	<b>3.00</b>	3.00

### Defined contribution plan

The Company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs.33.98 million (For 2019-20 Rs.29.12 million)

## 26. DISCLOSURE ON LEASES:

### Transition:

(i) The following is the movement of lease liabilities during the year ended March 31, 2021

(Rs. In Mn.)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	6.14	
On account of implementation of Ind AS 116	-	19.29
Finance cost accrued during the year	0.23	1.27
Payment of lease liabilities	5.26	14.43
<b>Balance at the end of the year</b>	<b>1.11</b>	<b>6.13</b>

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(ii) Details regarding the contractual maturities of lease liabilities as at March 31, 2021 on undiscounted basis:

(Rs. In Mn.)

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	1.11	5.03
One to five years	-	1.09
More than five years	-	-
<b>Total</b>	<b>1.11</b>	<b>6.12</b>

## 27. CORPORATE SOCIAL RESPONSIBILITY:

As per Section 135 of the Act, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, promote rural and nationally recognised sports, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Act.

	As at March 31, 2021	As at March 31, 2020
	Rs. In millions	Rs. In millions
(a) Gross amount required to be spent by the Company during the year	1.25	1.76
(b) Amount spent during the year	0.30	2.50
(c) (Excess)/lower amount spent (a) - (b)	0.95	(0.74)

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 28. RELATED PARTY DISCLOSURES

#### i) Names of related parties and related party relationship

Name of entity	Relationship
Pinnacle Talent Inc, USA	Wholly owned subsidiary
Advanced Synergic Pte Ltd, Singapore	Wholly owned subsidiary
ASM Technologies KK	Wholly owned subsidiary
ASM Digital Engineering Pvt Ltd	Wholly owned subsidiary
ESR Associates Inc, USA	Step-down subsidiary
RV Forms & Gears LLP	Subsidiary
IDS Systems LLP	Company in which directors are interested
Rabindra Srikantan	Directors
M R Vikram	
Ramesh Radhakrishnan	
Shekar Viswanathan	
Preeti Rabindra	
M Lakshminarayan	
N Krishnan	Key Managerial Personnel (“KMP”)
Narsingh Rathod	
Pramod G Rao	
Vanishree Kulkarni	
Srinivasa Murthy Seshadri	
Akhil Rabindra	Relatives of Director
Nikhil Rabindra	

#### ii) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	Current Year	Previous Year
<b>Sale of services</b>		
- RV Forms & Gears LLP	17.06	9.92
- ASM Digital Engineering Private Limited	5.00	-
<b>Purchase of services</b>		
- Pinnacle Talent Inc (services provided to ASM branch at USA)	27.73	29.16
<b>Investments Made during the year-</b>		
- ASM Technologies KK	0.64	0.64
- ASM Digital Engineering Pvt Ltd	127.75	-
<b>Loans given during the year-</b>		
- ASM Technologies KK	10.07	6.76
- R V Forms & Gears LLP	57.15	-
<b>Loans availed during the year-</b>		
- ASM Digital Engineering Pvt Ltd	22.50	-
<b>Corporate Guarantee given during the year-</b>		
- R V Forms & Gears LLP	50.00	-

The following table provides the closing balances of related parties as at the relevant financial year-end:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Amount due to Company</b>		
Pinnacle Talent Inc, USA	10.50	145.73
Advanced Synergic Pte Ltd, Singapore	12.17	10.81
IDS Systems LLP	11.35	11.85
RV Forms & Gears LLP (including investments)	95.78	43.14
ASM Digital Engineering (including investments)	138.50	-
ASM Japan (including investments)	10.52	7.40
<b>Amount due from Company</b>		
ASM Digital Engineering Pvt. Ltd.	23.37	-

iii)	Key Managerial Personnel	Relationship	Nature of transaction	As at March 31, 2021	As at March 31, 2020
	M R Vikram	Chairman	Sitting fees & reimbursement of expenses	1.32	1.31
	Rabindra Srikantan	Managing Director	Remuneration	21.18	12.33
	Ramesh Radhakrishnan	Director	Sitting fees & Commission	0.07	-
	Prof. B S Sonde	Director	Sitting fees & Commission	-	0.05
	Shekar Viswanathan	Director	Sitting fees & Commission	0.10	0.08
	M Lakshminarayan	Director	Sitting fees & Commission	0.11	0.07
	Preeti R	Director	Sitting fees & Commission	0.09	0.08
	Nikhil Rabindra	Relative of Director	Consultation fees	1.39	-
	Akhil Rabindra	Relative of Director	Remuneration	2.23	1.09
	Narsingh Rathod	Chief Financial Officer	Remuneration	0.28	0.25
	P N Lakshmi (up to Aug-19)	Company Secretary	Remuneration	-	0.48
	Vanishree Kulkarni (From Sep-19)	Company Secretary	Remuneration	1.05	0.75
	N Krishnan	KMP	Remuneration	11.22	7.79
	Srinivasa Murthy Seshadri	KMP	Remuneration	4.95	4.53
	Pramod G Rao	KMP	Remuneration	10.06	1.66
	<b>Amount due to Company:</b>				
	Rabindra Srikantan	Managing Director		0.54	0.04

#### Compensation of key managerial personnel

Particulars	As at March 31, 2021	As at March 31, 2020
Short-term employee benefits	21.46	12.63
Post employment benefit*	-	0.43

\*The remuneration to the key managerial personnel does not include the provisions made the gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

#### Terms and conditions of transactions with related parties

The sales of services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 29 CAPITAL AND OTHER COMMITMENTS

Company has committed to contribute Rs.30 million to a venture capital fund out of which Rs.24 has been paid so far. Amount of such capital commitment outstanding as at March 31, 2021 is Rs.6 million (As at March 31, 2020: Rs. 12 million)

### 30 CONTINGENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Service tax claim(company filed appeal against the order)	41.85	41.85
Showcause notice received from service tax authorities	182.28	182.28
Income tax under appeal of which the Company has paid an amount of Rs.22.73 million under protest	58.44	58.44
Income tax deducted at source demand under the traces software for short and non remittances of tax deduction at source – matter under examination.	5.21	1.94
Corporate Guarantee given in favour of R V Forms & Gears LLP for availing credit facilities.	50.00	-

31 Based on the information available with the Company, there are no vendors who are registered as Micro and Small Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) as at March 31, 2020 which has been relied by the auditors.

### 32 SEGMENT REPORTING

The Company believes that assets and liabilities used in the business are not identified to any of the reportable segments, as these are used interchangeably between segments. Accordingly the same has not been provided.

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Exports	Domestic	Exports	Domestic
Segment Revenue	850.89	281.28	726.33	112.07
Segment Expenses	547.34	199.35	521.22	86.59
Segment Results	303.55	81.93	205.11	25.48

#### Significant Clients

The Company's 87% of revenue is derived from four customers (Previous year: 90% of revenue from three customers).

#### Product-wise Information

Company provides single service and hence no product-wise information is necessary to be given.

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 33 INCOME TAXES

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

#### Statement of profit and loss:

##### Profit or loss section

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current income tax:</b>		
Current income tax in India	43.50	5.23
Current income tax outside India	0.95	0.60
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	0.98	7.66
Prior year tax	7.64	-
<b>Income tax expense reported in the statement of profit or loss</b>	<b>53.07</b>	<b>13.49</b>
<b>OCI section</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Deferred tax related to items recognised in OCI during the year:	(0.66)	(0.31)
<b>Income tax charged to OCI</b>	<b>(0.66)</b>	<b>(0.31)</b>

#### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

Particulars	As at March 31, 2021	As at March 31, 2020
Accounting profit before income tax	179.60	24.39
Enacted income tax rate in India	25.17%	25.17%
Tax at the applicable tax rate of 25.17% (March 31, 2020: 25.17%)	45.20	6.14
<i>Non-deductible expenses for tax purposes:</i>		
Inadmissible expenses	(0.44)	3.80
Temporary differences not considered for current tax calculation (net of amounts recognised in other comprehensive income)	2.67	1.59
Difference in profit on account of Ind AS adjustments	(4.26)	(7.06)
Provision for tax relating to prior years	7.64	0.76
Tax payable by representative office	0.95	0.60
<b>At the effective income tax rate of 25.17% (March 31, 2020: 25.17%) - Income tax expense recorded in the books</b>	<b>51.76</b>	<b>5.83</b>

#### Reconciliation of deferred tax expense(income) recognised in Statement of profit and loss and Other comprehensive income:

Particulars	As at March 31, 2021	As at March 31, 2020
Property, Plant and Equipment and Intangible assets	(0.21)	(1.24)
Fair valuation adjustments of financial instruments	-	(0.05)
Provision for impairment of financial assets	-	(3.66)
Provision for employee benefits allowable under Income Tax on payment basis	-	-
Ind AS adjustments	(0.08)	(0.12)
Ind AS adjustment on Mark to Market of Investment	1.88	(2.28)
<b>Total</b>	<b>1.59</b>	<b>(7.35)</b>

The tax rates under Indian Income Tax Act, for the year ended March 31, 2021 and March 31, 2020 is 25.17% and 25.17% respectively

**Deferred tax assets/(liabilities) as at March 31, 2021 is in relation to:**

<b>Particulars</b>	<b>As at April 1, 2020</b>	<b>Recognised in profit and loss</b>	<b>Recognised in other comprehensive income</b>	<b>Recognised directly in equity</b>	<b>As at March 31, 2021</b>
Property, Plant and Equipment and Intangible assets	(0.09)	0.21			0.12
Fair valuation adjustments of financial instruments	-	-			-
Provision for impairment of financial assets	34.76	-			34.76
Provision for employee benefits allowable under Income Tax on payment basis	-	-			-
Ind AS adjustment for leases	(0.12)	0.08			(0.04)
Ind AS adjustment on Mark to Market of Investment	(1.99)	(2.18)	0.30		(3.87)
<b>Total</b>	<b>32.56</b>	<b>(1.89)</b>	<b>0.30</b>	<b>-</b>	<b>30.97</b>

**Deferred tax assets/(liabilities) as at March 31, 2020 is in relation to:**

<b>Particulars</b>	<b>As at April 1, 2019</b>	<b>Recognised in profit and loss</b>	<b>Recognised in other comprehensive income</b>	<b>Recognised directly in equity</b>	<b>As at March 31, 2020</b>
Property, Plant and Equipment and Intangible assets	1.15	(1.24)			(0.09)
Fair valuation adjustments of financial instruments	0.05	(0.05)			-
Provision for impairment of financial assets	38.42	(3.66)			34.76
Provision for employee benefits allowable under Income Tax on payment basis	-	-			-
Ind AS adjustment for leases	-	(0.12)			(0.12)
Ind AS adjustment on Mark to Market of Investment	0.29	(2.59)	0.31		(1.99)
<b>Total</b>	<b>39.91</b>	<b>(7.66)</b>	<b>0.31</b>	<b>-</b>	<b>32.56</b>

Pursuant to Taxation Loss (Amendment) Ordinance, 2019 dated September 20, 2019, the Company intends to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 to compute income tax at the rate of 22% plus applicable surcharge and cess.

## Notes to financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations to support its operations. The Company's principal financial assets include trade and other receivables, rental and bank deposits and cash and cash equivalents, that derive directly from its operations. The Company is exposed to credit and liquidity risk. The Company's senior management oversees the management of these risks and the Board of Director's reviews these activities.

#### i. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument would fluctuate due to changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include trade payables. The Company is not exposed to price risk on the financial date.

The sensitivity analysis in the following sections relate to the positions as at March 31, 2021 and March 31, 2020.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption has been made in calculating sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The operations of the Company are both in India and overseas. Company has been providing services to overseas customers. Hence, the Company is currently exposed to the currency risk arising from fluctuation of these foreign currencies and Indian rupee exchange rates.

The following table presents foreign currency risk for the below financial liabilities:

As at March 31, 2021	Transaction currency	
	Amount	Total
<b>Particulars</b>		
<b>Assets:</b>		
Trade receivables	60.09	60.09
<b>Total</b>	<b>60.09</b>	<b>60.09</b>

As at March 31, 2020	Transaction currency	
	Amount	Total
<b>Particulars</b>		
<b>Assets:</b>		
Trade receivables	177.62	177.62
<b>Total</b>	<b>177.62</b>	<b>177.62</b>

#### Foreign currency sensitivity

Particulars	Change in USD rates	Effect on profit before tax (Decrease)/Increase	Effect on pre-tax equity (Decrease)/Increase
March 31, 2021	1%	0.60	0.60
	-1%	(0.60)	(0.60)
March 31, 2020	1%	1.78	1.78
	-1%	(1.78)	(1.78)

## ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). At the end of every financial year, the Company makes an assessment whether any loss allowance has to be provided for using the lifetime Expected Credit Loss (ECL) method.

## iii. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's board of directors are responsible for liquidity, funding as well as settlement management.

**The table below provides details regarding the contractual maturities of significant financial liabilities**

Particulars	As at March 31, 2021 Less than 1 year	As at March 31, 2020 Less than 1 year
Borrowings	148.21	89.24
Trade payables	11.27	7.06
Other financial liabilities	26.21	16.85
<b>Total</b>	<b>185.69</b>	<b>113.15</b>

## 35 FINANCIAL INSTRUMENTS

The carrying value of financial instruments by categories as at March 31, 2021 and March 31, 2020 is as follows:

### Financial Assets

Particulars	Carrying value as at		Fair value as at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Cost</b>				
Investments in subsidiaries	174.98	41.68	174.98	41.68
<b>Amortised Cost</b>				
Loans	7.35	7.07	7.35	7.07
Trade receivables	197.79	205.59	197.79	205.59
Cash and cash equivalents	77.44	61.86	77.44	61.86
Other assets	10.28	3.92	10.28	3.92
<b>Fair value through Profit and Loss</b>				
Investments	149.35	105.71	149.35	105.71
<b>Fair value through Other Comprehensive Income</b>				
Investments	21.46	18.28	-	-
<b>Total Assets</b>	<b>638.65</b>	<b>444.11</b>	<b>638.65</b>	<b>444.11</b>

## Financial Liabilities

Particulars	Carrying value as at		Fair value as at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Amortised Cost</b>				
Loans and borrowings	<b>226.14</b>	137.24	<b>226.14</b>	137.24
Trade payables	<b>11.27</b>	7.06	<b>11.27</b>	7.06
Other liabilities	<b>26.21</b>	16.85	<b>26.21</b>	16.85
<b>Total Liabilities</b>	<b>263.62</b>	<b>161.15</b>	<b>263.62</b>	<b>161.15</b>

## Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities as at March 31, 2021

Particulars	As at March 31, 2021	Fair value measurement at end of reporting year		
		Level 1	Level 2	Level 3
Loans: Security deposits (at amortised cost)	<b>7.35</b>			<b>7.35</b>
Investments (at fair value)	<b>345.79</b>	<b>149.35</b>	-	<b>196.44</b>

The following table presents fair value hierarchy of assets and liabilities as at March 31, 2020

Particulars	As at March 31, 2020	Fair value measurement at end of reporting year		
		Level 1	Level 2	Level 3
Loans: Security deposits (at amortised cost)	7.07	-	-	7.07
Investments (at fair value)	165.67	105.71		59.96

## 36. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders and long-term and short-term borrowings. The primary objective of the Company's capital management is to maximise the shareholder's value.

The capital structure is as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount	Percentage of total capital	Amount	Percentage of total capital
Total equity attributable to the equity share holders of the Company	<b>650.75</b>	<b>74.21%</b>	558.74	80.28%
Non-current Borrowings	<b>77.93</b>	<b>8.89%</b>	48.00	6.90%
Short-term borrowings	<b>148.21</b>	<b>16.90%</b>	89.24	12.82%
<b>Total</b>	<b>876.89</b>	<b>100%</b>	<b>695.98</b>	<b>100%</b>

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with current financial assets which is predominantly receivables.

### 37 IMPACT OF COVID 19 ON BUSINESS OF THE COMPANY :

The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the company. The company has internally performed sensitivity analysis on the assumptions used and based on the current estimates, the company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2021, are fully recoverable. The management has also estimated the future cashflows for the company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from the estimated as at the date of approval of these financial statements.

38 The Board of directors of the Company have proposed final dividend of Rs.3.00 per equity share of Rs.10/- fully paid up for the year ended March 31, 2021

39 Previous year figures have been regrouped/ recasted wherever necessary to conform with current year figures.

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For and on behalf of Board of Directors  
ASM Technologies Limited

In Accordance with our Report Attached  
for **BK Ramadhyani & Co. LLP**  
Chartered Accountants  
Firm Registration No.: 0028785/ S200021

**M R Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

**M Lakshminarayan**  
Director

**Shekar Viswanathan**  
Director

**CA. C R Deepak**  
Partner  
Membership No.: 215398

**Ramesh Radhakrishnan**  
Director

**Preeti Rabindra**  
Director

**Narsingh Rathod**  
Chief Financial Officer

**Vanishree Kulkarni**  
Company Secretary

Place: Bangalore  
Date: May 26, 2021

# INDEPENDENT AUDITOR'S REPORT

**To the Members of ASM Technologies Limited**

**Report on Audit of the Consolidated Ind AS Financial Statements**

## **Opinion:**

We have audited the Consolidated Ind AS financial statements of ASM Technologies Limited (“the Company”) and its subsidiaries (collectively referred as “the Group”) which comprise of balance sheet as at March 31, 2021, the statement of profit & loss, statement of changes in equity, the cashflow statement for the year then ended, and notes to Consolidated 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 Consolidated 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, loss, changes in equity and its cash flows for the year ended on that date.

## **Basis of Opinion:**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

<b>Key audit matters</b>	<b>How our audit addressed the key audit matter</b>
Adoption of Ind AS 115 - Revenue from Contract with Customers as described in note 2 i. and note 17 of the Consolidated Ind AS financial statements:	
The Company has accounted revenue as per Ind AS 115 - Revenue from Contracts with Customers.	As part of our audit procedures, our procedures included the following:  - We have read the accounting policy for revenue recognition and assessed compliance of the policy in terms of principles enunciated under Ind AS 115.

<p>Application of Ind AS 115, including selection of transition method involves significant judgment in determining when ‘control’ of the goods or services underlying the performance obligation is transferred to the customer and the transition method to be applied.</p>	<ul style="list-style-type: none"> <li>- We obtained and understood the revenue recognition process including determination of point of transfer of control and completion of performance obligation.</li> <li>- We performed test of details, on a sample basis, and examined the underlying customer contracts.</li> <li>- We examined the disclosures made by management in compliance with the requirements of Ind AS 115.</li> </ul>
<p>As the revenue recognition, due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.</p>	<p><b>Conclusion:</b> Our procedures did not identify any material exceptions.</p>

#### Other Matters:

- i) We did not audit Advanced Synergic Pte Limited, subsidiary included in this Ind AS consolidated financial statements, whose financial statements reflect total assets of Rs.1.93 million as at March 31, 2021, total revenues of Rs.9.24 million, total net loss after tax Rs. 4.40 million as considered in these consolidated financial statements. The standalone financial statements have been audited by the other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is solely based on the report of the other auditor.
- ii) Consolidated financial statements include unaudited financial statements of ESR Associates Inc., USA, whose financial statements reflect total assets of Rs.3.18 million as at March 31, 2021, total revenues of Rs. Nil million, total net loss after tax Rs.11.40 million as considered in this consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Company, these financial statements are not material to the Group.
- iii) Attention of the members is drawn to note 41 of the financial statements regarding the impact of COVID-19 on Business, where the management has estimated the future cash flows for the Company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 Pandemic may be different from that estimated as at the date of the approval of these financial statements. Our report on the standalone financial statements have not modified in respect of this matter.

#### Other Information [“Information Other than the Financial Statements and Auditor’s Report Thereon”]

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the board report but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

## **Management's Responsibility for Consolidated Ind AS Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 - A”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with requirement of Section 197 (16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Company is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director/ manager by the Company, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed its pending litigations which would impact its financial position in note 32 of the Consolidated Ind AS financial statements.
  - ii) The Company did not have any long-term contracts as required under the applicable law or accounting standards, and also not entered into any derivative contracts, accordingly no provision is required to be made in respect of material foreseeable losses.
  - iii) Company has not transferred an amount of Rs.438,434/- which became due for transfer to the Investor Education and Protection Fund (IEPF) in the financial year 2020-21.

**For B.K.RAMADHYANI & CO LLP**  
**Chartered Accountants**  
**Firm Registration No. 002878S/S200021**

**(CA C R Deepak)**  
**Partner**

Membership No. 215398  
UDIN: 21215398AAAABQ5086

Place: Bangalore  
Date: May 26, 2021

## ANNEXURE – A

### **REFERRED TO IN PARAGRAPH f UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF ASM TECHNOLOGIES LIMITED.**

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

In conjunction with our audit of Ind AS consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal controls over financial reporting of ASM Technologies Limited (“the Holding Company”) and its subsidiary companies which are incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls:**

The respective Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) 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 (“the Act”).

#### **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 Act, 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 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.

#### **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 Holding Company and its subsidiary companies which are incorporated in India have, 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 “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”.

**For B. K. RAMADHYANI & CO LLP**  
**Chartered Accountants**  
**Firm Registration No. 002878S/S200021**

**(CA C R Deepak)**  
**Partner**

Membership No. 215398  
UDIN: 21215398AAAABQ5086

Place: Bangalore  
Date: May 26, 2021

## Consolidated Balance Sheet As At March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	3.1	122.98	94.97
(b) Intangible Assets	3.2	39.47	52.34
Capital work-in-progress		12.22	3.42
Goodwill on consolidation		0.73	-
<b>(c) Financial Assets</b>			
(i) Investments	4	79.63	51.68
(ii) Loans		4.29	1.15
(d) Deferred tax assets (net)	5	41.97	33.62
(e) Other non-current assets	6	61.16	126.23
<b>Total</b>		<b>362.45</b>	<b>363.41</b>
<b>(2) Current assets</b>			
(a) Inventories	7	59.59	37.76
<b>(b) Financial Assets</b>			
(i) Investments		91.18	75.19
(ii) Trade receivables		301.28	211.68
(iii) Cash and cash equivalents	8	30.29	6.90
(iv) Bank balances other than (iii) above		71.69	59.76
(v) Loans		6.37	6.17
(vi) Others		6.15	3.74
(c) Other current assets	9	227.90	67.54
<b>Total</b>		<b>794.45</b>	<b>468.74</b>
<b>Total Assets</b>		<b>1,156.90</b>	<b>832.15</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	10	100.00	50.00
(b) Other Equity	11	468.18	454.06
Attributable to Equity holders of the parent		568.18	504.06
Non Controlling Interest		4.33	3.45
<b>Total</b>		<b>572.51</b>	<b>507.51</b>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	12	77.93	48.00
(b) Provisions	13	13.06	2.64
(c) Deferred tax liabilities (Net)			
(d) Other non-current liabilities	14	33.25	11.31
<b>Total</b>		<b>124.24</b>	<b>61.95</b>
<b>(2) Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	15	213.75	151.02
(ii) Trade payables		110.73	36.01
(iii) Other financial liabilities		26.01	16.64
(b) Other current liabilities	16	92.13	59.02
(c) Provisions	17	17.53	-
(d) Current Tax Liabilities (Net)			
<b>Total</b>		<b>460.15</b>	<b>262.69</b>
<b>TOTAL EQUITY AND LIABILITY</b>		<b>1,156.90</b>	<b>832.15</b>

For and on behalf of Board of Directors  
ASM Technologies Limited

In Accordance with our Report Attached  
for BK Ramadhyani & Co. LLP  
Chartered Accountants  
Firm Registration No.: 0028785/ S200021  
CA. C R Deepak  
Partner  
Membership No.: 215398

**M R Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

**M Lakshminarayan**  
Director

**Shekar Viswanathan**  
Director

**CA. C R Deepak**  
Partner

**Ramesh Radhakrishnan**  
Director

**Preeti Rabindra**  
Director

**Narsingh Rathod**  
Chief Financial Officer

**Vanishree Kulkarni**  
Company Secretary

Place: Bangalore  
Date: May 26, 2021

**Consolidated Statement of Profit & Loss for the Year Ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

Particulars	Notes	Current Year	Previous Year
Revenue from operations	18	1,373.88	920.13
Other income	19	32.54	41.30
<b>Total Income (i)</b>		<b>1,406.42</b>	<b>961.43</b>
<b>Expenses</b>			
Cost of goods sold	20	55.31	41.75
(Increase)/ Decrease in Inventories	21	(21.83)	(12.91)
Employee benefits expense	22	894.71	641.60
Finance costs	23	28.32	16.85
Depreciation and amortization expense	24	35.69	29.45
Other expenses	25	276.74	226.04
<b>Total expenses (ii)</b>		<b>1,268.94</b>	<b>942.78</b>
<b>Profit/(Loss) before tax [(i)- (ii)]</b>		<b>137.48</b>	<b>18.65</b>
<b>Tax expenses</b>	35		
(i) Current tax		54.42	5.83
(ii) Deferred tax		(2.95)	5.85
<b>Total tax expense</b>		<b>51.47</b>	<b>11.68</b>
<b>Profit/(Loss) for the year</b>		<b>86.01</b>	<b>6.97</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(1.45)	(2.07)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.37	0.52
Deferred tax on remeasurement of defined benefit plans		-	-
B (i) Items that will be reclassified to profit or loss			
Changes in fair value of investments in equity instruments		(1.19)	(1.35)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Deferred tax on remeasurement of defined benefit plans		0.30	0.34
(iii) Foreign currency translation Reserve		10.29	(2.28)
		8.32	(4.84)
<b>Total Comprehensive Income for the year</b>		<b>94.33</b>	<b>2.13</b>
<b>Profit/(loss) for the year</b>			
<b>Attributable to:</b>			
Equity holders of the parent		85.13	12.43
Non-controlling interests		0.88	(5.46)
<b>Other comprehensive income for the year</b>			
<b>Attributable to:</b>			
Equity holders of the parent		8.50	(4.84)
Non-controlling interests		(0.18)	-
<b>Total comprehensive income for the year</b>			
<b>Attributable to:</b>			
Equity holders of the parent		93.63	7.59
Non-controlling interests		0.70	(5.46)
Earnings per equity share [nominal value of share Rs.10 (March 31, 2018: Rs.10)]			
Basic and Diluted (in INR)	26	8.60	0.70

For and on behalf of Board of Directors  
ASM Technologies Limited

**M R Vikram**  
Chairman

**Rabindra Srikantan**  
Managing Director

**M Lakshminarayan**  
Director

**Shekar Viswanathan**  
Director

In Accordance with our Report Attached for **BK Ramadhyani & Co. LLP**  
Chartered Accountants  
Firm Registration No.: 0028785/ S200021  
**CA. C R Deepak**  
Partner  
Membership No.: 215398

**Ramesh Radhakrishnan**  
Director

**Preeti Rabindra**  
Director

**Narsingh Rathod**  
Chief Financial Officer

**Vanishree Kulkarni**  
Company Secretary

Place: Bangalore  
Date: May 26, 2021

## Consolidated Cash Flow Statement For The Year Ended March 31, 2021

(All amounts in Indian Rupees millions, except as otherwise stated)

Particulars	Current Year	Previous Year
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax	137.48	18.65
<i>Adjustment to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortization expense	35.69	29.45
Finance costs	28.32	16.85
Interest income	(13.24)	(8.32)
Dividend income	(0.01)	(0.08)
Fair valuation of mutual fund	(6.09)	(13.97)
(Profit)/ loss on sale of Property, Plant & Equipment	(0.01)	
(Profit)/loss on sale of investments	0.08	-
<b>Operating profit before working capital changes</b>	<b>182.22</b>	<b>42.58</b>
<i>Movements in working capital :</i>		
Increase/ (decrease) in trade payables	74.72	(49.52)
Increase/ (decrease) in other liabilities	29.39	(33.38)
Decrease / (increase) in Inventories	(21.83)	(12.91)
Decrease / (increase) in trade receivables	(89.60)	58.24
Decrease / (increase) in other non current assets	36.67	-
Decrease / (increase) in other current assets	(160.36)	(31.25)
Decrease / (increase) in loans and advances	(3.34)	(1.17)
Increase / (decrease) in provisions	23.94	1.15
<b>Cash generated from / (used in) operations</b>	<b>71.81</b>	<b>(26.26)</b>
Direct taxes paid, net	29.49	58.24
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>42.32</b>	<b>(84.50)</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, plant & equipment (including capital work in progress and capital advances)	(60.35)	(40.52)
Proceeds from sale of PPE	0.07	
Purchase of non current investments	(29.14)	0.22
Purchase of current investments	(10.00)	
Increase in non controlling interest	0.88	(5.46)
Increase/(decrease) in foreign currency transition reserve	10.29	2.28
Proceeds from sale of current investments	0.02	79.62
(Increase)/decrease in other bank balances	(11.93)	4.46
Dividend received	-	0.08
Interest received	10.83	8.32
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(89.33)</b>	<b>49.00</b>
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	96.91	47.51
Repayment of long-term borrowings	(58.56)	-
Government subsidy received	3.00	
Increase/(decrease) of short-term borrowings, net	62.73	5.65
Lease liability	25.66	(16.12)
Interest paid	(28.28)	(16.86)
Dividends paid (including tax on dividend)	(31.59)	(18.10)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>69.87</b>	<b>2.08</b>
Net increase/(decrease) in cash and cash equivalents (A + B + C)	22.86	(33.42)
Cash and cash equivalents at the beginning of the year	6.90	40.32
<b>Cash and cash equivalents at the end of the year</b>	<b>29.76</b>	<b>6.90</b>
The Company has followed indirect cashflow method		

For and on behalf of Board of Directors  
ASM Technologies Limited

M R Vikram  
Chairman

Rabindra Srikantan  
Managing Director

M Lakshminarayan  
Director

Shekar Viswanathan  
Director

Ramesh Radhakrishnan  
Director

Preeti Rabindra  
Director

Narsingh Rathod  
Chief Financial Officer

Vanishree Kulkarni  
Company Secretary

Place: Bangalore  
Date: May 26, 2021

In Accordance with our Report Attached  
for BK Ramadhyani & Co. LLP  
Chartered Accountants  
Firm Registration No.: 0028785/ S200021  
CA. C R Deepak  
Partner  
Membership No.: 215398

## Consolidated Statement of Changes in Equity for the Year Ended March 31, 2021 (All amounts in Indian Rupees millions, except as otherwise stated)

### a. Equity Share Capital

Particulars	Equity Share Capital
<b>As at April 1, 2019</b>	50.00
Increase in share capital on issue	-
Effect of share based payments	-
<b>As at March 31, 2020</b>	<b>50.00</b>
Increase in share capital on issue	50.00
Effect of share based payments	-
<b>As at March 31, 2021</b>	<b>100.00</b>

### b. Other Equity

Particulars	Reserves & Surplus				Other Comprehensive Income		Sub Total	Non Controlling Interest	Total
	General Reserve	Security premium reserve	Capital Reserve	Retained earnings	Others	Foreign currency translation reserve			
<b>As at April 1, 2019</b>	110.00	33.00	0.33	373.72	1.45	(53.93)	464.57	8.91	<b>473.48</b>
Capital account including current account	-	-	-	-	-	-	-	-	-
Profit/(loss) for the year	-	-	-	12.43	-	-	12.43	(5.46)	<b>6.97</b>
Dividend declared during the year	-	-	-	(18.10)	-	-	(18.10)	-	<b>(18.10)</b>
Other Comprehensive income	-	-	-	-	(2.56)	-	(2.56)	-	<b>(2.56)</b>
Net changes during the year	-	-	-	-	-	(2.28)	(2.28)	-	<b>(2.28)</b>
<b>As at March 31, 2020</b>	<b>110.00</b>	<b>33.00</b>	<b>0.33</b>	<b>368.05</b>	<b>(1.11)</b>	<b>(56.21)</b>	<b>454.06</b>	<b>3.45</b>	<b>457.51</b>
Utilised during the year	-	-	-	-	-	<b>10.29</b>	10.29	-	<b>10.29</b>
Profit/(loss) for the year	-	-	-	85.07	(1.97)	-	83.10	0.88	<b>83.98</b>
Dividend declared during the year	(17.00)	(33.00)	-	(32.50)	-	-	(82.50)	-	<b>(82.50)</b>
Other Comprehensive income	-	-	-	-	-	-	-	-	-
Net changes during the year	-	-	2.74	0.49	-	(0.53)	<b>2.70</b>	-	<b>2.70</b>
<b>As at March 31, 2021</b>	<b>93.00</b>	<b>-</b>	<b>3.07</b>	<b>421.11</b>	<b>(3.08)</b>	<b>(46.45)</b>	<b>467.65</b>	<b>4.33</b>	<b>471.98</b>

### c. Nature and purpose of reserves:

#### i) General Reserve:

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. An amount of Rs. 17 million has been utilised for issue of bonus shares during the year 2020-21.

#### ii) Security Premium:

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013. The balance has been fully utilised for issue of bonus shares during the year 2020-21

#### iii) Capital Reserve:

Capital Reserve is created on forfeiture of equity shares issued by the Company and government subsidy on depreciable asset.

#### iv) Retained Earnings:

It comprises of the accumulated profits/(loss) of the Company.

For and on behalf of Board of Directors  
**ASM Technologies Limited**

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Managing Director

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Director

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Director

**Narsingh Rathod**  
Chief Financial Officer

**Vanishree Kulkarni**  
Company Secretary

Place: Bangalore  
Date: May 26, 2021

# Notes to Consolidated Financial Statements for the period ended March 31, 2021

## 1 CORPORATE INFORMATION:

ASM Technologies Limited along with its wholly-owned and controlled subsidiaries Advanced Synergic Pte Ltd, Singapore and Pinacle Talent Inc, USA and ESR Association Inc, USA wholly-owned and controlled subsidiaries of Advanced Synergic Pte Ltd, Singapore (collectively referred to as “Group”) is a pioneer in providing world class consulting services in areas of Engineering services and Product Engineering services with successful offshore development & support centres in India and overseas for its global clientele. The consolidated financial statements have been approved by the board of directors of the holding company on May 26, 2021.

## 2 SIGNIFICANT ACCOUNTING POLICIES:

### 2.1 Basis of Preparation:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (‘Ind AS’) notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. The financial statements of the Company are prepared and presented in accordance with Ind AS.

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

### 2.2 Summary of significant accounting policies:

#### a) *Use of Estimates:*

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

#### b) *Current versus non-current classification:*

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised 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.

A liability is treated as 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

All other liabilities are classified as non-current.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

**c) *Property, Plant & Equipment:***

Property, plant and equipment (“PPE”) are stated at the cost of acquisition less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. 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 of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of PPE as per Ind AS 16 are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of PPE and are recognized in the statement of profit and loss when the PPE is derecognized.

**d) *Depreciation:***

Depreciation is provided on straight-line method as per the rates specified in schedule II of the Companies Act, 2013 (“the Act”). Depreciation for the assets purchased/sold during the year is proportionately charged. The assets’ residual values and useful lives are reviewed at each financial year end or whenever there are indicators for revision, and adjusted prospectively.

**e) *Investment Properties:***

Investment property represents properties held for rental yields and/or for capital appreciation or both rather than for:

- (a) use in the production or supply of services or for administrative purposes; or
- (b) sale in the ordinary course of business.

Investment property is stated at the cost of acquisition less accumulated depreciation.

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 of the item can be measured reliably. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, which do not meet the definition of Investment Property as per Ind AS 40 are charged to the statement of profit and loss for the period during which such expenses are incurred.

**f) *Intangible Assets:***

Intangible assets acquired separately are measured on initial cost. Subsequently, carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software is amortised on a over a period of three years as estimated by the management.

Gains or losses arising from de-recognition of an intangible asset are measured as a difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when asset is derecognised.

**g) *Leases:***

Where Company is a Lessee:

The Company’s lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of

time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contact involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of lease
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

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

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

The borrowing rate applied to lease liabilities for discounting is **10.2%**

**(h) Employee benefits :**

- (i) Short term employee benefits :

The employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, leave travel allowance, short term compensated absences etc. and the expected cost of bonus are recognised in the period in which the employee renders the related service.

- (ii) Defined Benefit Plans :

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made

at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

**i) Revenue Recognition:**

The Company derives revenues primarily from IT related services. Effective April 01, 2018, the Company has adopted Ind AS 115, "Revenue from Contracts with Customers". Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in for those services.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

The Company recognised incentive from government in respect of Service Exports from India Scheme based on claim lodged by the Company.

**j) Taxation:**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled. Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the assets will fructify.

Deferred income tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

**k) Foreign Currency Transactions:**

*Functional Currency:*

The functional currency of the Company is the Indian rupee.

*Transactions and translations:*

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss.

**l) Provisions, Contingent liabilities and Contingent assets:**

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. 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 recognised as a finance cost.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A contingent asset is never recognised but only disclosed in the financial statements.

**m) Segment reporting policies:**

*Identification of segments:*

Operating Segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance in accordance with Ind AS 108, Operating Segments. Since CODM evaluates Company's performance at a geographic segment level, operating segment information is accordingly given at geographic level.

**n) Financial Instruments:**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at

fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

*i) Cash & Cash equivalents:*

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

*ii) Financial assets at amortized cost:*

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets 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.

*iii) Financial assets at fair value through other comprehensive income:*

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

*iv) Financial assets at fair value through profit or loss:*

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

*v) Financial liabilities:*

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For 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.

*vi) De-recognition of financial instruments:*

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

*vii) Fair value of financial instruments:*

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

viii) *Investments in subsidiary:*

Investments in subsidiary is carried at cost.

o) **Impairment:**

i) *Financial assets:*

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) *Non-financial assets:*

Tangible and Intangible assets: PPE, intangible assets and investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

p) **Cashflow Statement:**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

### 2.3 Significant accounting judgements, estimates and assumptions:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and 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.

a) *Judgements:*

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

(b) *Estimates and assumptions:*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

*Defined benefit plans - Gratuity*

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

**Notes to consolidated financial statements for the year ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**3.1 PROPERTY, PLANT AND EQUIPMENT**

	Land (freehold)	Building	Plant and Equipment	Electrical fittings	Furniture & fixtures	Office Equipment	Vehicles	Generator	Right of Use	Total
<b>Cost</b>										
As at April 1, 2019	20.51	11.76	35.26	2.85	8.51	4.47	6.48	0.56	-	90.40
Additions	-	4.64	25.73	-	2.67	2.62	0.58	-	31.63	67.87
Disposals	-	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2020</b>	<b>20.51</b>	<b>16.40</b>	<b>60.99</b>	<b>2.85</b>	<b>11.18</b>	<b>7.09</b>	<b>7.06</b>	<b>0.56</b>	<b>31.63</b>	<b>158.27</b>
Additions		0.58	13.48	0.75	0.16	1.49			33.75	50.21
Disposals						(0.09)				(0.09)
Other Adjustments			0.15	0.12		(0.72)				(0.45)
<b>At March 31, 2021</b>	<b>20.51</b>	<b>16.98</b>	<b>74.62</b>	<b>3.72</b>	<b>11.34</b>	<b>7.77</b>	<b>7.06</b>	<b>0.56</b>	<b>65.38</b>	<b>207.94</b>
<b>Depreciation/Amortisation</b>										
As at April 1, 2019	-	0.65	25.05	1.54	3.38	2.55	2.63	0.56	-	36.36
Charge for the year	-	0.72	5.94	0.35	1.50	1.51	0.94	-	15.98	26.94
Disposals										-
Other Adjustment										-
<b>At March 31, 2020</b>	<b>-</b>	<b>1.37</b>	<b>30.99</b>	<b>1.89</b>	<b>4.88</b>	<b>4.06</b>	<b>3.57</b>	<b>0.56</b>	<b>15.98</b>	<b>63.30</b>
Charge for the year		1.35	5.93	0.49	1.55	0.58	0.72	-	11.06	21.68
Disposals						(0.02)				(0.02)
Other Adjustment										-
<b>At March 31, 2021</b>	<b>-</b>	<b>2.72</b>	<b>36.92</b>	<b>2.38</b>	<b>6.43</b>	<b>4.62</b>	<b>4.29</b>	<b>0.56</b>	<b>27.04</b>	<b>84.96</b>
<b>Net Block</b>										
At March 31, 2020	20.51	15.03	30.00	0.96	6.30	3.03	3.49	-	15.65	94.97
At March 31, 2021	20.51	14.26	37.70	1.34	4.91	3.15	2.77	-	38.34	122.98

### 3.2 INTANGIBLES:

Particulars	Goodwill	Intellectual Property Rights	Software	Total
<b>Cost</b>				
<b>As at April 1, 2019</b>	34.09	25.07	-	59.16
Additions	-	-	-	-
Disposals	-	-	-	-
Other Adjustments	0.57	0.68	-	1.25
<b>At March 31, 2020</b>	<b>34.66</b>	<b>25.75</b>	<b>-</b>	<b>60.41</b>
Additions	-	-	1.15	1.15
Disposals	-	-	-	-
Other Adjustments	-	(0.41)	-	(0.41)
<b>At March 31, 2021</b>	<b>34.66</b>	<b>25.34</b>	<b>1.15</b>	<b>61.15</b>
<b>Depreciation/Amortisation</b>				
<b>At April 1, 2019</b>	2.94	2.23	-	5.17
Charge for the year	-	2.50	-	2.50
Disposals	-	-	-	-
<b>At March 31, 2020</b>	<b>2.94</b>	<b>4.73</b>	<b>-</b>	<b>7.67</b>
Charge for the year	11.37	2.49	0.15	14.01
Disposals	-	-	-	-
Other Adjustment	-	-	-	-
<b>At March 31, 2021</b>	<b>14.31</b>	<b>7.22</b>	<b>0.15</b>	<b>21.68</b>
<b>Net Block</b>				
<b>At March 31, 2020</b>	<b>31.72</b>	<b>21.02</b>	<b>-</b>	<b>52.74</b>
<b>At March 31, 2021</b>	<b>20.35</b>	<b>18.12</b>	<b>1.00</b>	<b>39.47</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**4. NON CURRENT FINANCIAL ASSETS:**

**Details of Investments**

Name of the Company	As at March 31, 2021		As at March 31, 2020	
	No of Shares	Rs. In million	No of Shares	Rs. In million
<b>(i) Non Current Investments:</b>				
<b>1) Investments In Equity Instruments</b>				
<b>A) Investments in equity instruments:</b>				
<b>- Unquoted carried at cost</b>				
Baro Vehicles Limited, UK (GBP 0.0001) each	13,376	3.47	13,376	6.34
<b>B) Investments in fair value through profit &amp; loss</b>				
<i>Investments in compulsory convertible preference shares (Unquoted)</i>				
Lavelle Networks Private Limited of Rs.10 each	3,202	45.52	3,202	30.53
Eclectic IQ Noth America INC (Poly Logyx LLC)		12.65	-	-
<b>C) Investments in fair value through Other Comprehensive Income</b>				
<b>- In Venture Capital Fund</b>				
i) Ideaspring Capital Future Now		17.99		14.81
		<b>79.63</b>		<b>51.68</b>
<b>Additional Information:</b>				
i) Aggregate amount of unquoted investments		79.63		51.68
<b>ii) Categorywise Non current investment:</b>				
Financial assets carried at amortised cost		-		-
Financial assets measured at fair value through Profit & Loss		61.64		30.53
Financial assets measured at fair value through Other Comprehensive Income		17.99		14.81
<b>Total non current investment</b>		<b>79.63</b>		<b>45.34</b>

Particulars	As at March 31, 2021	As at March 31, 2020
<b>ii) Loans (Unsecured and considered good)</b>		
Security Deposits	4.29	1.15
<b>Total</b>	<b>4.29</b>	<b>1.15</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**5. DEFERRED TAX**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>i) Deferred tax liability:</b>		
a) On account of depreciation on fixed assets	7.21	9.26
b) On account of timing differences in recognition of expenditure	0.04	0.12
c) On account of timing differences in recognition of value of investment	3.87	
<b>Total</b>	<b>7.25</b>	9.38
<b>ii) Deferred tax asset:</b>		
a) On account of depreciation on fixed assets	1.18	-
b) On account of timing differences in recognition of expenditure	42.43	33.59
b) On account of timing differences on Impact on Unabsorbed depreciation & brought forward losses	9.49	9.41
<b>Total</b>	<b>53.10</b>	43.00
Net Deferred tax (liability)/asset	<b>41.97</b>	<b>33.62</b>

**6. OTHER NON CURRENT ASSETS**

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Payment of tax (net of provision)	49.22	77.62
Export Incentive Receivable	11.11	11.11
Subsidy Receivable	-	0.65
Deferred Rent- Ind AS	0.83	36.85
	<b>61.16</b>	<b>126.23</b>

**7. INVENTORIES:**

Particulars	As at March 31, 2021	As at March 31, 2020
Work in progress	59.59	37.76
	-	-
	<b>59.59</b>	<b>37.76</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**8. FINANCIAL ASSETS:**

	As at March 31, 2021		As at March 31, 2020	
	No of Units	Rs. In million	No of Units	Rs. In million
<i>i) Investment - fair value through statement of Profit &amp; Loss</i>				
<i>Investments in Mutual Funds:</i>				
i) SBI Short Term Debt Fund	<b>12,70,580</b>	<b>31.79</b>	8,62,690	20.12
ii) SBI Corporate Bond Fund	<b>17,31,321</b>	<b>59.30</b>	17,31,321	54.89
iii) ICICI Prudential Value Discovery Fund	<b>8,349</b>	<b>0.08</b>	7,695	0.08
<i>Investments in Portfolio Management Services:</i>				
i) ASK PMS		-		0.10
<b>Total</b>		<b>91.18</b>		<b>75.19</b>
Aggregate Carrying value of quoted Investments		<b>91.18</b>		<b>75.19</b>
Aggregate Market value of quoted Investments		<b>91.18</b>		<b>75.19</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**Current Assets**

**8. FINANCIAL ASSETS**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>ii) Trade Receivables</b>		
- Outstanding for more than 6 months	22.30	17.33
- Others	283.34	197.95
	<b>305.64</b>	<b>215.28</b>
Less: Allowance for bad & doubtful trade receivables	4.36	3.60
	<b>301.28</b>	211.68
<i>Additional Information:</i>		
Unsecured considered good	301.28	211.68
Unsecured Considered Doubtful	4.36	3.60
	<b>305.64</b>	215.28
Less:- Provision for doubtful debt (includes Provision for expected credit losses)	4.36	3.60
<b>Total</b>	<b>301.28</b>	<b>211.68</b>
The above amount includes:		
- debts due by firms/private companies in which a director is a partner or a director or a member		-
<b>iii) Cash and Bank Balance</b>		
<b>a) Cash and cash equivalents:-</b>		
i) Balance with Banks	-	-
- On current accounts	30.26	6.81
ii) Cash on hand	0.03	0.09
	<b>30.29</b>	<b>6.90</b>
b) Other Bank Balance		
- In Unpaid Dividends	6.99	6.09
-in deposit whose maturity is more than 3 months	64.70	53.67
	<b>71.69</b>	<b>59.76</b>
<b>Total</b>	<b>101.98</b>	<b>66.66</b>
<u>Bank balance includes:</u>	-	
Earmarked balances with banks for loan taken by the Company	30.00	30.00
<b>iv) Loans (Unsecured, considered good)</b>		
Security Deposit	6.37	6.17
<b>Total</b>	<b>6.37</b>	<b>6.17</b>
<b>v) Other Financial Assets</b>		
Interest receivable on deposits	6.15	3.74
<b>Total</b>	<b>6.15</b>	<b>3.74</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**9. OTHER CURRENT ASSETS**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(i) Advances other than capital advances</b>		
(a) Security deposits	0.12	0.01
(b) Advance to supplier**	5.27	1.54
Less: Provision for doubtful advances	(0.29)	-
	<b>5.10</b>	<b>1.55</b>
- Advance to Employee	3.81	3.24
<b>(ii) Others</b>		
Advance Gratuity	-	1.41
Unbilled Revenue	200.81	48.26
Prepaid expenses	18.18	13.08
<b>Total</b>	<b>227.90</b>	<b>67.54</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**10. EQUITY SHARE CAPITAL (REFER STATEMENT OF CHANGES IN EQUITY)**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorised</b> 1,50,00,000 (As at March 31, 2020 70,00,000) Equity shares of Rs 10 each	<b>150.00</b>	70.00
<b>Issued, Subscribed &amp; Paid up</b> 1,00,00,000 (As at March 31, 2020 50,00,000) equity shares of Rs 10 each**	<b>100.00</b>	50.00
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>100.00</b>	<b>50.00</b>

\*\*During the year, the Company had issued bonus shares in the ratio of 1:1 (5 million shares) thereby increasing its paid up capital from Rs. 50 million to Rs. 100 million.

Particulars	As at March 31, 2021
No. of shares as at April 1, 2020	50
<b>Add : Fully paid up ordinary bonus shares of Rs.10 each</b>	50
<b>No. of shares as at March 31, 2021</b>	<b>100</b>

**(a) Rights, preferences and restrictions attached to shares**

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity is entitled to one vote per share.

**(b) Reconciliation of the shares outstanding at the beginning and at the end of the year**

Equity shares	As at March 31, 2021		As at March 31, 2020	
	Nos.	Rs. In million	Nos.	Rs. In million
At the beginning of the year	<b>50,00,000</b>	<b>50.00</b>	50,00,000	50.00
Add:-Issued during the year	<b>50,00,000</b>	<b>50.00</b>	-	-
<b>Outstanding at the end of the year</b>	<b>1,00,00,000</b>	<b>100.00</b>	<b>50,00,000</b>	<b>50.00</b>

**(c) Details of shareholders holding more than 5% shares in the Company**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos.	% holding in class	Nos.	% holding in class
R Rabindra	<b>42,07,354</b>	<b>42.07%</b>	21,03,677	42.07%
Kannan Sundar	<b>9,40,000</b>	<b>9.40%</b>	5,54,998	11.10%
R Preeti	<b>7,61,048</b>	<b>7.61%</b>	3,80,524	7.61%
IDS System Private limited	<b>6,77,004</b>	<b>6.77%</b>	3,38,502	6.77%
	<b>65,85,406</b>	<b>65.85%</b>	<b>33,77,701</b>	<b>67.55%</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**11. OTHER EQUITY**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>i) Capital reserve</b>		
Opening balance	0.33	0.3300
Add:- Addition during year	2.74	-
Less:- Utilized during year	-	-
	-	-
<b>Closing at end of year</b>	<b>3.07</b>	<b>0.3300</b>
<b>ii) Security Premium reserve</b>		
Opening Balance	33.00	33.0000
Add:-addition during year	-	-
Less:- Utilized during year	(33.00)	-
<b>Closing at the end of the year</b>	<b>-</b>	<b>33.0000</b>
<b>iii) Genral Reserve</b>		
Opening balance	110.00	110.0000
Add:- Addition during year	-	-
Less:- Utilized during year	(17.00)	-
<b>Closing at end of year</b>	<b>93.00</b>	<b>110.0000</b>
<b>iv) Other Comprehensive Income</b>		
<b>a) Foreign currency translation reserve</b>		
Opening balance	(56.21)	(53.9300)
Add:- Addition during year	10.29	(2.2800)
<b>Closing at end of year</b>	<b>(45.92)</b>	<b>(56.2100)</b>
<b>b) Other Items</b>		
Opening balance	(1.11)	1.4500
Add:- Addition during year	(1.97)	(2.5600)
<b>Closing at end of year</b>	<b>(3.08)</b>	<b>(1.1100)</b>
<b>v) Retained Earning</b>		
Opening balance	368.54	373.7200
Add:- Addition during year	85.07	12.4300
	<b>453.61</b>	<b>386.1500</b>
<b>Less:- Appropriations</b>		
Interim dividend on equity shares	20.00	-
Final dividend	12.50	15.0000
Tax on dividend	-	3.1000
	<b>32.50</b>	<b>18.1000</b>
<b>Total</b>	<b>421.11</b>	<b>368.0500</b>
<b>Closing at end of year</b>	<b>468.18</b>	<b>454.0600</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**Non current liabilities and provisions:-**

**12. FINANCIAL LIABILITIES:-**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Borrowings:-</b>		
<b>Secured</b>		
From Banks	<b>96.91</b>	58.05
From others	-	0.51
<b>Less: Current Maturities</b>		
From Banks	<b>(18.98)</b>	(10.05)
From others	-	(0.51)
<b>Total</b>	<b>77.93</b>	<b>48.00</b>
<b>Additional Information:-</b>		
<b>1)Details Of Security for secured loan:-</b>		
<b>From others:-</b>		
Term Loan From others which was secured by hypothecation charge on BMW Car ,which carried an interest rate of 8.99 % per annum and was repayable in 36 Equated Monthly Installment of Rs.0.11 million per month, has been squared off in Oct 2020 month.	-	<b>0.51</b>
<b>From Bank:-</b>		
Term Loan from HSBC Bank is secured against charge created on the Land and Building situated at No 80/2, Lusanne Court, Wellington street, Bangalore,560025 and the facility is guaranteed by Mr. Rabindra Srikantan (Managing Director) of the Company. (As at March 31, 2020 : Term Loan from HSBC bank was secured against charge created on the Land and Building situated at No 80/2, Lusanne Court, Wellington street, Bangalore,560025 and facility is guaranteed by Mr. Rabindra Srikantan (Managing Director) of the Company.)	<b>96.91</b>	<b>58.05</b>
Term Loans carries interest rate of 3M T bill plus 420 bps which is presently 7.40% per annum (As at March 31, 2020: (I-MCLR-6M + 1.4%) which is 7.4% per annum at the time of Disbursal) and principal repayable in 60 & 66 equal installments of Rs. 0.98 million & Rs.0.602 million per month respectively (As at March 31, 2020: repayable in 72 equal installments of Rs. 0.8375 Million per month)		

**13. PROVISIONS**

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity	<b>4.14</b>	2.64
Provision Leave Encashment	<b>8.92</b>	-
<b>Total</b>	<b>13.06</b>	<b>2.64</b>

**14. OTHER NON-CURRENT LIABILITIES**

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposit	<b>0.56</b>	0.67
Lease Liability	<b>32.69</b>	10.64
<b>Total</b>	<b>33.25</b>	<b>11.31</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**Current liabilities and provisions:-**

**15. FINANCIAL LIABILITIES:-**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>i) Borrowings</b>		
<b>Secured loans:</b>		
Loans repayable on demand		
- from banks	213.75	151.02
<b>Unsecured Loans:</b>		
- from others	-	-
<b>Total</b>	<b>213.75</b>	<b>151.02</b>

**a Details of security for secured loans from banks:**

- |     |   |        |        |
|-----|---|--------|--------|
| i)  | Hypothecation charge on Receivables and other current assets of the company, further lien on 17,31,321 units of SBI mutual Fund scheme "SBI Corporate bond fund -regular plan growth" and 12,70,580 units of SBI mutual fund scheme "SBI short term debt fund regular plan growth and secured by personal guarantee of Managing Director. | 213.75 | 151.02 |
| ii) | Lien on fixed deposits of the Company and charge on 17,31,321 units of SBI mutual Fund scheme "SBI Corporate bond fund -regular plan growth" and 12,70,580 units of SBI mutual fund scheme "SBI short term debt fund regular plan growth and secured by personal guarantee of Managing Director.  |        |        |

**b Interest rate:-**

**I Secured loans from banks:**

- i) Cash credit facility from state Bank of India repayable on demand and carries an interest rate of MCLR + 2%

**ii) Trade Payables:-**

Particulars	As at March 31, 2021	As at March 31, 2020
i) Due from Micro small and medium enterprise ( Refer note 29)	-	-
ii) Others	110.73	36.01
<b>Total</b>	<b>110.73</b>	<b>36.01</b>

**iii) Other Financial Liability**

Particulars	As at March 31, 2021	As at March 31, 2020
i) Current maturity of long term debt	18.98	10.56
ii) Interest Accrued but not due	0.04	-
iii) unclaimed dividend	6.99	6.08
<b>Total</b>	<b>26.01</b>	<b>16.64</b>

**16. OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
i) Statutory dues	<b>39.53</b>	21.62
ii) Employee Benefit Expenses	<b>19.63</b>	4.14
iii) Accrued Expenses	-	-
iv) Advances from Customer	<b>0.87</b>	10.90
v) Other liabilities	<b>22.20</b>	16.07
vi) Lease liability	<b>9.90</b>	6.29
<b>Total</b>	<b>92.13</b>	<b>59.02</b>

**17. PROVISION :**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
i) Gratuity	<b>14.97</b>	-
ii) Tax	<b>2.56</b>	-
<b>Total</b>	<b>17.53</b>	-

**Notes to consolidated financial statements for the year ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**18. REVENUE FROM OPERATIONS**

Particulars	Current Year	Previous Year
Sale of services	1,283.13	842.02
Sale of goods	90.75	78.11
<b>Total</b>	<b>1,373.88</b>	<b>920.13</b>

**18.1. DISAGGREGATED REVENUE INFORMATION:**

Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of services:

Revenue from contracts with customers	Current Year	Previous Year
<b>Geographical location</b>		
- <i>Sale of services</i>		
- In India	887.03	778.52
- In Outside India	395.68	78.84
- <i>Sale of goods</i>		
- In India	23.46	15.34
- In Outside India	67.71	62.77
	<b>91.17</b>	<b>78.11</b>

**18.2. CONTRACT BALANCES:**

Contract assets:	Current Year	Previous Year
Trade Receivables	301.28	211.68
Unbilled Revenue	200.81	48.26
	<b>502.09</b>	<b>259.94</b>
<b>Contract liabilities</b>		
Advance from customers	0.87	10.90

Trade receivables are generally on credit terms as agreed with respective customers.

Unbilled revenue is recognised on completion of performance obligation pending generation of Invoice.

**19. OTHER INCOME**

Particulars	Current Year	Previous Year
a) Interest on bank deposits	13.24	8.32
b) Dividend income	0.01	0.08
c) Gain or loss on mutual fund	6.09	13.97
d) Miscellaneous income	13.20	2.16
e) Exchange fluctuation gain	-	16.77
<b>Total</b>	<b>32.54</b>	<b>41.30</b>

**20. COST OF RAW MATERIALS, COMPONENTS AND STORES CONSUMED**  
**DETAILS OF RAW MATERIALS, COMPONENTS AND STORES CONSUMED**

Particulars	Current Year	Previous Year
Consumption of raw materials	55.31	41.75
<b>Total</b>	<b>55.31</b>	<b>41.75</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**21. (INCREASE)/ DECREASE IN INVENTORIES OF STOCK OF FLATS, LAND STOCK AND WORK-IN-PROGRESS**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Inventories at the end of the year		
Inventory of	<b>59.59</b>	37.76
<b>Total</b>	<b>59.59</b>	<b>37.76</b>
Inventories at the beginning of the year		-
Inventory of	<b>37.76</b>	24.85
<b>Total</b>	<b>37.76</b>	<b>24.85</b>
<b>(Increase)/ Decrease</b>	<b>(21.83)</b>	<b>(12.91)</b>

**22. EMPLOYEE BENEFIT EXPENSES**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
a) Salaries and wages	<b>827.50</b>	594.40
b) Contribution to:		
-Provident fund	<b>40.17</b>	30.51
-ESI	<b>0.21</b>	0.39
c) Gratuity (refer note 26)	<b>9.89</b>	5.42
d) Leave Encashment	<b>5.28</b>	-
e) Staff welfare expenses	<b>11.66</b>	10.88
<b>Total</b>	<b>894.71</b>	<b>641.60</b>

**23. FINANCE COST**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
a) Interest on bank borrowing	<b>1.34</b>	0.75
b) Other interest	<b>26.98</b>	16.10
<b>Total</b>	<b>28.32</b>	<b>16.85</b>

**24. DEPRECIATION AND AMORTIZATION EXPENSE**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
a) Depreciation on assets	<b>21.68</b>	26.95
b) Amortisation	<b>14.01</b>	2.50
<b>Total</b>	<b>35.69</b>	<b>29.45</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**25. OTHER EXPENSES**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
a) Travelling and conveyance expenses	<b>15.54</b>	62.81
b) Services rendered by business associates and others	<b>42.05</b>	66.06
c) Software, hardware and material costs	<b>56.69</b>	12.45
d) Communication expenses	<b>9.60</b>	4.52
e) Payment to Auditor (refer note below)	<b>3.22</b>	2.23
f) Legal and Professional fees	<b>69.58</b>	2.81
g) Sitting fees paid to directors	<b>0.48</b>	0.38
h) Rent	<b>15.62</b>	6.03
i) Repair and Maintenance	<b>2.34</b>	4.86
j) Exchange fluctuation Gain/loss	<b>8.51</b>	-
k) Allowance for bad debt	<b>0.75</b>	0.45
l) Contract Labour Charges	-	7.69
m) Electricity Expenses	<b>4.41</b>	4.16
n) Advertisement and Business Promotions	<b>9.61</b>	22.99
o) Insurance charges	<b>6.19</b>	4.74
p) Membership & subscription	<b>7.47</b>	5.89
q) Office Maintenance	<b>11.90</b>	5.65
r) Printing & stationary	<b>0.92</b>	0.60
s) Rates & Taxes	<b>1.49</b>	1.01
t) CSR Expenses	<b>0.30</b>	2.50
u) Miscellaneous Expenses	<b>6.05</b>	8.21
v) Diminution in value of investment	<b>3.65</b>	-
w) Allowance for doubtful advances	<b>0.29</b>	-
x) Loss on sale of investments		
y) Loss on sale of investments	<b>0.08</b>	-
<b>Total</b>	<b>276.74</b>	<b>226.04</b>
<b>Payments to Auditor</b>		
Audit fee	<b>2.82</b>	1.83
Tax audit fee	<b>0.40</b>	0.40
Reimbursement of expenses	-	-

**26. EARNING PER SHARE**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Profit/(Loss) for the year	<b>86.01</b>	6.97
Weighted average number of Equity shares	<b>1,00,00,000</b>	1,00,00,000
Earning per share basic and diluted (in INR)	<b>8.60</b>	<b>0.70</b>
Face value per equity share (in INR)	<b>10.00</b>	10.00

**Notes to consolidated financial statements for the year ended March 31, 2021**  
**(All amounts in Indian Rupees millions, except as otherwise stated)**

**27. (I) GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS**

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity of 15 days salary (last drawn salary) for each completed year of service. The scheme is not funded.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan:

**Statement of Profit and Loss**

**Net employee benefit expenses recognised in the employee cost:**

Particulars	As at March 31, 2021	As at March 31, 2020
Current service cost	8.58	5.13
Past service cost	-	-
Interest cost	3.20	(0.41)
<b>Net benefit expense</b>	<b>11.78</b>	<b>4.72</b>

**Changes in the fair value of defined benefit obligation are as follows:**

Particulars	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	46.08	33.33
Current service cost	8.58	5.13
Past service cost	-	-
Interest cost	2.34	2.29
Liability transferred out/divestments	-	-
Benefits paid directly by employer	(1.33)	-
Benefits paid directly from fund	(2.33)	(6.54)
<u>Remeasurements</u>	-	-
Actuarial loss/(gain) from changes in demographic assumptions	(1.06)	-
Actuarial loss/(gain) from changes in financial assumptions	0.77	1.54
Actuarial loss/(gain) from experience over the past period	0.82	1.17
<b>Closing defined benefit obligation</b>	<b>53.86</b>	<b>36.92</b>

**Changes in the fair value of assets are as follows:**

Particulars	As at March 31, 2021	As at March 31, 2020
Fair value as at the beginning of the year	35.65	39.55
Interest Income	1.99	-
Expected return on plan assets	(1.26)	-
Actuarial gains	-	0.02
Contributions	0.69	2.70
Benefits paid	(2.33)	(6.54)
<b>Closing fair value of asset</b>	<b>34.75</b>	<b>35.73</b>

The amounts recognized in the Balance Sheet are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of the obligation as at the end of the year	53.86	36.92
Fair value of plan assets as at the end of the year	(34.75)	(35.73)
<b>Net liability/ (asset) recognized in the Balance Sheet</b>	<b>19.11</b>	<b>1.19</b>

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate	5.45%	7.18%
Employee turnover	25.00%	25.00%
Salary escalation rate	8.50%	8.50%
Salary escalation rate	Indian Assured Lives Mortality (2006-08)	

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market is for the holding company.

#### Sensitivity Analysis of significant actuarial assumptions

Particulars		Change in DBO by	
		As at March 31, 2021	As at March 31, 2020
Discount rate	Increases 0.5%	(1.46)	(0.90)
	Decreases 0.5%	1.60	0.98
Employee turnover	Increases 0.5%	0.04	(0.17)
	Decreases 0.5%	(0.01)	0.18
Salary escalation rate	Increases 0.5%	1.12	0.92
	Decreases 0.5%	(1.03)	(0.86)

#### Description of funding arrangements and funding policy that affect future contributions

The plan is unfunded and the status is unlikely to change over the next few years.

#### Maturity profile

Projected Benefits Payable in Future Years From the Date of Reporting	As at March 31, 2021	As at March 31, 2020
1st following year	10.98	8.19
2nd following year	7.27	4.76
3rd following year	7.27	4.59
4th following year	6.88	4.82
5th following year	6.16	4.30
Sum of years 6 to 10	17.57	12.31

### Defined contribution plan

The Company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs.40.17 million (Previous Year: Rs.30.51 million)

<i>Other Information</i>	As at March 31, 2021	As at March 31, 2020
Weighted average duration of the projected benefit obligation	4.00	4.00
Average expected future service	3.00	3.00

### (ii) Leave encashment:-

An actuarial valuation of leave benefits is carried out by an independent actuary. Based on that, the Company is carrying a liability of Rs 8.92 millions.

The principal assumptions used in determining post-employment benefit obligations for the company's plans are shown below:

Particulars	In the books of R V Forms & Gears LLP As at March 31, 2021	In the books of ASM Digital Engineering Pvt Ltd As at March 31, 2021
Salary Escalation rate	7.00% p.a.	8.5% p.a.
Discount rate	6.80% p.a.	5.18% p.a.
Attrition rate	5.00% p.a.	25.00% p.a.

## 28. LEASES

(i) The following is the movement of lease liabilities during the year ended March 31, 2021

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	48.56	
On account of implementation of Ind AS 116	-	31.63
Additional lease liability during the year	5.58	31.63
Finance cost accrued during the year	4.55	2.73
Payment of lease liabilities	16.10	17.43
<b>Balance at the end of the year</b>	<b>42.59</b>	<b>48.56</b>

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(ii) Details regarding the contractual maturities of lease liabilities as at March 31, 2021 on undiscounted basis:

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	9.90	6.29
One to five years	30.77	10.64
More than five years	1.28	-
<b>Total</b>	<b>41.95</b>	<b>16.93</b>

## 29. CORPORATE SOCIAL RESPONSIBILITY:

As per Section 135 of the Act, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, promote rural and nationally recognised sports, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Act.

	<b>Current Year</b>	<b>Previous Year</b>
(a) Gross amount required to be spent by the Company during the year	<b>1.22</b>	1.76
(b) Amount spent during the year	<b>0.30</b>	2.50
(c) (Excess)/lower amount spent (a) - (b)	<b>0.92</b>	<b>(0.74)</b>

**Notes to consolidated financial statements for the year ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**30. RELATED PARTY DISCLOSURES**

<b>i) Names of related parties and related party relationship</b>	
<b>Name of entity</b>	<b>Relationship</b>
IDS Systems LLP	Associate Company
Rabindra Srikantan M R Vikram Ramesh Radhakrishnan Shekar Viswanathan Preeti Rabindra M Lakshminarayan	Directors
N Krishnan Narsingh Rathod Pramod G Rao Vanishree Kulkarni Srinivasa Murthy Seshadri	Key Managerial Personnel (“KMP”)
Akhil Rabindra Nikhil Rabindra	Relatives of Director

**ii) Related party transactions**

The following table provides the closing balances of related parties as at the relevant financial year-end:

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
<b>Amount due to Company</b>		
IDS Systems LLP	<b>11.35</b>	11.85

<b>iii) Key Managerial Personnel</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>Current Year</b>	<b>Previous Year</b>
M R Vikram	Chairman	Sitting fees & reimbursement of expenses	<b>1.32</b>	1.31
Rabindra Srikantan	Managing Director	Remuneration	<b>21.18</b>	12.33
Ramesh Radhakrishnan	Director	Sitting fees & Commission	<b>0.07</b>	-
Prof. B S Sonde	Director	Sitting fees & Commission	-	0.05
Shekar Viswanathan	Director	Sitting fees & Commission	<b>0.10</b>	0.08
M Lakshminarayan	Director	Sitting fees & Commission	<b>0.11</b>	0.07
Preeti R	Director	Sitting fees & Commission	<b>0.09</b>	0.08
Nikhil Rabindra	Relative of Director	Consultation fees	<b>1.39</b>	-
Akhil Rabindra	Relative of Director	Remuneration	<b>2.23</b>	1.09
Narsingh Rathod	Chief Financial Officer	Remuneration	<b>0.28</b>	0.25
P N Lakshmi (up to Aug-19)	Company Secretary	Remuneration	-	0.48
Vanishree Kulkarni (From Sep-19)	Company Secretary	Remuneration	<b>1.05</b>	0.75
N Krishnan	KMP	Remuneration	<b>11.22</b>	7.79
Srinivasa Murthy Seshadri	KMP	Remuneration	<b>4.95</b>	4.53
Pramod G Rao	KMP	Remuneration	<b>10.06</b>	1.66
<b>Amount due to Company:</b>				
Rabindra Srikantan	Managing Director		<b>0.54</b>	0.04

### Compensation of key managerial personnel

Particulars	Current Year	Previous Year
Short-term employee benefits	21.46	12.63
Post employment benefit*	-	0.43

\*The remuneration to the key managerial personnel does not include the provisions made the gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

### Terms and conditions of transactions with related parties

The sales of services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

## Notes to consolidated financial statements for the year ended March 31, 2021 (All amounts in Indian Rupees millions, except as otherwise stated)

### 31. CAPITAL AND OTHER COMMITMENTS

Company has committed to contribute Rs.30 million to a venture capital fund out of which Rs.24 has been paid so far. Amount of such capital commitment outstanding as at March 31, 2021 is Rs.6 million (As at March 31, 2020: Rs. 12 million)

### 32. CONTINGENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Service tax claim(company filed appeal against the order)	41.85	41.85
Showcause notice received from service tax authorities	182.28	182.28
Income tax under appeal of which the Company has paid an amount of Rs.22.73 million under protest	58.44	58.44
Income tax deducted at source demand under the traces software for short and non remittances of tax deduction at source – matter under examination.	5.21	1.94

**33** Based on the information available with the Company, there are no vendors who are registered as Micro and Small Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) as at March 31, 2021 which has been relied by the auditors.

### 34. SEGMENT REPORTING

The Company believes that assets and liabilities used in the business are not identified to any of the reportable segments, as these are used interchangeably between segments. Accordingly the same has not been provided

Particulars	Current Year			Previous Year		
	Exports	Domestic	Manufacturing	Exports	Domestic	Manufacturing
Segment Revenue	910.49	395.68	67.71	745.29	112.07	62.77
Segment Expenses	591.80	287.24	54.76	539.36	86.59	50.05
Segment Results	318.69	108.44	12.95	205.93	25.48	12.72

#### Significant Clients

The Company's 82% of revenue is derived from nine customers (Previous year: 90% of revenue from three customers).

#### Product-wise Information

Company provides single service and hence no product-wise information is necessary to be given.

## Notes to consolidated financial statements for the year ended March 31, 2021 (All amounts in Indian Rupees millions, except as otherwise stated)

### 35. INCOME TAXES

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

<b>Statement of profit and loss:</b>		
<b>Profit or loss section</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Current income tax:</b>		
Income tax	<b>54.42</b>	5.83
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	<b>(2.95)</b>	5.85
<b>Income tax expense reported in the statement of profit or loss</b>	<b>51.47</b>	<b>11.68</b>
<b>OCI section</b>		
Deferred tax related to items recognised in OCI during the year:	<b>0.30</b>	0.34
<b>Income tax charged to OCI</b>		
	<b>0.30</b>	<b>0.34</b>

### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Accounting profit before income tax	<b>137.48</b>	18.65
Less: Profit/(Loss) from foreign subsidiaries	<b>(21.73)</b>	-
Accounting profit before income tax of holding company and indian subsidiaries	<b>115.75</b>	18.65
Enacted income tax rate in India	<b>25.17%</b>	25.17%
Tax at the applicable tax rate of 25.17 % (March 31, 2020: 25.17%)	<b>29.13</b>	4.69
<i>Non-deductible expenses for tax purposes:</i>		
Inadmissible expenses	<b>13.72</b>	4.73
Temporary differences not considered for current tax calculation (net of amounts recognised in other comprehensive income)	<b>2.98</b>	(8.33)
Provision for tax relating to prior years	<b>7.64</b>	-
Others		-
Provision for tax of foreign entities	<b>0.95</b>	-
<b>At the effective income tax rate of 25.168% (March 31, 2020: 25.168%) - Income tax expense recorded in the books</b>	<b>54.42</b>	<b>1.09</b>

### Reconciliation of deferred tax expense(income) recognised in Statement of profit and loss and Other comprehensive income:

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Property, Plant and Equipment and Intangible assets	<b>0.48</b>	(4.28)
Fair valuation adjustments of financial instruments	-	0.02
Provision for impairment of financial assets	-	0.78
Provision for employee benefits allowable under Income Tax on payment basis	-	7.54
Ind AS adjustment for borrowing cost	<b>(0.08)</b>	(0.11)
Ind AS adjustment on Mark to Market of Investment	<b>1.88</b>	(0.28)
<b>Total</b>	<b>2.28</b>	<b>3.67</b>

The tax rates under Indian Income Tax Act, for the year ended March 31, 2021 and March 31, 2020 is 25.168% and 25.168% respectively

## Notes to consolidated financial statements for the year ended March 31, 2021 (All amounts in Indian Rupees millions, except as otherwise stated)

### 36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations to support its operations. The Company's principal financial assets include trade and other receivables, rental and bank deposits and cash and cash equivalents, that derive directly from its operations.

The Company is exposed to credit and liquidity risk. The Company's senior management oversees the management of these risks and the Board of Director's reviews these activities.

#### i. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument would fluctuate due to changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include trade payables. The Company is not exposed to price risk on the financial date.

The sensitivity analysis in the following sections relate to the positions as at March 31, 2021 and March 31, 2020.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption has been made in calculating sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

#### a. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The operations of the Company are both in India and overseas. Company has been providing services to overseas customers. Hence, the Company is currently exposed to the currency risk arising from fluctuation of these foreign currencies and Indian rupee exchange rates.

The following table presents foreign currency risk for the below financial liabilities:

As at March 31, 2021 Particulars	Transaction currency	
	USD (\$)	Total
<b>Assets:</b>		
Trade receivables	60.09	60.09
<b>Total</b>	<b>60.09</b>	<b>60.09</b>

As at March 31, 2020 Particulars	Transaction currency	
	USD (\$)	Total
<b>Assets:</b>		
Trade receivables	177.62	177.62
<b>Total</b>	<b>177.62</b>	<b>177.62</b>

### Foreign currency sensitivity

Particulars	Change in USD rates	Effect on profit before tax (Decrease)/Increase	Effect on pre-tax equity (Decrease)/Increase
March 31, 2021	1%	0.60	0.60
	-1%	(0.60)	(0.60)
March 31, 2020	1%	1.78	1.78
	-1%	(1.78)	(1.78)

#### ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). At the end of every financial year, the Company makes an assessment whether any loss allowance has to be provided for using the lifetime Expected Credit Loss (ECL) method.

#### iii. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's board of directors are responsible for liquidity, funding as well as settlement management.

The table below provides details regarding the contractual maturities of significant financial liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
	Less than 1 year	Less than 1 year
Borrowings	213.75	151.02
Trade payables	110.75	36.01
Other financial liabilities	26.01	16.65
<b>Total</b>	<b>350.50</b>	<b>203.67</b>

## 37 FINANCIAL INSTRUMENTS

The carrying value of financial instruments by categories as at March 31, 2021 and March 31, 2020 is as follows:

#### Financial Assets

Particulars	Carrying value as at		Fair value as at	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Cost</b>				
Investments in subsidiaries		-		-
<b>Amortised Cost</b>				
Loans	10.66	7.32	10.66	7.32
Trade receivables	301.28	211.68	301.28	211.68
Cash and cash equivalents	101.98	66.66	101.98	66.66
Other assets	6.15	3.74	6.15	3.74
<b>Fair value through Profit and Loss</b>				
Investments	91.18	75.19	91.18	75.19
<b>Fair value through Other Comprehensive Income</b>				
Investments	79.63	51.68	79.63	51.68
<b>Total Assets</b>	<b>590.88</b>	<b>416.27</b>	<b>590.88</b>	<b>416.27</b>

## Financial Liabilities

Particulars	Carrying value as at		Fair value as at	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Amortised Cost</b>				
Loans and borrowings	291.68	199.02	291.68	199.02
Trade payables	110.73	36.01	110.73	36.01
Other liabilities	26.01	16.64	26.01	16.64
<b>Fair value through Profit and Loss</b>				
<b>Total Liabilities</b>	<b>428.42</b>	<b>251.66</b>	<b>428.42</b>	<b>251.66</b>

## Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities as at March 31, 2021:

Particulars	As at March 31, 2021	Fair value measurement at end of reporting year		
		Level 1	Level 2	Level 3
Loans: Security deposits (at amortised cost)	10.66	-	-	10.66
Investments (at fair value)	170.81	91.18	79.63	-

The following table presents fair value hierarchy of assets and liabilities as at March 31, 2020:

Particulars	As at March 31, 2020	Fair value measurement at end of reporting year		
		Level 1	Level 2	Level 3
Loans: Security deposits (at amortised cost)	7.32	-	-	7.32
Investments (at fair value)	126.87	75.19	51.68	-

## 38 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders and long-term and short-term borrowings. The primary objective of the Company's capital management is to maximise the shareholder's value.

The capital structure is as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount	Percentage of total capital	Amount	Percentage of total capital
Total equity attributable to the equity share holders of the Company	467.65	61.59%	454.06	69.53%
Non-current Borrowings	77.93	10.26%	48.00	7.35%
Short-term borrowings	213.75	28.15%	151.02	23.12%
<b>Total</b>	<b>759.33</b>		<b>653.08</b>	

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with current financial assets which is predominantly receivables.

### 39 EVENTS OCCURRING AFTER BALANCE SHEET DATE:

The Board of directors of the Company have proposed final dividend of Rs. 3 per equity share of Rs.10/- fully paid up for the year ended March 31, 2021.

- 40 The Company is in the process of making up to date documentation in pursuance of the Transfer Pricing study relating to international transaction with Associated Enterprises for the year as required under the Income-tax Act, 1961. According to the Company and based on the advice of its counsel the Company believes that the profit margins are comparable to available market data and consequently no adjustments are required to these financial statements in respect of the same notwithstanding the draft assessment order referred above.

### 41 IMPACT OF COVID 19:-

The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the company. The company has internally performed sensitivity analysis on the assumptions used and based on the current estimates, the company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2021, are fully recoverable. The management has also estimated the future cashflows for the company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from the estimated as at the date of approval of these financial statements.

- 42 Previous year figures have been regrouped/ recasted wherever necessary to conform with current year figures.

For and on behalf of Board of Directors  
ASM Technologies Limited

In Accordance with our Report Attached  
for **BK Ramadhyani & Co. LLP**  
Chartered Accountants  
Firm Registration No.: 0028785/ S200021

<b>M R Vikram</b> Chairman	<b>Rabindra Srikantan</b> Managing Director	<b>M Lakshminarayan</b> Director	<b>Shekar Viswanathan</b> Director	<b>CA. C R Deepak</b> Partner Membership No.: 215398
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<b>Ramesh Radhakrishnan</b> Director	<b>Preeti Rabindra</b> Director	<b>Narsingh Rathod</b> Chief Financial Officer	<b>Vanishree Kulkarni</b> Company Secretary
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Place: Bangalore  
Date: May 26, 2021

**Notes to consolidated financial statements for the year ended March 31, 2021**  
(All amounts in Indian Rupees millions, except as otherwise stated)

**43. Statutory Group Information**

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Rs. In million	As % of consolidated Profit & Loss	Rs. In million	As % of consolidated OCI	Rs. In million	As % of consolidated Total Comprehensive Income	Rs. In million
<b>Parent</b>								
ASM Technologies Limited								
Balance as at 31 March, 2021	<b>119.38%</b>	<b>683.47</b>	<b>117.78%</b>	<b>01.30</b>	<b>100.00%</b>	<b>8.32</b>	<b>116.21%</b>	<b>109.62</b>
Balance as at 31 March, 2020	133.44%	677.23	221.95%	15.47	100.00%	(4.84)	499.06%	10.63
<b>Subsidiaries</b>								
1 Pinnacle Talent Inc								
Balance as at 31 March, 2021	<b>-11.62%</b>	<b>(66.51)</b>	<b>-1.79%</b>	<b>(1.54)</b>	<b>0.00%</b>	<b>0.00</b>	<b>-1.63%</b>	<b>(1.54)</b>
Balance as at 31 March, 2020	-13.13%	(66.62)	-45.19%	(3.15)	0.00%	0.00	-147.89%	(3.15)
2 Advanced Synergic Pte Ltd, Singapore								
Balance as at 31 March, 2021	<b>-22.45%</b>	<b>(128.54)</b>	<b>-5.12%</b>	<b>(4.40)</b>	<b>0.00%</b>		<b>-4.66%</b>	<b>(4.40)</b>
Balance as at 31 March, 2020	-24.49%	(124.28)	48.92%	3.41	0.00%	0.00	160.09%	3.41
3 R V Forms & Gears LLP								
Balance as at 31 March, 2021	<b>3.34%</b>	<b>19.14</b>	<b>4.09%</b>	<b>3.52</b>	<b>-7.09%</b>	<b>(0.59)</b>	<b>3.11%</b>	<b>2.93</b>
Balance as at 31 March, 2020	1.97%	10.00	24.82%	1.73	0.00%	0.00	81.22%	1.73
4 ESR Associates Inc., USA								
Balance as at 31 March, 2021	<b>-0.71%</b>	<b>(4.08)</b>	<b>-13.25%</b>	<b>(11.40)</b>	<b>0.00%</b>		<b>-12.09%</b>	<b>(11.40)</b>
Balance as at 31 March, 2020	1.27%	6.47	-6.89%	(0.48)	0.00%	0.00	-22.54%	(0.48)
5 ASM Technologies KK, Japan								
Balance as at 31 March, 2021	<b>-1.88%</b>	<b>(10.77)</b>	<b>5.52%</b>	<b>4.75</b>	<b>0.00%</b>		<b>5.04%</b>	<b>4.75</b>
Balance as at 31 March, 2020	0.26%	1.26	-65.28%	(4.55)	0.00%	0.00	-213.62%	(4.55)
6 ASM Digital Engineering Pvt. Ltd								
Balance as at 31 March, 2021	<b>13.18%</b>	<b>75.47</b>	<b>-8.25%</b>	<b>(7.10)</b>	<b>9.25%</b>	<b>0.77</b>	<b>-6.71%</b>	<b>(6.33)</b>
Balance as at 31 March, 2020	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
<b>Non-controlling interests in all subsidiaries</b>								
Balance as at 31 March, 2021	<b>0.76%</b>	<b>4.33</b>	<b>1.02%</b>	<b>0.88</b>	<b>-2.16%</b>	<b>(0.18)</b>	<b>0.74%</b>	<b>0.70</b>
Balance as at 31 March, 2020	0.68%	3.45	-78.34%	(5.46)	0.00%		-256.34%	(5.46)
<b>Total</b>								
<b>Balance as at 31 March, 2021</b>	<b>100.00%</b>	<b>572.51</b>	<b>100.00%</b>	<b>86.01</b>	<b>100.00%</b>	<b>8.32</b>	<b>100.00%</b>	<b>94.33</b>
<b>Balance as at 31 March, 2020</b>	100.00%	507.51	100.00%	6.97	100.00%	(4.84)	100.00%	2.13

## Notes

## NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Company will be held on Thursday , 8<sup>th</sup> of July, 2021 at 10.00 a.m. IST through Video Conferencing/ Other Audio Visual Means (VC/OAVM) to transact the following businesses.

### ORDINARY BUSINESSES:

1. Adoption of Accounts

To receive, consider and adopt the audited financial statements (standalone and consolidated) of the company for the year ended March 31, 2021 including the audited Balance Sheet as at March 31, 2021, the Statement of Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

2. Declaration of Dividend

To declare a final dividend of Rs.3.00 per equity share for the year ended 31st March, 2021.

3. Appointment of Director

To appoint a Director in the place of Mr. Ramesh Radhakrishnan (DIN 02608916) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESSES

4. To Re-appoint Mr. Rabindra Srikantan (DIN: 00024584) as Managing Director for a period of 5 (Five) years w.e.f. 09.11.2020 and approve of remuneration

To consider and if thought fit, pass with or without modification(s), following resolution as a **“Special Resolution”**:

**“RESOLVED THAT**, in accordance with the provisions of Sections 196, 197,198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and any applicable Regulations , approval of the members be and is hereby accorded to reappoint Mr. Rabindra Srikantan (DIN: 00024584) as the Managing Director of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from November 09, 2020 on the terms and conditions as set out in the Statement annexed to the Notice, with liberty to the Board/ Nomination and Remuneration Committee to alter and vary the terms and conditions in such manner as may be agreed be and between the Board/ Nomination and Remuneration Committee and Mr. Rabindra Srikantan.”

**“RESOLVED FURTHER THAT** the consent of the Board be and is hereby accorded to pay Mr. Rabindra Srikantan (DIN: 00024584) consolidated remuneration not exceeding of Rs. 2,40,00,000 per annum from 09/11/2020 to 08/11/2023 by way of salary and perquisites with liberty to the Board/ Nomination and Remuneration Committee to alter and vary the terms and conditions of the said remuneration in such manner as may be agreed be and between the Board/ Nomination and Remuneration Committee and Mr. Rabindra Srikantan and the same be recommended to the shareholders for approval.”

**“RESOLVED FURTHER THAT**, the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto”

5. Approval for payment of Commission to Non-Executive Directors

To consider and if thought fit to pass with or without modification(s) the following resolution as a **Special Resolution**.

**“RESOLVED THAT** pursuant to the provisions Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, and provisions of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to such other approvals as may be required, approval of the Company, be and is hereby accorded for payment of remuneration by way of commission or otherwise excluding the fees payable to them for attending the meeting of the Board or Committees thereof, to directors of the Company, who are not managing or whole-time directors, for a period of 3 (Three) years, commencing from April 01, 2021 up to March 31, 2024, of a sum not exceeding 2% (Two Percent) of the net profits of the Company, computed in accordance with Section 198 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 or any statutory amendments thereof and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper, desirable and to settle any question, difficulty or doubt that may arise in this regard without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

6. Appointment of Branch Auditors

To consider and if thought fit, pass with or without modification(s), the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the Board of Directors be and is hereby authorized to appoint, such person or persons qualified for appointment as Auditor or Auditors of the Company’s Branch Offices in USA ,UK and Canada to examine and audit the accounts for the financial year 2021-2022 on such remuneration, terms and conditions as the Board may deem fit or authorize the Statutory Auditors of the Company to audit the branch Accounts and comply with the provisions of the Companies Act 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

REGD. OFFICE  
80/2, Lusanne Court,  
Richmond Road  
Bangalore 560 025

Date: 26.05.2021

By Order of the Board

**RABINDRA SRIKANTAN**  
Managing Director

## NOTES

1. The relative Statement (Explanatory Statement) pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. Pursuant to the General Circular numbers 02/2021, 20/2020, 14/2020, 17/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.
4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 (“the Act”).
5. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.
6. Members holding shares in physical form are requested to notify any change in their address to the Company/ KFin Technologies Private Limited, Tower B, Plot No.31 & 32, Financial District, Nanakramguda , Serilingampally Mandal, Hyderabad - 500032. Members holding shares in electronic form are requested to direct change of address notifications and updation of their bank account details to their respective depository participants.
7. The Register of Members and Share transfer books of the Company will remain closed from 07.07.2021 to 08.07.2021 (both days inclusive) in terms of provisions of Section 91 of the Companies Act 2013 for the purpose of Annual General Meeting of the company .
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. As per the provisions of Section 72 of the Act, facility for making nomination is available to the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/ she may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company. Members holding shares in dematerialised form are requested to submit their forms to their DPs.  
  
As per the provisions of Section 72 of the Act, facility for making nomination is available to the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/ she may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company. Members holding shares in dematerialised form are requested to submit their forms to their DPs.
10. Non-Resident Indian Members are requested to inform KFin Technologies Private Limited, the Registrars, of:

Change in their residential status on return to India for permanent settlement.

Particulars of their bank A/c maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

11. Payment of Dividend through ECS:

- a) Members holding shares in physical form are advised to submit particulars of their bank account, viz, name and address of the bank, 9 digit MICR code of the branch, type of account and account number to the Registrars, KFin Technologies Private Limited, Tower B, Plot No.31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500032
- b) Members holding shares in demat form are advised to inform the particulars of their bank account to their respective Depository participants.

Members may note that the Income Tax Act, 1961, (“the IT Act”) as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act. For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid PAN- 7.5% or as notified by the Government of India

Members not having PAN / valid PAN- 20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2020-21 does not exceed ` 5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following : • Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member • Copy of Tax Residency Certificate (TRC) for the FY 2020-21 obtained from the revenue authorities of the country of tax residence, duly attested by member • Self-declaration in Form 10F • Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty • Self-declaration of beneficial ownership by the non-resident shareholder • Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforementioned documents are required to be submitted at [compliance.officer@asm ltd.com](mailto:compliance.officer@asm ltd.com)

12. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the company or with the Depository. Members who have not registered their e-mail address with the

company are requested to submit their request with their valid e-mail address to M/s KFin Technologies Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant. For members holding shares in physical mode are requested to update their email addresses with the Company's Registrar, KFin Technologies Private Limited at einward.ris@kfintech.com to receive copies of the Annual Report 2020-21 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the Annual Report, user ID / password for e-voting and updation of bank account mandate for the receipt of dividend.

Type of Holder	Process to be followed	
	Registering Email Address	Updating bank account details
Physical	Send a request to the Registrar of the Company, KFin Technologies Private Limited at einward.ris@kfintech.com providing Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) for registering email address.	Send a request to the Registrar of the Company, KFin Technologies Private Limited at einward.ris@kfintech.com providing Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) for updating bank account details. The following additional details need to be provided in case of updating bank account details: <ul style="list-style-type: none"> <li>• Name and branch of the bank in which you wish to receive the dividend,</li> <li>• the bank account type,</li> <li>• Bank account number allotted by their banks after implementation of core banking solutions</li> <li>• 9 digit MICR Code Number</li> <li>• 11 digit IFSC</li> <li>• a scanned copy of the cancelled cheque bearing the name of the first member</li> </ul>
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

13. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Registrar & Transfer Agent or Company Secretary at the Company's Registered Office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will as per Section 124 of the Companies Act 2013, be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. All shares in respect of which dividend has not been claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund. Shareholders whose shares or unclaimed dividend has been transferred to the Fund may claim the said shares or unclaimed dividend by making an application in Form IEPF 5 and submission of the prescribed documents to the Fund.

The company has vide notification dated 10th May 2012 of Ministry of Company Affairs, (MCA) uploaded the information in respect of unclaimed dividends as from the financial year 2008 on the website of the company.

14. Pursuant to the provisions of Section 124 (5) of the Companies Act 2013 unclaimed dividend pertaining to the dividend paid for the financial year 2013-14 and Interim dividend 2014-15 are to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government in August 2021 and January 2022 respectively. The company has transferred the unpaid or unclaimed dividend of the financial years 2007-2012 on the due dates to the IEPF established by the Central Government.

15. In compliance with Section 108 of the Companies Act 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies ( Management and Administration) Amendment, Rules 2015 and Regulation 44 (1) of SEBI (Listing Obligations and Disclosure Requirements ) Regulations 2015 the company is providing e-voting facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the notice. The facility for e-voting will also be made available to members attending the AGM and who have not already cast their votes by remote e-voting .Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. Instructions for e-voting are annexed to the Notice.
16. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements)Regulations, 2015, in respect of the Directors seeking re-appointment at the AGM, is furnished as annexure to the Notice. The Director has furnished consent/declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules there under.
17. The Notice of 29th AGM and the Annual report 2020-21 will also be available on the Company’s website, <https://www.asmltd.com>, website at stock exchange i.e BSE Limited at [www.bseindia.com](http://www.bseindia.com), for their download.
18. All documents referred to in the Notice will be available for inspection at the Company’s registered office during normal business hours on working days upto the date of AGM.
19. The Securities and Exchange Board of India (SEBI) vide circular No. SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated 20<sup>th</sup> April 2018 has mandated compulsory submission of Permanent Account Number (PAN) and bank details by every participant in the securities market. Members holding shares in the electronic form are, therefore requested to submit their PAN and bank details to their Depository Participant(s) and members holding shares in physical form shall submit the details to company.
20. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

**Additional information on Directors recommended for reappointment as required under Regulation 36(3) of SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015.**

<b>Particulars</b>	Mr. Ramesh Radhakrishnan (DIN 02608916)
Date of Birth	24.05.1962
Date of First Appointment on the Board	02.06.2020
Qualifications	B.E. from the Indian Institute of Technology (IIT), Chennai and M.E. in Systems Engineering from the University of Virginia, Charlottesville
Number of Shares held in Equity Capital of the Company	NIL
Directorship held in other Indian Listed Companies	NIL
Chairman/Member of Committees of Board of Directors of other Listed companies	NIL
Disclosure of relationships between Directors/ KMP inter-se	-

## **Explanatory Statement**

**[Pursuant to Section 102(1) of the Companies Act, 2013]**

### **Resolution No. 4**

#### **To Re-appoint Mr. Rabindra Srikantan (DIN: 00024584) as Managing Director for a period of 5 (Five) years w.e.f. 09.11.2020 and approve of remuneration**

The period of appointment of Mr. Rabindra Srikantan (DIN: 00024584) as the “Managing Director” has expired on November 08, 2020 by efflux of time.

The Board of Directors of the Company (“the Board”) at its meeting held on February 13, 2021 has, subject to approval of members, reappointed Mr. Rabindra Srikantan (DIN: 00024584) as a Managing Director, for a further period of 5 (five) years from the expiry of his present term, that is, November 09<sup>th</sup>, 2020, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the NRC’ Committee’) of the Board and approved by the Board.

Keeping in view that Mr. Rabindra Srikantan, is a seasoned, team-oriented business entrepreneur, with a highly successful track record of building businesses based on sound strategic analysis. He has built and scaled world-class technology and product development teams, strategic investments in start-ups and inorganic growth through acquisitions. Proven fundraising and networking skills, has built fruitful long-term partnerships with clients across the globe and has consistently delivered strong bottom line growth over the years. It would be in the interest of the Company to continue the employment of Mr. Rabindra Srikantan as Managing Director of the Company.

The remuneration recommended by the Nomination and Remuneration Committee and approved by the Board is consolidated remuneration not exceeding of Rs. 2,40,00,000 per annum from 09/11/2020 to 08/11/2023 by way of salary and perquisites.

As per the provisions of Section 197 read with Schedule V of the Companies Act 2013 approval of members is required for payment of remuneration in case of inadequate profits. Thus, it is proposed to seek members’ approval for the re-appointment and remuneration payable to Mr. Rabindra Srikantan as a Managing Director of the Company.

Mr. Rabindra Srikantan is not disqualified from being appointed as Director in terms of Section 164 of the Act. Once appointed he would not be liable to retire by rotation.

Information in respect of Mr. Rabindra Srikantan required under Section II, Part II of Schedule V of the Companies Act, 2013:

#### **I. GENERAL INFORMATION:**

- (1) Nature of industry: Information Technology Industry
- (2) Date of commencement of commercial production: August 10, 1992
- (3) Financial performance based on given indicators: Details are given under the heading financial performance of Directors report of Annual Report 2020-21 circulated and available on the website of the Company at [www.asmltd.com](http://www.asmltd.com). Further quarterly results are also available on the aforesaid website.
- (4) Foreign investments or collaborations – The Company has invested in 4 subsidiaries abroad.

#### **II. INFORMATION ABOUT THE APPOINTEE:**

- (1) Background details: Mr. Rabindra Srikantan holds dual MS degree in Computer Engineering and Computer Science from the University of Louisiana, USA; Bachelor of Engineering from PSG College of Technology, India. Mr. Rabindra is Convenor - CII Karnataka Technology & Innovation Panel 2020, Charter Member - TiE, Member - NASSCOM Engineering R&D Council, Past National

Executive Council Member - Indo American Chamber of Commerce and Past Chairman - Indo American Chamber of Commerce, Bangalore Chapter He has over two decades of experience in IT industry.

- (2) Past remuneration of Mr. Rabindra Srikantan for 3 preceding Financial Years.

	<b>Year</b>	<b>Remuneration in Rs</b>
<b>Salary (all Inclusive)</b>	<b>2017-18</b>	84,00,000 p.a.
	2018-19	84,00,000 p.a.
	2019-20	1,58,00,000 p.a

- (3) Recognition or awards: Mr. Rabindra Srikantan is the President Pinnacle Talent Inc. USA, Director of ASM Technologies KK Japan, Director of Advanced Synergic Pte Ltd, Singapore wholly owned subsidiaries of the company and the President of ESR Associates Inc. and ASM Technologies S. de R.L. de C.V step down subsidiaries of the company. Further, Mr. Rabindra spearheaded ASM's expansion in 2018 by investing in the Chennai based RV Forms and Gears LLP (F&G), a leading fixture manufacturing company. The collaboration between the pioneers of technology and manufacturing led to the introduction of IoT enabled solution called SmartFix 4.0, a revolutionary Industry 4.0 solution which caters to the needs of Global manufacturing companies for Productivity Enhancements.

Other recent landmark achievements under the leadership of Rabindra, include, ASM's investment in companies involved in New Generation Autonomous Vehicles, Electric mobility, SD-WAN and Cyber Security.

Mr. Rabindra is Convenor - CII Karnataka Technology & Innovation Panel 2020, Charter Member - TiE, Member - NASSCOM Engineering R&D Council, Past National Executive Council Member - Indo American Chamber of Commerce and Past Chairman - Indo American Chamber of Commerce, Bangalore Chapter.

- (4) Job profile and his suitability: The position of Managing Director of a Company is entrusted with substantial powers of management having total control on general conduct and management of the business affairs of the Company. Rabindra holds dual MS degrees in Computer Engineering and Computer Science from the University of Louisiana, USA. Completed his Bachelor of Engineering in Electrical and Electronics from PSG College of Technology, Coimbatore and did his schooling from Hyderabad Public School, Begumpet.

Rabindra has professional experience in the areas including, R & D, Engineering, Manufacturing and Application Solutions for Enterprise. He has implemented operational strategies to improve Quality and customer satisfaction ratings. His philosophy of driving continuous business reformation by leveraging on state-of-the-art technologies, backed by a strong customer driven service perspective, has enabled ASM to emerge as one of the leading Product R & D and Engineering Services organisation.

- (5) The said remuneration comparable with respect to industry, size of the Company, profile of the position and person.
- (6) Notice period: One Year

## PART II

Additional Information as required under Regulations 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) given under:

Name of the Director	Mr. Rabindra Srikantan
Director Identification Number	00024584
Date of Birth	24/01/1961
Age	60 years
Nationality	Indian
Qualification, Experience (functional expertise)	<p>Rabindra holds dual MS degrees in Computer Engineering and Computer Science from the University of Louisiana, USA. Completed his Bachelor of Engineering in Electrical and Electronics from PSG College of Technology, Coimbatore and did his schooling from Hyderabad Public School, Begumpet.</p> <p>Rabindra has professional experience in the areas including, R &amp; D, Engineering, Manufacturing and Application Solutions for Enterprise. He has implemented operational strategies to improve Quality and customer satisfaction ratings. His philosophy of driving continuous business reformation by leveraging on state-of-the-art technologies, backed by a strong customer driven service perspective, has enabled ASM to emerge as one of the leading Product R &amp; D and Engineering Services organisation.</p>
Date of first appointment on the Board	November 01, 1993
Terms & conditions of Re-appointment	As per the Resolution of this notice read with explanatory statement thereto
No of Board meetings attended during the Financial Year 2020-21 till date	7 (Seven)
Details of remuneration sought to be paid	Rs. 2,40,00,000 per annum
Details of remuneration last drawn(including sitting fee, if any)	Salary 2017-18- Rs. 84,00,000 2018-19- Rs. 84,00,000 2019-20- Rs, 158,00,000
Relationship with other Directors and Key Managerial Personnel (KMP)	Mr. Rabindra Srikantan is the spouse of Ms. Preeti Rabindra, who is Non-Executive - Non-Independent Director of the Company.
No of Equity shares held in the Company(As on 31 <sup>st</sup> March 2020)	42,07,354 Equity shares of Rs 10/ each equivalent to 42.07% of Equity paid up share Capital
List of Directorship held in other Companies	1. ASM Digital Engineering Private Limited
Chairmanship/Membership of Board Committees of other Companies	0

Your Board recommends the said resolution, as special resolution, for your approval.

No Directors and Key Managerial Personnel of the Company are concerned or interested, financial or otherwise other than Mr. Rabindra Srikantan and Ms. Preeti Rabindra, who is interested in or concerned in the aforesaid Resolution.

## Resolution No. 5

Pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013, a Company having inadequate / no profits, may subject to certain conditions and as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee, permits payment of remuneration to Directors who are neither Managing Director nor Whole-time Directors (Non-Executive Directors) of a Company by way of commission, in excess of 1% of the net profits of a company as computed in accordance with the provisions of Section 198 subject to the approval of the members by means of a Special Resolution.

During the financial year ended March 31, 2021, the profits of the Company are not adequate due to COVID impact and therefore the commission payable to the Non-Executive Directors would exceed the limits prescribed under the relevant provisions of the Companies Act, 2013.

In the event of inadequacy of profits calculated as per Section 198 of the Companies Act, 2013 in any financial year(s), the Non-Executive Directors of the Company shall be entitled to a minimum remuneration comprising of commission as detailed above subject to such revisions as may be approved by the Board from time to time during the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2024.

The members of the Company at an Annual General Meeting held on 20<sup>th</sup> June 2017 had approved the remuneration payable to Non-Executive Directors by way of commission not exceeding one percent of the net profits of the Company for each financial year.

The Company's Non-Executive and Independent Directors contribute significant professional skills and experience in a variety of functional areas, including marketing, technology, business strategy, finance, and corporate governance. It is vital to suitably compensate such directors in order to do justice to their work and to attract and retain such directors. The total commission awarded to such Directors may exceed one percent of the net-profits of the Company in a given financial year. This resolution authorises such payment of commission upto 2% of the net profits of the Company, or. The commission paid is in addition to the sitting fees for attending Board / Committee meetings.

Statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No. 4 is annexed hereto.

### Statement containing additional information as required in Schedule V of the Companies Act, 2013

#### I. General Information:

1.	Nature of industry:	Engineering Service			
2.	Date or expected date of commencement of commercial production:	NA			
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	NA			
4.	Financial performance based on given indicators:	<b>Particular</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
		(Rs. In Mn.)			
		Turnover	760.59	838.40	1132.17
		Profits	70.33	10.90	126.53
5.	Foreign Investments or collaborations, if any.	Nil			

## II. Information about the Directors:

Name of Non-Executive Director	M R Vikram	M Lakshminarayan	Shekar Viswanathan	Preeti Rabindra	Ramesh Radhakrishnan	
Background details	M.R. Vikram, is a Partner of M. Anandam & Co., Secunderabad, a leading firm of Chartered Accountants in India. He has more than 38 years experience in Audit and Assurance Services, Banking and is an expert on Finance and Regulatory issues.  He also serves as the Director of many other company	Mr. M. Lakshminarayan holds a Master's Degree in Technology from the Indian Institute of Technology (IIT) Bombay. , he held various leadership positions and was responsible for the company's tremendous growth in India's automotive space with 30 distinguished yerars of experience	Mr. Shekar Viswanathan has held position of chairman is big autonums company. He has over a career of 38 years spans the financial services and project finance sectors	Ms. Preeti Rabindra holds Bachelor's and Master's degrees in Commerce from the University of Delhi. She is the designated partner at IDS Systems LLP. She is an avid sports enthusiast.	Mr. Ramesh Radhakrishnan has been a member of the founding entrepreneurial team in three startups. He has over 20 years of operational and business experience in the high-technology industry	
2.	Past remuneration Rs. in Mn.	<b>0.13</b>	0.11	0.10	0.07	0.09
3.	Recognition or awards	Nil				
4.	Job profile and his suitability	Expertise in Finance	Technical Expert	Expertise in Finance	Expertise in Finance	Technical Expert
5.	Remuneration proposed	As proposed above in resolution 5				
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:	The remuneration proposed to is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business				
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:	Not related	Not related	Not related	Related Spouse of MD	Not related

## III. Other Information:

1.	Reasons of loss or inadequate profits	During the financial year ended March 31, 2021, the profits of the Company may not be adequate due to COVID impact and therefore the remuneration payable to the non executive Director would exceed the limits prescribed. Hence this proposal under applicable provisions of Schedule V.
2.	Steps taken or proposed to be taken for improvement	The Company has taken significant steps to reduce costs in line with the projected sales given the COVID impact. 2020/2021 Q3 & Q4 results showed considerable recovery of business results.
3.	Expected increase in productivity and profits in measurable terms	The year 2021-22 is expected to show further progressive recovery of demand and underlying business results.

Pursuant to the recommendations of Nomination and Remuneration Committee, Audit Committee, your Directors recommend the Resolution set out in Item No. 5 as a Special Resolution for your approval.

Except the Key Managerial Personnel and their relatives, all the other Directors are deemed to be concerned or interested in this resolution.

#### **Resolution No. 6**

The Company has branch offices in US, UK and Canada . It is necessary to appoint Auditors, under the provisions of Sec.143 of the Companies Act 2013 for auditing the accounts of the Branches of the company for the year 2020-2021. Your approval is sought by the proposed resolution to be passed authorizing the Board of Directors of the company to appoint, such person or persons qualified for appointment as Auditor or Auditors of the Company's Branch Offices in, USA., UK, and Canada to examine and audit the accounts for the financial year 2021-2022 on such remuneration, terms and conditions as the Board may deem fit or authorise the Statutory Auditors of the Company to audit the Branch Accounts and comply with the provisions of the Companies Act 2013.

None of the Directors, Key Managerial Persons of the Company and their relatives are concerned or interested in the resolution.

The Board recommends the Ordinary resolution set forth in Item No.6 for the approval of the members.

REGD. OFFICE  
80/2, Lusanne Court,  
Richmond Road  
Bangalore 560 025

Date: 26.05.2021

By Order of the Board

**RABINDRA SRIKANTAN**  
Managing Director



## ASM TECHNOLOGIES LIMITED

(CIN L85110KA1992PLC013421)

Regd Office: 80/2, Lusanne Court, Richmond Road, Bangalore- 560025

Tel:080-66962300-02, Fax-08066962304

Email:info@asmltd.com | Website: www.asmltd.com

# Instructions for E-voting & 29th e-AGM through Video Conferencing

Dear Shareholder(s)

Please find enclosed the details for e- voting and e- AM for convening the 29th Annual General Meeting of the company to be held on Thursday, July 8th 2021, at 10.00 A.M.

The instructions and other information relating to e-voting are as under:

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech , on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting period commences **Saturday, 3rd July , 2021**
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. i.e. **Thursday, 1st of July 2021**
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@Kfintech.com](mailto:evoting@Kfintech.com). However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”
- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

**Step 1 :** Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.



## ASM TECHNOLOGIES LIMITED

(CIN L85110KA1992PLC013421)

Regd Office: 80/2, Lusanne Court, Richmond Road, Bangalore- 560025

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- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting period commences **Saturday, 3rd July, 2021**
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. i.e. **Thursday, 1st of July 2021**
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@Kfintech.com](mailto:evoting@Kfintech.com). However, if he / she is already registered with Kfintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”
- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

**Step 1 :** Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

	<p><b>2. User not registered for Easi/Easiest</b></p> <p>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>II. Proceed with completing the required fields.</p> <p>III. Follow the steps given in point 1</p> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b></p> <p>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Provide your demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP, i.e <b>KFintech</b> where the e- Voting is in progress.</p>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>III. Click on options available against company name or e-Voting service provider – <b>KFintech</b> and you will be redirected to e-Voting website of <b>KFintech</b> for casting your vote during the remote e-Voting period without any further authentication.</p>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

**Details on Step 2 are mentioned below:**

**II) Login method for e-Voting for shareholders other than Individual’s shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on “LOGIN”.

- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the “EVEN” i.e., “5937- AGM” and click on “Submit”
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
  - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. The Board of Directors has appointed M/s K. Dushyantha Kumar, Company Secretary in whole time practice, CP No. 6003, FCS Membership No. 6662 as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - xiii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [dushyanthak@gmail.com](mailto:dushyanthak@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format “Corporate Name\_Even No.”
- (B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: <https://karisma.kfintech.com/emailreg>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - ii. Alternatively, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address,

mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

**Details on Step 3 are mentioned below:**

**III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.**

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFinTech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFinTech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Facility for joining AGM through VC/ OAVM shall open at least 15 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at [compliance.officer@asm ltd.com](mailto:compliance.officer@asm ltd.com) . Questions /queries received by the Company till **Wednesday 7<sup>th</sup> July 2021**. shall only be considered and responded during the AGM.
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

**OTHER INSTRUCTIONS**

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFinTech. On successful login, select 'Speaker Registration' which will be opened from **Saturday, 3<sup>rd</sup> July 2021 to Wednesday, 7<sup>th</sup> July 2021**. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

- II. Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select ‘Post Your Question’ option which will opened from **Saturday, 3<sup>rd</sup> July 2021 to Wednesday, 7<sup>th</sup> July 2021**.
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or contact Mr. Sridhar Balamurali at +91-9912629799, at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call Kfintech’s toll free No. 1-800-3454-001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, July 9, 2021, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
    1. Example for NSDL:
    2. MYEPWD <SPACE> IN12345612345678
    3. Example for CDSL:
    4. MYEPWD <SPACE> 1402345612345678
    5. Example for Physical:
    6. MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/> , the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact Kfintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com) .
- VI. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer’s Report, shall also be placed on the website of the Company on or before **Friday, 9<sup>th</sup> July, 2021**.





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