

INDEPENDENT AUDITOR'S REPORT

To The Members of Sahajanand Medical Technologies Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sahajanand Medical Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

Management's Responsibility for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii) The Company had long-term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Company did not have derivative contracts as at March 31, 2020.

Deloitte Haskins & Sells LLP

- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 2) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Mukesh Jain
Partner

Membership No. 108262

UDIN: 20108262AAABBP3107

Place: Mumbai

Date: 11-12-2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Sahajanand Medical Technologies Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the financial 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

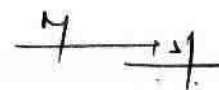
Opinion

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

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Mukesh Jain

Partner

Membership No. 108262

UDIN: 20108262AAA BGP 3107

Place: Mumbai

Date: 11-12-2020

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of the Company's Property, Plant and Equipment:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - b) The Company has a program of verification of Property, Plant and Equipment to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the Information and explanations given to us and the records examined by us, for immovable properties of land and buildings that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. Discrepancies noticed during the year on physical verification between the physical stock and the books of accounts have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and hence, the provisions of the clause 3 (v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act for companies engaged in production, import and supply or trading of the following medical devices: (i) Cardiac Stents; (ii) Drug Eluting Stents and (iii) Catheters. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Excise, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- 1

- (c) Details of dues of Income-tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which Amount Relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
The Income Tax Act, 1961	Income Tax Liability	Commissioner of Income Tax (Appeals)	Assessment Years 2012-13, 2014-15 and 2015-16	53,55,847	37,70,377
		Income Tax Appellate Tribunal	Assessment Year 2009-10, 2010-11	65,88,095	39,31,040
		High Court	Assessment Year 2006 - 07	28,75,926	28,75,926

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not borrowed any funds from the government. The Company has not issued any debentures during the year.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company, hence reporting under paragraph 3 (xi) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) The Company is a private company and hence the provisions of section 177 and second proviso of section 188(1) of the Act are not applicable to the Company. The Company has complied with the other provisions of Section 188 of the Act, where applicable, as regards the transactions with related parties. In our opinion and according to the information and explanations given to us, the Company has disclosed the details of related party transactions in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanation given to us, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act is not applicable to the Company.

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

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



Mukesh Jain
Partner

Membership No. 108262

UDIN: 20108262AAA BBP3107

Place: Mumbai

Date: 11-12-2020

Sahajanand Medical Technologies Private Limited
Balance Sheet as at 31 March, 2020

Particulars	Note No.	As at 31 March, 2020	As at 31 March, 2019
(Rs. in lacs)			
ASSETS			
I Non-Current Assets			
(a) Property, Plant and Equipment	3(A)	3,809.82	4,444.96
(b) Capital work-in-progress		2,603.89	26.81
(c) Intangible assets	3(B)	131.77	106.24
(d) Right-of-Use assets	3(C)	938.40	-
(e) Financial Assets			
(i) Investments	4	75.82	74.82
(ii) Loans	6(A)	2,794.76	106.96
(iii) Other Financial assets	5(A)	163.93	90.98
(f) Deferred tax Assets (net)	7	807.71	623.49
(g) Other non-current assets	8(A)	3,919.04	2,004.15
Total Non Current Assets		15,245.14	7,478.41
2 Current Assets			
(a) Inventories	9	8,527.84	7,736.22
(b) Financial assets			
(i) Trade Receivables	10	22,882.30	16,450.97
(ii) Loans	6(B)	5,706.13	274.55
(iii) Cash and cash equivalents	11	1,536.07	799.31
(iv) Other Bank Balances	12	4,427.49	16,418.92
(v) Other Financial Assets	5(B)	1,303.87	871.33
(c) Other current assets	9(B)	1,063.68	1,111.35
Total Current Assets		45,447.38	43,662.65
Total Assets		60,692.52	51,141.06
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	13	889.04	889.04
(b) Other equity	14	43,062.79	38,962.26
Total Equity		43,951.83	39,851.30
Liabilities			
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15(A)	35.33	156.59
(ii) Lease Liabilities	17(A)	312.42	-
(iii) Other Financial Liabilities	17(C)	240.03	184.13
(b) Provisions	18(A)	199.37	104.90
Total Non Current Liabilities		787.15	445.62
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15(B)	7,223.62	5,692.03
(ii) Trade Payables	16	80.12	17.57
total outstanding dues of micro enterprises and small enterprises			
total outstanding dues of creditors other than micro enterprises and small enterprises		6,627.79	2,735.88
(iii) Lease Liabilities	17(B)	196.49	-
(iv) Other Financial Liabilities	17(D)	1,219.45	1,106.98
(b) Other Current Liabilities	19	331.09	1,103.67
(c) Provisions	18(B)	67.94	61.10
(d) Income tax liabilities (net)		207.04	126.91
Total Current Liabilities		15,953.54	10,844.14
Total Liabilities		16,740.69	11,289.76
Total Equity and Liabilities		60,692.52	51,141.06

See accompanying notes forming part of the financial statements

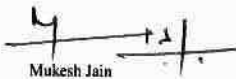
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In terms of our report attached of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's registration number: 117366W/W-10018)



Mukesh Jain

(Partner)

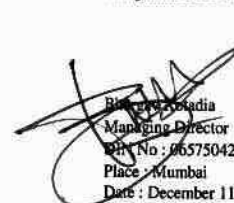
(Membership Number- 108262)

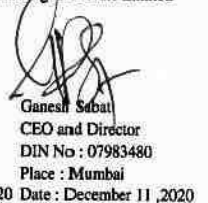
Place : Mumbai

Date : December 11, 2020

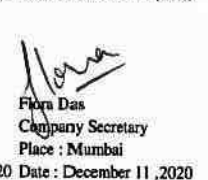
For and on behalf of the Board of Directors

Sahajanand Medical Technologies Private Limited


 Bhaskar Chaudhary
 Managing Director
 DIN No : 06575042
 Place : Mumbai
 Date : December 11, 2020


 Ganesh Sabat
 CEO and Director
 DIN No : 07983480
 Place : Mumbai
 Date : December 11, 2020


 Ashish Agrawal
 CFO
 Place : Mumbai
 Date : December 11, 2020


 Flora Das
 Company Secretary
 Place : Mumbai
 Date : December 11, 2020

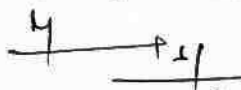


Sahajanand Medical Technologies Private Limited
Statement of Profit and Loss for the year ended 31 March, 2020

(Rs. in lacs)			
Particulars	Note No.	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
I Income :			
Revenue from operations	20	42,933.32	32,791.06
Other income	21	1,308.41	982.93
Total Income (I)		44,241.73	33,773.99
II Expenses:			
Cost of materials consumed	22	7,285.23	4,116.55
Purchase of Stock-in-trade	23	2,695.64	2,732.71
Changes in inventories of finished goods and work-in-progress	24	(142.40)	(1,947.68)
Employee benefits expense	25	7,177.58	5,227.04
Finance costs	26	670.63	592.40
Depreciation and amortisation expense	3	1,368.88	963.02
Research and development expenses	27	9,263.56	6,734.11
Other expenses	28	10,569.40	9,811.73
Total expenses (II)		38,888.52	28,229.88
III Profit before tax (I - II)		5,353.21	5,544.11
IV Tax expense:			
(1) Current tax	7	1,275.00	1,500.00
(2) Deferred tax credit	7	(137.27)	(45.40)
Total tax expense (IV)		1,137.73	1,454.60
V Profit after tax (III - IV)		4,215.48	4,089.51
VI Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
(a) Re-measurement losses on defined benefit obligation		(106.00)	(24.08)
(b) Income tax credit on above	7	30.54	7.34
Total Other comprehensive income/(loss) (VI)		(75.46)	(16.74)
VII Total Comprehensive Income for the year (V - VI)		4,140.02	4,072.77
VIII Earnings per share:			
(Face Value ₹1 per Share)			
Basic (₹)		4.74	4.89
Diluted (₹)	31	4.74	4.60
See accompanying notes forming part of the financial statements	1-45		

In terms of our report attached of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration number: 117366W/W-10018)



Mukesh Jain
(Partner)
(Membership Number- 108262)

Place : Mumbai
Date : December 11, 2020

For and on behalf of the Board of Directors
Sahajanand Medical Technologies Private Limited


Anand K. Kothadia
Managing Director
DIN No : 06575042

Place : Mumbai
Date : December 11, 2020


Ganesh Sabar
CEO and Director
DIN No : 07983480

Place : Mumbai
Date : December 11, 2020


Ashish Agrawal
CFO

Place : Mumbai
Date : December 11, 2020


Flora Das
Company Secretary

Place : Mumbai
Date : December 11, 2020



Sahajanand Medical Technologies Private Limited
Statement of Changes in Equity for the year ended 31 March, 2020

A. Equity Share Capital

Particulars	(Rs. in lacs)	
	Equity share capital (No of shares in lacs)	Total equity
Issued, Subscribed equity share at 01 April, 2018	889.04	807.06
Final call made on Partly-Paid Shares	-	81.98
Balance as at 31 March, 2019	889.04	889.04
Addition	-	-
Balance as at 31 March, 2020	889.04	889.04

B. Other Equity

Particulars	Other equity			Total other equity
	Securities Premium	General Reserve	Retained Earnings	
Balance as at 01 April, 2018	18,465.30	184.95	8,451.22	27,101.47
Profit for the year ended 31 March, 2019	-	-	4,089.51	4,089.51
Securities Premium on shares	7,918.02	-	-	7,918.02
Issue expenses	(130.00)	-	-	(130.00)
Other comprehensive income for the year ended 31 March, 2019 (net of taxes)	-	-	(16.74)	(16.74)
Balance as at 31 March, 2019	26,253.32	184.95	12,523.99	38,962.26
Transition impact of Ind AS 116 (Refer Note No.40)	-	-	(39.49)	(39.49)
Profit for the year ended 31 March, 2020	-	-	4,215.48	4,215.48
Other comprehensive income for the year ended 31 March, 2020 (net of taxes)	-	-	(75.46)	(75.46)
Balance as at 31 March, 2020	26,253.32	184.95	16,624.52	43,062.79

See accompanying notes forming part of the financial statements (Refer Notes 1-45)

In terms of our report attached of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's registration number: 117366W/W-10018)



Mukesh Jain

(Partner)

(Membership Number: 108262)

Place : Mumbai

Date : December 11, 2020

For and on behalf of the Board of Directors


Sahajanand Medical Technologies Private Limited




Bhargava Kptadia
Managing Director
DIN No : 06575042
Place : Mumbai
Date : December 11, 2020



Ganesh Sabat
CEO and Director
DIN No : 07983480
Place : Mumbai
Date : December 11, 2020



Ashish Agrawal
CFO
Place : Mumbai
Date : December 11, 2020



Flora Das
Company Secretary
Place : Mumbai
Date : December 11, 2020



Sahajanand Medical Technologies Private Limited
Statement of Cash flows for the year ended 31 March, 2020

Particulars	(Rs. in lacs)	
	Year ended 31 March, 2020	Year ended 31 March, 2019
A Cash flow from Operating Activities		
Profit before tax	5,353.21	5,544.11
Adjustment for:		
Depreciation and amortisation expense	1,368.88	963.02
Finance costs	670.63	592.40
Interest income	(966.27)	(982.93)
Unrealised exchange (gain)/loss	(440.61)	44.01
Loss on sale of property, plant and equipment (net)	4.88	20.69
Bad debts	12.81	15.50
Allowances for doubtful debts	298.12	425.45
Provision for Employee Benefits	96.45	71.25
Provision no longer required written back	14.67	-
Operating profit before working capital changes	6,412.77	6,693.50
Movements in working capital		
Adjustment for (increase) / decrease in operating assets:		
Inventories	(791.63)	(2,583.10)
Trade Receivables and other assets	(7,978.39)	(8,260.64)
Adjustment for (increase) / decrease in operating liabilities:		
Trade Payables and other liabilities	3,146.85	2,330.38
Cash generated/(used) in operating activities	789.60	(1,819.86)
Net income tax (paid)	(1,194.81)	(2,475.99)
Net Cash (used in) operating activities (A)	(405.21)	(4,295.85)
B Cash flow from investing activities		
Capital expenditure on property, plant and equipment, including capital advance and payables for capital expenditure	(4,683.19)	(2,662.25)
Investment in wholly owned subsidiary	(1.00)	-
Proceeds from sale of property, plant and equipment	49.54	2.64
Loans given to subsidiary	(7,798.91)	-
Loans given to third party	(25.00)	(175.00)
Proceeds from loan given to third party	127.27	182.27
Bank deposits (net)	12,011.77	(5,575.69)
Interest received	949.26	874.71
Net Cash generated/(used in) investing activities (B)	629.74	(7,353.32)
C Cash flows from financing activities		
Proceeds from call made on partly issued shares	-	7,870.00
(Repayment)/Proceeds of short-term borrowings (net)	1,531.59	4,883.71
Proceeds from long term borrowings	-	133.74
Repayment of long term borrowings	(182.64)	(168.67)
Payment of Lease Liabilities (Principal)	(163.42)	-
Payment of Lease Liabilities (Interest)	(52.33)	-
Finance costs	(620.97)	(591.57)
Net cash generated from financing activities (C)	512.23	12,127.21
Net increase in cash and cash equivalents (A+B+C)	736.76	478.04
Cash and cash equivalents at the beginning of the year	799.31	321.27
Cash and cash equivalents at the end of the year (refer note 11)	1,536.07	799.31
Reconciliation of cash and cash equivalents		
Closing balance of cash and cash equivalent as per balance sheet	1,536.07	799.31
Cash and cash equivalents at the end of the year (refer note 11)	1,536.07	799.31

See accompanying notes forming part of the financial statements (Refer Notes 1-45)

In terms of our report attached of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

Date: December 11, 2020

Mukesh Jain

(Partner)

(Membership Number- 108262)

Place : Mumbai

Date : December 11, 2020

For and on behalf of the Board of Directors

Sahajanand Medical Technologies Private Limited

Ashish Agrawal

Managing Director

DIN No : 06575042

Place : Mumbai

Date : December 11, 2020

Ashish Agrawal

CFO

Place : Mumbai

Date : December 11, 2020

Ganesh Sabut

CEO and Director

DIN No : 07983480

Place : Mumbai

Date : December 11, 2020

Flora Das

Company Secretary

Place : Mumbai

Date : December 11, 2020



1. General Information

Sahajanand Medical Technologies Private Limited (the "Company" or "SMT") is in the business of Manufacturing of Balloon Catheter and Cardiac Stents. It was established in the year 2001. It has manufacturing plant in India and sells primarily in India as well as outside India.

The company is developer and manufacturer of minimally invasive coronary stent systems. The company's portfolio includes drug eluting stents, bare metal stents, balloon catheters and inflation devices. The financial statements were approved by the Board of Directors and authorised for issue on **December 11, 2020**.

2.1. Summary of significant accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (referred to as Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

b) Basis of Accounting

The Company maintains its accounts on accrual basis following historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS.

Fair value measurements are categorised as below, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;

(ii) Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values, 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. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

d) Inventories

Inventories including Work- in- Progress are valued at cost or net realisable value, whichever is lower, cost being worked out on weighted average basis. Cost includes all charges for bringing the goods to their present location and condition.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is net off trade discounts, rebates and other similar allowances. Revenue excludes indirect taxes which are collected on behalf of Government.

Revenue from sale of goods is recognised at the point in time when control is transferred to the customer. Indicators that control has been transferred include, the establishment of the Company's present right to receive payment for the goods sold, transfer of legal title to the customer, transfer of physical possession to the customer, transfer of significant risks and rewards of ownership in the goods to the customer, and the acceptance of the goods by the customer. The revenue on consignment sales is recognised on satisfaction of the above conditions.



f) Other Income**Dividend & Interest Income:**

Dividend income is accounted for when declared and the right to receive the same is established. Interest income is recognised using the effective interest method.

Rental income:

Rental income from operating leases is accounted for on a straight-line basis over the lease term.

g) Property, Plant and Equipment

Assets are carried at acquisition cost, less accumulated depreciation and accumulated impairment losses, if any.

Costs comprise of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to their intended use.

When significant components of plant and equipment are replaced separately, the Company depreciates them based on the useful lives of the components. Leasehold land is depreciated on a straight line basis over the period of the lease. All other assets are depreciated to their residual values on written-down value basis over their estimated useful lives. Estimated useful lives of the assets are as follows:

Description of the asset	Estimated Useful Life (Years)
Building	60
Leasehold Building	16*
Electrical Installation	10
Plant and Machinery	15
Furniture and Fixtures	10
Office Equipment	5
Computers (End user device)	3
Computers (Servers and networks)	6
Vehicles (Other than Motor cycles, scooters and other mopeds)	8
Vehicles (Motor cycles, scooters and other	10

*Leasehold Building and Leasehold Improvements are amortised over the period of lease.

h) Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with finite lives are amortised over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The useful lives of intangible assets are as mentioned below:

Description of the asset	Estimated Useful Life (Years)
Computer Software	3
Patents and Trademarks	3

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an individual project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during the development.

During the period of development, the asset is tested for impairment annually. Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when the development is complete and the asset is available for use. It is amortised over the period of expected future sales or use.



i) Financial Instrument**Recognition and initial measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized by the Company when it becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial instrument are adjusted to fair value, except where the financial instrument is measured at Fair Value through profit or loss, in which case the transaction costs are immediately recognized in profit or loss.

Financial assets**Cash and 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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 on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless they are measured at amortised 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 recognised in profit or loss.

Financial liabilities and equity instruments

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.)

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

Other financial liabilities

Other financial liabilities (including borrowings, financial guarantee contracts and trade and other payables) are subsequent to initial recognition, measured at amortised cost using the effective interest (EIR) method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.



Fair value measurement

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

j) Foreign Currency Transactions

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are translated at the end of accounting year. Exchange differences on translation of all other monetary items are recognised in the Statement of Profit and Loss.

k) Date : December 11, 2020

Employee benefits include provident fund, employee state insurance scheme, gratuity fund, compensated absences.

Defined Contribution Plans: Contribution towards provident fund and employees' state Insurance for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The Company's liability towards gratuity is determined based on the present value of the defined benefit obligation and fair value of plan assets and the net liability or asset is recognized in the balance sheet. The net liability or asset represents the deficit or surplus in the plan (the surplus is limited to the present value of the economic benefits available in the form of refunds from the plan or reductions in future contributions). The present value of the defined benefit obligation is determined using the projected unit credit method, with actuarial valuations being carried out at each year end. Defined benefit costs are composed of:

- i. service cost – recognized in profit or loss;
- ii. net interest on the net liability or asset - recognized in profit or loss;
- iii. remeasurement of the net liability or asset - recognized in other comprehensive income

Other long-term employee benefits: Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

l) Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.



The Company as a lessee whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves:

- (a) the use of an identified asset,
- (b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- (c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The Company applies Ind AS 36 to determine whether a Right-of-Use asset is impaired and accounts for any identified impairment loss in the Statement of Profit and Loss as described in the Note 2(n) below.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss. For short-term, and low value leases, the Company recognizes the lease payments for such items as an operating expense on a straight-line basis over the lease term and are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Lease payments (other than short term and low value leases) have been classified as cash used in Financing activities in the Statement of Cash Flows.

Lease payments for short-term, and low value leases, have been classified as cash used in Operating activities in the Statement of Cash Flows.

The Company has no assets given on lease to others.

m) Current and Deferred Tax

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

Current and Deferred Taxes are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Tax assets and tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts.

i. Current income tax

Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

ii. Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of 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 recognised 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 utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting 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 utilised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.



n) Impairment of Assets

Property, plant and equipment and intangible assets with finite lives 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 for the individual asset, 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 and an impairment loss is recognised in profit or loss.

o) Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

p) Segment reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of performance assessment and resource allocation to the segments.

Segment accounting policies are in line with accounting policies of the company. Further company has not identified any segment other than geographical segment. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses/income".

q) Exceptional Items

Exceptional items refer to items of income or expense within the income statement from ordinary activities which are material and non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company and to assist users of financial statements.

r) Export Benefit

Government grant receivable in the form of duty credit scrips is recognised as other operational income in the Statement of Profit and Loss in the period in which the application is made to the government authorities and to the extent there is no uncertainty towards its ultimate collection.

s) Key Sources of Estimation

The preparation of the financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once a year. The lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.



Employee benefit plan

The present value of defined benefit obligations is determined on an actuarial basis using a number of underlying assumptions, including the discount rate and expected increase in salary costs. Any changes in these assumptions will impact the carrying amount of obligations.

Impairment of financial assets

The impairment provision for financial assets (other than trade receivables) are based on assumptions of risk of default and expected loss rates. The Company makes judgements about these assumptions for selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Trade receivables are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts which are based on the aging of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

Income Taxes

Impact of COVID-19

The management has assessed the potential impact of the COVID-19 on the financial statements of the Company. In developing the assumptions relating to the possible future uncertainties in the global 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. Based on the assessment performed by the Company, and based on current estimates, the Company expects the carrying amount of these assets will be recovered. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.2 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April, 2020.



Sahajanand Medical Technologies Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2020

Note 3(A): Property, Plant and Equipment (Owned, unless otherwise stated)											(Rs. in lacs)
Particulars	Building	Leasehold Improvements	Leasehold building	Leasehold land	Plant and Machinery	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Electrical Installations	Total
Cost											
Balance as at 01 April, 2018	2.79	83.96	396.97	595.45	1,983.24	136.38	99.19	154.25	180.77	36.60	3,603.60
Additions	-	-	-	-	1,751.21	28.31	94.96	109.94	210.47	-	2,194.89
Disposals	-	-	-	-	221.09	0.39	0.56	2.29	54.44	-	278.77
Balance as at 31 March, 2019	2.79	83.96	396.97	595.45	3,513.36	164.30	193.59	261.90	336.80	36.60	5,585.72
Additions	-	-	-	-	747.76	29.96	175.11	17.13	90.40	-	1,060.36
Reclassified on account of adoption of Ind AS 116	-	-	-	595.45	-	-	-	-	-	-	595.45
Disposals	-	-	-	-	339.29	6.36	-	-	13.44	-	359.09
Balance as at 31 March, 2020	2.79	83.96	396.97	-	3,921.83	187.90	368.70	279.03	413.76	36.60	5,691.54
Accumulated Depreciation											
Balance as at 01 April, 2018	0.10	6.67	12.71	19.07	417.63	(5.58)	(27.29)	11.89	32.57	4.08	471.85
Charge for the year	0.09	6.10	25.64	38.46	581.44	61.60	92.90	47.87	63.02	8.24	924.36
Disposals	-	-	-	-	202.14	0.28	0.53	2.21	50.29	-	255.45
Balance as at 31 March, 2019	0.19	12.77	38.35	57.53	796.93	55.74	65.08	57.55	44.30	12.32	1,140.76
Charge for the year	0.09	4.90	26.34	-	763.56	45.09	104.44	55.56	97.09	6.09	1,103.16
Reclassified on account of adoption of Ind AS 116	-	-	-	57.53	-	-	-	-	-	-	57.53
Disposals	-	-	-	-	286.16	5.74	-	-	12.77	-	304.67
Balance as at 31 March, 2020	0.28	17.67	64.69	-	1,274.33	95.09	169.52	113.11	128.62	18.41	1,881.72
As at 31 March, 2019	2.60	71.19	358.62	537.92	2,716.43	108.56	128.51	204.35	292.50	24.28	4,444.96
As at 31 March, 2020	2.51	66.29	332.28	-	2,647.50	92.81	199.18	165.92	285.14	18.19	3,809.82

Note : Capital Work-in-Progress is of Rs. 2,603.89 lacs.



Sahajanand Medical Technologies Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2020

Note 3(B) : Intangible assets

Particulars	Computer Software	Patents and trademark	Total
Cost			
Balance as at 01 April, 2018	98.23	1.81	100.04
Additions	74.17	-	74.17
Disposals	-	-	-
Balance as at 31 March, 2019	172.40	1.81	174.21
Additions	75.30	-	75.30
Disposals	-	-	-
Balance as at 31 March, 2020	247.70	1.81	249.51
Accumulated Amortisation			
Balance as at 01 April, 2018	28.94	0.37	29.31
Charge for the year	38.29	0.37	38.66
Disposals	-	-	-
Balance as at 31 March, 2019	67.23	0.74	67.97
Charge for the year	49.40	0.37	49.77
Disposals	-	-	-
Balance as at 31 March, 2020	116.63	1.11	117.74
As at 31 March, 2019	105.17	1.07	106.24
As at 31 March, 2020	131.07	0.70	131.77

Note 3(C) : Right-of-Use assets

Particulars	Office Space	Leasehold land	Total
Balance as at 01 April, 2019	555.80	595.45	1,151.25
Additions	60.63	-	60.63
Disposals	-	-	-
Balance as at 31 March, 2020	616.43	595.45	1,211.88
Accumulated Depreciation			
Balance as at 01 April, 2019	-	57.53	57.53
Charge for the year	177.49	38.46	215.95
Disposals	-	-	-
Balance as at 31 March, 2020	177.49	95.99	273.48
As at 01 April, 2019	555.80	537.92	1,093.72
As at 31 March, 2020	438.94	499.46	938.40

Date : December 11, 2020

Disclosure

- (a) All the intangible assets are acquired externally during the year.
(b) Details of capital assets pledged have been disclosed in Note No. 15



Sahajanand Medical Technologies Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2020

Note 4 : Non current investments

(Rs. in lacs)

As at 31 March, 2020	As at 31 March, 2019
Non - Current Investment National Savings Certificate-at amortised cost	0.42
Non - Current Investment Subsidiary-at cost in SMT Cardiovascular Pvt. Ltd. (10,000 equity shares of Rs. 10 each fully paid-up)	1.00
Non - Current Investment Subsidiary-at cost in Sahajanand Medical Technologies Ireland Ltd (1,00,000 equity shares of EUR 1 each fully paid-up)	74.40
75.82	74.82

Disclosure of interest in other entities (as required by Ind AS 27)

The Company's direct subsidiaries are given below:

No	Name of Entity	Country of Incorporation /Principal Place of Business	Relationship	% Holding	
				As at 31 March, 2020	As at 31 March, 2019
1	Sahajanand Medical Technologies Ireland Ltd	Ireland	Subsidiary	100	100
2	SMT Cardiovascular Pvt. Ltd	India	Subsidiary	100	100

Note 5: Other Financial Assets

(Rs. in lacs)

As at 31 March, 2020	As at 31 March, 2019
(A) Non Current Financial Assets	
Security Deposits	138.48
Deposits with banks*	25.45
163.93	90.98

*These are fixed deposits with maturity period of more than 1 year

(B) Current Financial Assets

Interest Receivable on

Loan given to subsidiary	268.34	-
Unsecured loan and deposits	99.39	350.72

Security Deposits

Considered good	215.70	283.90
Considered doubtful	15.34	15.34
Less : Allowance for doubtful deposits	(15.34)	(15.34)
215.70	283.90	

Export incentives receivable

Other receivables from subsidiary company (unsecured considered good)	649.59	236.71
	70.85	-

1,303.87 **871.33**

Note 6 : Loans

(A) : Loans- Non Current

(Rs. in lacs)

As at 31 March, 2020	As at 31 March, 2019
Unsecured Considered Good	
Loans to parties	54.12
Loans to Subsidiaries	106.96
2,740.64	-
2,794.76	106.96

(B) Loans- Current

As at 31 March, 2020 As at 31 March, 2019

Unsecured Considered Good

Loans to parties	148.15	197.58
Loans to employees	26.84	76.97
Loans to Subsidiaries	5,531.14	-
5,706.13	274.55	



Note 7: Deferred Tax Assets (net)

(a) Analysis of deferred tax assets / (liabilities) presented in the balance sheet:

	(Rs. in lacs)	
	As at 31 March, 2020	As at 31 March, 2019
Deferred tax assets	807.71	623.49
	807.71	623.49

(b) The balance comprises temporary differences attributable to:

Particulars	As at 1 April, 2019	Charged / (credited) to statement of Profit and Loss	(Charged) / credited to other comprehensive income	(Charged) / credited to Equity	As at 31 March, 2020
Difference between Book based and Tax based in respect of PPE and intangible assets	(69.81)	(32.33)	-	-	(102.14)
Allowances for Doubtful debts and security deposits	(286.11)	(76.48)	-	-	(362.59)
Employee Benefits	(260.31)	(26.77)	(30.54)	-	(317.62)
Transition impact of Ind AS 116	-	-	-	(16.41)	(16.41)
Deferred Tax on lease liabilities	-	(4.13)	-	-	(4.13)
Others	(7.26)	2.44	-	-	(4.82)
Deferred Tax Assets	(623.49)	(137.27)	(30.54)	(16.41)	(807.71)

Particulars	As at 1 April, 2018	Charged / (credited) to statement of Profit and Loss	(Charged) / credited to other comprehensive income	As at 31 March, 2019
Difference between Book based and Tax based in respect of PPE and intangible assets	(227.25)	157.44	-	(69.81)
Allowances for Doubtful debts and security deposits	(177.81)	(108.30)	-	(286.11)
Date : December 11 ,2020	(146.37)	(106.60)	(7.34)	(260.31)
Others	(19.32)	12.06	-	(7.26)
Deferred Tax Assets	(570.75)	(45.40)	(7.34)	(623.49)

(c) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India

Sr. No.	Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
(A)	Profit Before Tax	5,353.21	5,544.11
(B)	Corporate Tax Rate	29.120%	29.120%
(C)	Tax on accounting profit	1,558.85	1,614.45
	(I) Tax on expense not tax deductible:		
	(a) CSR Expenses	25.63	18.35
	(II) Weighted deduction on R&D Expenditure	(174.66)	(285.15)
	(III) Effect of tax paid on foreign source income which is exempt from tax in India u/s 10AA	(407.06)	(224.00)
	(IV) Tax effect on various other items	104.43	323.62
	Total effect of Tax Adjustments ((I) to (IV))	(451.66)	(167.18)
(D)	Tax Expense recognised during the year	1,107.19	1,447.26
	Effective Tax Rate	20.683%	26.105%

Disclosure pursuant to Ind AS 12 Income Taxes

Current Tax	1,275.00	1,500.00
Deferred Tax credit	(137.27)	(45.40)
Tax credit on other comprehensive income	(30.54)	(7.34)
Total tax expenses in the Statement of Profit and Loss	1,107.19	1,447.26
Deferred Tax credit recorded in Equity (due to transition to Ind AS 116)	(16.41)	-

Note 8: Other assets

(A) Other assets - Non-current

	As at 31 March, 2020	As at 31 March, 2019
Capital advances	1,623.15	590.47
Indirect taxes recoverable	2,295.89	1,413.68
	3,919.04	2,004.15



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

(B) Other assets - Current

Unsecured Considered good

Advance to suppliers	863.04	959.33
Prepaid expenses	162.09	140.75
Advances to employees	38.55	11.27
	1,063.68	1,111.35

Note 9: Inventories (At lower of cost and net realisable value)

	(Rs. in lacs)	
	As at 31 March, 2020	As at 31 March, 2019
Inventory-Finished Goods	3,992.01	3,985.06
(Including Goods-In-Transit 31 March, 2020: 129.52 lacs; 31 March, 2019: 290.86 lacs)		
Inventory-Raw material	2,628.41	2,154.00
(Including Goods-In-Transit 31 March, 2020: 63.52 lacs ; 31 March, 2019: 64.03 lacs)		
Inventory-Work-in-progress	620.08	380.87
Inventory-Packing material	137.14	68.28
(Including Goods-In-Transit 31 March, 2020: 21.29 lacs ; 31 March, 2019: Nil)		
Inventory-Stores and spares	138.17	32.22
Inventory-Stock in trade	1,012.03	1,115.79
	8,527.84	7,736.22

Note 10: Trade Receivables

	(Rs. in lacs)	
	As at 31 March, 2020	As at 31 March, 2019
Unsecured		
Considered good	22,882.30	16,450.97
Considered doubtful	1,221.65	923.53
	24,103.95	17,374.50
Less : Allowance for doubtful debts	(1,221.65)	(923.53)
	22,882.30	16,450.97

Note:

- (i) The average credit period on sales of goods is 180 days. No interest is charged on trade receivables. Before accepting any new customer, the Company performs detailed background check to assess the potential customer's credit quality. The credit quality of customer are reviewed on regular basis.

(ii) Allowance for doubtful debts

	(Rs. in lacs)	
	As at 31 March, 2020	As at 31 March, 2019
Opening Balance	(923.53)	(498.07)
Add : Allowance during the year	(298.12)	(425.46)
Closing Balance	(1,221.65)	(923.53)

Note 11: Cash and cash equivalents

	(Rs. in lacs)	
	As at 31 March, 2020	As at 31 March, 2019
Cash on hand	4.42	8.16
Cheques and drafts on hand	10.01	246.16
Remittance-in-transit	515.86	453.17
Balance with banks		
Current account	977.20	55.24
EEFC accounts	28.58	36.58
Cash and cash equivalents	1,536.07	799.31

Note 12: Other bank balance

	(Rs. in lacs)	
	As at 31 March, 2020	As at 31 March, 2019
Other deposit accounts		
original maturity of more than 3 months but less than 12 months	4,427.49	16,418.92
	4,427.49	16,418.92



Note 13: Equity share capital	(Rs. in lacs)	
	As at 31 March, 2020	As at 31 March, 2019
Authorised		
10,00,00,000 Equity shares of Re. 1/- each	1,000.00	1,000.00
Issued, subscribed and fully paid-up share capital		
8,89,04,344 Equity Shares of Re. 1/- each fully paid-up	889.04	889.04

13(a): Details of rights, preferences and restrictions attached to the equity shareholders:

The Company has one class of equity shares having a face value of Re. 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The rights, pledge, assignment, hypothecation or creation on any third party interest in the said shares are subject to rights and obligations by respective parties as specified in the Share Subscription and Purchase Agreement ("SSPA") dated 26 October, 2016 along with the amendment and supplemental agreement to SSPA.

The rights, pledge, assignment, hypothecation or creation on any third party interest in the said shares are subject to rights and obligations by respective parties as specified in the Share Subscription and Purchase Agreement ("SSPA") dated 19 December, 2017.

Particulars	(Rs. in lacs)			
	Equity Shares for the year ended 31 March, 2020		Equity Shares for the year ended 31 March, 2019	
	No.	Amount	No.	Amount
Equity shares outstanding at the beginning	8,89,04,343	889.04	8,89,04,343	807.06
Add : Call made on Partly-Paid Shares issued during the previous years	-	-	-	81.98
Equity shares outstanding at the end of the year	8,89,04,343	889.04	8,89,04,343	889.04

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

Sr. No.	Name of Shareholder	Equity Shares as at 31 March, 2020		Equity Shares as at 31 March, 2019	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Shree Hari Trust	3,12,25,431	35.12%	3,12,25,431	35.12%
2	Samara Capital Markets Holdings Limited	3,25,30,259	36.60%	3,25,30,259	36.60%
3	NHPEA Sparkle Holding B. V	1,63,96,803	18.44%	1,63,96,803	18.44%

Note 14: Other Equity	(Rs. in lacs)	
	As at 31 March, 2020	As at 31 March, 2019
Reserves & Surplus		
Securities premium	26,253.32	26,253.32
Retained earnings	16,624.52	12,523.99
General reserve	184.95	184.95
	43,062.79	38,962.26

Particulars	(Rs. in lacs)	
	For the year ended 31 March, 2020	For the year ended 31 March, 2019
(a) Securities premium		
Opening Balance	26,253.32	18,465.30
Add: Premium on shares issued during the year	-	7,918.02
Less: Share issue expenses	-	(130.00)
Closing Balance	26,253.32	26,253.32
(b) Retained earnings		
Opening balance	12,523.99	8,451.22
Adjustment on account of transition to Ind AS 116 (net of taxes) (Refer Note No. 40)	(39.49)	-
Profit for the year	4,215.48	4,089.51
Other Comprehensive Income for the year	(75.46)	(16.74)
Closing Balance	16,624.52	12,523.99
	42,877.84	38,777.31

Nature and purpose of reserves:

(a) Securities premium is used to record the premium on issue of shares. The reserve shall be utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

(b) The General reserve is a free reserve which is used from time to time to transfer profits from / to 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, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(c) Retained earnings represent the amount of accumulated earnings of the Company.



Sahajanand Medical Technologies Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2020

Note 15: Borrowings

(Rs. in lacs)

As at 31 March, 2020 As at 31 March, 2019

(A) Borrowings - Non Current (Secured)

Term Loans

From Financial Institutions

57.40

Vehicle loans

From Banks

35.33

99.19

35.33

156.59

Nature of Security and terms of repayment for secured borrowings:

(i) Term Loan

Sr. No.	Name of Bank	31 March, 2020	31 March, 2019	Interest Rate	Terms of Repayment and Security
1	IndusInd Bank (Foreign Currency Term Loan of USD 4,06,504 taken on November 16, 2014 which was converted in to 1,00,00,000 INR on 16 November, 2017)	-	31.55	11.30%	Repayable in 60 equal half - yearly instalments beginning from 16 November, 2014 Primary Security First pari passu charge (with ICICI Bank) - Hypothecation of the entire current assets of the borrower comprising, inter alia, of stock of raw material, work in progress, finished goods, receivables, book debts and other current assets. Collateral Security First pari passu charge (with ICICI Bank) on movable fixed assets (including plant and machineries) both present and future except other assets exclusively financed by other banks.
Total		-	31.55		
Less	Current Maturities of Long-Term Borrowings (Refer Note 17 D)	-	31.55		
	Long-Term Borrowing as disclosed	-	-		

(ii) Term Loan - Financial Institution

(Rs. in lacs)

Sr. No.	Name of Bank	31 March, 2020	31 March, 2019	Interest Rate	Terms of Repayment and Security
1	Biotechnology Industry Research Assistance Council	57.40	114.80	5% (Simple Interest)	Repayable in 10 half-yearly instalments beginning from 27 August, 2016 Secured by hypothecation (pari passu charge) of any and all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or other movable property, present and future, including those acquired / to be acquired pertaining to Balloon Catheter Manufacturing.
Total		57.40	114.80		
Less	Current Maturities of Long-Term Borrowings (Refer Note 17 D)	57.40	57.40		
	Long-Term Borrowing as disclosed	-	57.40		

(iii) Vehicle Loans*

(Rs. in lacs)

Sr. No.	Name of Bank	31 March, 2020	31 March, 2019	Interest Rate	Terms of Repayment and Security
1	Yes Bank Ltd	-	12.73	9.29%	Repayable in 36 equal monthly instalments
2	Yes Bank Ltd	4.19	15.97	9.25%	
3	Yes Bank Ltd	0.91	6.08	9.25%	
4	ICICI Bank Limited	-	3.79	9.50%	
5	ICICI Bank Limited	2.44	9.50	8.45%	
6	ICICI Bank Limited	5.13	10.92	8.53%	
7	ICICI Bank Limited	5.19	8.69	9.11%	
8	HDFC Bank	6.14	9.81	8.70%	
9	HDFC Bank	6.76	10.80	8.70%	
10	HDFC Bank	4.67	7.47	8.70%	
11	HDFC Bank	4.92	7.86	8.70%	
12	HDFC Bank	10.58	16.19	8.70%	
13	HDFC Bank	36.14	51.94	8.70%	
14	ICICI Bank Limited	5.67	8.23	9.85%	
Total		92.74	179.98		
Less	Current Maturities of Long-Term Borrowings (Refer Note 17 D)	57.42	87.24		
	Long-Term Borrowing as disclosed	35.32	92.74		

*Vehicle loans are secured by mortgage against vehicle



Sahajanand Medical Technologies Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2020

(iv) Cash Credit/Overdraft facility/Working Capital/Packing Credit

(Rs. in lacs)

Sr. No.	Name of Bank	31 March, 2020	31 March, 2019	Interest Rate	Terms of Repayment and Security
1	ICICI Bank Ltd	-	1,546.11	11.45%	Repayable on demand Primary Security First pari passu charge (with ICICI Bank) - Hypothecation of the entire current assets comprising, inter alia, of stock of raw material, work in progress, finished goods, receivables, book debts and other current assets. Collateral Security First pari passu charge (with ICICI Bank) on movable fixed assets (including plant and machineries) both present and future except other assets exclusively financed by other banks.
2	ICICI Bank Ltd	1,672.59	4,682.27	8.80%	Repayable on demand Security Hypothecation against fixed deposit
3	Standard Chartered Bank	3,200.00	-	9.05%	Repayable Terms 1. Rs.700 lacs to be paid within 35 days 2. Rs 1,500 lacs to be paid within 45 days 3. Rs. 1,000 lacs to be paid within 60 days Security First pari passu charge - Over present and future current assets of the company. First pari passu charge - Over present and future moveable assets of the company. First pari passu charge - Over present and future immoveable fixed assets of the company. Plot No. 33,34,35,52,53,54 at Surat Special Economic Zone Sachin - 394230.
4	HDFC Bank	500.00	-	8.75%	Repayable within 120 days
5	HDFC Bank	1,851.02	-	9.20%	Repayable on demand Primary Security First pari passu charge - Over current assets of the company - both present and future Secondary Security First pari passu charge on movable and immoveable fixed assets of the company both present and future, located at Plot No. 33,34,35,52,53,54 at Surat Special Economic Zone Sachin - 394230. First pari passu charge over all peice and parcel of land situated at A1 and , situated at Revenue survey No 60/1 and 60/2 of Moje Village Katagram Ved Dabholi Road Katagram Surat known as Sahajanand Estate owned by Shri Dhirajlal Katodia.
6	IndusInd Bank Ltd	-	(536.36)	10.85%	
Total		7,223.61	5,692.02		

(B) Borrowings - Current (Unsecured)

(Rs. in lacs)

As at 31 March, 2020 As at 31 March, 2019

Working capital loans

(a) Cash credits facility repayable on demand

(b) Working capital loans repayable based on respective tenure

3,523.62 5,692.03

3,700.00 -

7,223.62 5,692.03

(Rs. in lacs)

Note 16: Trade Payables

As at 31 March, 2020 As at 31 March, 2019

Due on account of goods purchased and services received

total outstanding dues of micro enterprises and small enterprises (Refer Note 30)

total outstanding dues of creditors others than micro enterprises and small enterprise

80.12 17.57

6,627.79 2,735.88

6,707.91 2,753.45



Sahajanand Medical Technologies Private Limited
Notes forming part of the financial statements for the year ended 31 March, 2020

Note 17: Other financial liabilities

(A) Lease Liabilities- Non-Current
Lease Liabilities (Refer Note No. 40)
(B) Lease Liabilities- Current
Lease Liabilities (Refer Note No. 40)
(C) Other financial liabilities - Non-current
Deposits from others- Secured
Leave Encashment Payable
(D) Other financial liabilities- Current
Capital Creditors
Current maturities of long term borrowings
Interest accrued but not due on borrowings
Employee related liabilities
Leave Encashment Payable

(Rs. in lacs)	
As at 31 March, 2020	As at 31 March, 2019
312.42	-
312.42	-
196.49	-
196.49	-
73.25	30.75
166.78	153.38
240.03	184.13
120.40	58.17
114.82	176.18
9.11	6.44
747.96	759.17
227.16	107.02
1,219.45	1,106.98

Note 18: Provision

(A) Provision - Non-Current
Provision for gratuity
(B) Provision - Current
Provision for claims from customers*
Provision for leave encashment

(Rs. in lacs)	
As at 31 March, 2020	As at 31 March, 2019
199.37	104.90
199.37	104.90

(Rs. in lacs)	
Amount	Amount
-	15.85
67.94	45.25
67.94	61.10
15.85	30.00
(1.18)	(14.15)
(14.67)	-
-	15.85

***Movement:**

Balance at the beginning of the year
Less: Provision utilised during the year
Less: Provision reversed during the year
Balance at the end of the year

Nature of Provision:

The provision is for anticipated claims for product assurance given to the customer which is made on the basis of management expectation taking into account historical experience. The expected timing of any resulting outflow of economic benefits ranges for a period of twelve months.

Note 19: Other current liabilities

Advance received from customers
Statutory dues

(Rs. in lacs)	
As at 31 March, 2020	As at 31 March, 2019
110.75	946.25
220.34	157.42
331.09	1,103.67



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 20: Revenue From Operations

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Sale of Products	42,306.60	32,635.87
Other operating Income (Export Incentive)	626.72	155.19
	42,933.32	32,791.06

Note 21: Other Income

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Interest Income on:		
Bank deposits	653.73	947.17
Loans to Parties	283.43	28.51
Others	29.10	2.73
Rent Income	-	4.52
Provision no longer required written back	14.67	-
Net exchange gain	327.48	-
	1,308.41	982.93

Note 22: Cost of materials consumed

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Inventory at the beginning of the year	2,254.50	1,619.07
Add: Purchases	8,572.60	4,883.65
	10,827.10	6,502.72
Less : Inventory at the end of the year	(2,903.71)	(2,254.50)
	7,923.39	4,248.22
Less: Expenditure incurred for R&D activities which are classified separately	(157.49)	(131.67)
Less: Expenditure incurred for US FDA activities which are classified separately	(480.67)	-
	7,285.23	4,116.55

Note 23: Purchase of Stock-in-trade

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Cardiac Accessories	2,695.64	2,732.71
	2,695.64	2,732.71

Note 24: (Increase) / Decrease in inventories of finished goods, work-in-progress and stock-in-trade

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Inventories at the end of the year:		
Finished goods	3,992.01	3,985.06
Work-in-progress	620.08	380.87
Stock-in-trade	1,012.03	1,115.79
	(A) 5,624.12	5,481.72
Inventories at the beginning of the year:		
Finished goods	3,985.06	2,627.65
Work-in-progress	380.87	682.69
Stock-in-trade	1,115.79	223.70
	(B) 5,481.72	3,534.04
	(A) + (B) (142.40)	(1,947.68)



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 25: Employee Benefit Expenses

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Salaries, wages and bonus	6,916.09	5,105.36
Contribution provident and other funds	141.34	112.35
Gratuity expense	96.45	71.25
Staff welfare expenses	759.29	455.49
	7,913.17	5,744.45
Less : Regrouped under R&D expenses (Refer Note No. 27)	(672.63)	(517.41)
Less : Regrouped under USFDA expenses (Refer Note No. 28 A)	(62.96)	-
	7,177.58	5,227.04

Note 26: Finance Costs

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Interest expense	413.21	488.53
Interest on lease liability	52.33	-
Interest on shortfall of advance tax	1.40	12.83
Other borrowing costs	203.69	91.04
	670.63	592.40

Note 27: Research and development expenses

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Testi Date : December 11 ,2020	1,865.81	2,266.85
Materials used for R&D	157.49	131.67
Clinical Trial expenses	6,050.62	3,261.50
Technical Advisory fees	365.23	437.66
Repairs and maintenance	56.14	73.87
Travelling expenses	63.94	23.73
Miscellaneous expenses	31.70	21.42
Salaries, wages and bonus	672.63	517.41
	9,263.56	6,734.11

Note 28: Other expenses**28 (A): Expenses for USFDA approval ***

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Consumption and Overheads	638.14	-
Clinical Trial expenses	381.54	-
Technical Advisory fees	36.05	-
Travelling expenses	45.52	-
Total 28 (A)	1,101.25	-

* The above expenses are development and other related expenses in relation to the filing for approval to the United States Food and Drug Administration (USFDA) for one of the drug eluting stent product of the Company.



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

28 (B): Other expenses

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Power and fuel	208.45	170.67
Freight and Forwarding Expenses	318.63	223.61
Travelling expenses	1,296.88	1,317.86
Business promotion expense	887.44	505.68
Advertisement expense	4.33	70.60
Conference expense	3,037.38	2,654.16
Other marketing expense	43.95	23.44
Marketing Consultancy Expenses	262.04	894.75
Rent	189.95	293.01
Rates and taxes	35.58	28.73
Commission & brokerage	221.48	796.29
Insurance	59.98	67.82
Repairs and maintenance		
Buildings	4.33	10.06
Plant and Machinery	129.54	133.46
Others	276.25	248.85
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer Note 37)	88.00	63.00
Legal and professional fees	1,231.76	975.21
Payment to auditors		
for statutory audit	47.00	30.00
for certification	13.03	3.50
for other services	3.03	28.00
Printing and stationery	21.35	78.72
Loss on sale on Property, Plant and Equipment	4.88	20.69
Donation	404.82	360.43
Bad Debts	12.81	15.50
Allowance for Doubtful debt	298.12	425.45
Net Exchange Loss	-	44.01
Miscellaneous expenses	461.65	328.23
	9,562.66	9,811.73
Less : Regrouped under USFDA expenses (Refer Note No. 28 A)	(94.51)	-
Total 28 (B)	9,468.15	9,811.73
Total 28 (A) + 28 (B)	10,569.40	9,811.73



Note 29: Contingent Liabilities and Commitments

Contingent Liabilities

- Claims against the Company not acknowledged as debt
- Income Tax Matters
 - Commercial Matters
 - Bank Guarantee

(Rs. in lacs)	
As at 31 March, 2020	As at 31 March, 2019
47.10	47.10
26.88	26.88
1,142.94	1,075.25
1,216.92	1,149.23

Commitments

- (a) Capital commitments (Total value)
- Less: Capital advance
- Total**

As at 31 March, 2020	As at 31 March, 2019
913.34	1,609.00
268.25	590.47
645.09	1,018.53

- (b) Other commitments
- (The Company has entered into agreement with European cardiovascular research institute to conduct clinical trial of the product "Supraflex", the cancellation of which will entail monetary compensation of EURO 147,677.)

122.65	114.75
767.74	1,133.28

Note 30: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the Management.

(ii) The Disclosure relating Micro and Small Enterprises are as under:

(i) (a) The principal amount remaining unpaid to supplier as at the end of the accounting year

(Rs. in lacs)	
As at 31 March, 2020	As at 31 March, 2019
75.42	16.74

(b) Interest on (i)(a) above

2.31 0.83

(ii) The amount of interest paid is inclusive with the principal payment made to the supplier beyond the appointed date during the year.

96.24 96.33

(iii) Amount of interest due and payable on delayed payments

- -

(iv) Amount of further interest remaining due and payable for the earlier years

- -

(v) Amount of Interest payable remaining unpaid

2.38 1.55

Note 31: Earnings per share

Earning per share has been computed as under:

Profit for the year

Weighted average number of equity shares outstanding during the year

Face value per share (Rs.)

Earnings per share (Rs.) - Basic

(Rs. in lacs)	
As at 31 March, 2020	As at 31 March, 2019
4,215.48	4,089.51
889.04	836.71
1.00	1.00
4.74	4.89

Earning per share has been computed as under:

Profit for the year

Weighted average number of equity shares outstanding during the year

Face value per share (Rs.)

Earnings per share (Rs.) - Diluted

4,215.48	4,089.51
889.04	889.04
1.00	1.00
4.74	4.60



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 32 - Related party transactions

(a) Names of related parties and nature of relationship :

(I) Persons having direct or indirect control over the Company:

Mr. Dhirajlal Kotadia (Chairman)
Mr. Bhargav Kotadia (Managing Director)
Mrs. Sharada Kotadia
Mr. Dhirajkumar Vasoya (Director)
Mr. Harivadan Pandya (Director)
Mr. Arjun Saigal (Director)
Mr. Mohit Jhavar (Director)
Mr. Abhishek Kabra (Director)
Mr. Gautam Gode (Director)
Mr. Jose Carlo (Director)

(II) Enterprise having substantial interest over the Company:

Samara Capital Markets Holdings Limited
NHPEA Sparkle Holdings B.V.
Shree Hari Trust

(III) Subsidiaries of the Company:

Sahajanand Medical Technologies Ireland Limited, Ireland
SMT Cardiovascular Pvt Ltd, India (w.e.f. 16 November, 2019)
Sahajanand Medical Technologies Iberia SL, Spain (w.e.f. 19 May, 2019)
SMT Germany GmbH, Germany (w.e.f. 28 February, 2019)
SMT Polonia SPÓŁKA Z OGRANICZONA ODPOWIEDZIALNOSCIA (w.e.f. 05 August, 2019)
SMT CIS LLC (Russia) (w.e.f. 20 September, 2019)
SMT Importadora E Distribuidora De Produtos Hospitalares Ltda.(formerly known as Zarek Distribuidora De Produtos Hospitalares Eireli Av.) (w.e.f. 24 September, 2019)

SMT France SAS (w.e.f. 20 March, 2020)

(IV) Enterprises under common control:

Sahajanand Technologies Private Limited, India
Sahajanand Life Sciences Private Limited, India
Suayu Health Care Resorts Pvt. Ltd., India

(V) Enterprise controlled by the relative of Key Managerial Personnel:

STPL Enterprise, India
(Controlled by Mrs. Naynaben Vasoya - Wife of Mr. Dhirajkumar Vasoya)

(VI) Key Management Personnel and their relatives (with whom the Company has transactions):

Mr. Bhargav Kotadia (Managing Director)

Mr. Ganesh Sabat (Director)
Mr. Jose Carlo (Director)



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

(Amount Rs. in lacs)

(b) Transactions with related parties:

Sale of Finished Goods

	For the Year ended 31 March, 2020	For the Year ended 31 March, 2019
Sahajanand Medical Technologies Ireland Limited, Ireland	2,120.63	1,295.13
SMT Germany GmbH	478.05	-
SMT Importadora E Distribuidora De Produtos Hospitalares Ltda.(formerly known as Zarek Distribuidora De Produtos Hospitalares Eireli Av.)	517.63	-

Interest on Loan Given

Sahajanand Medical Technologies Ireland Limited, Ireland	268.34	-
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Purchase of Stores and Spares

STPL Enterprise, India	-	0.03
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Purchase of Capital Goods

Sahajanand Technologies Private Limited, India	236.94	255.70
Sahajanand Life Sciences Private Limited, India	3.80	-
Sahajanand Medical Technologies Ireland Limited, Ireland	32.12	-

Research and Development Expenses

Sahajanand Medical Technologies Ireland Limited, Ireland	1,176.75	1,203.94
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Other Expenses

Sahajanand Technologies Private Limited	5.08	8.90
Sahajanand Life Sciences Private Limited, India	0.49	0.41
Mr. Dhirajkumar Vasoya	28.32	-
Mr. Dhirajlal Kotadia	129.69	109.12

Reimbursement of expenses (claimed on related party)

Sahajanand Technologies Private Limited, India	44.04	47.25
Sahajanand Life Sciences Private Limited, India	8.67	12.94
SMT Cardiovascular Private Limited, India	70.85	-
Mr. Dhirajlal Kotadia	-	5.66

Date : December 11 ,2020

Reimbursement of expenses (claimed by related party)

Sahajanand Life Sciences Private Limited, India	-	0.38
Sahajanand Technologies Private Limited, India	-	12.40
Mr. Bhargav Kotadia	1.53	-

Remuneration excluding retirement benefits and reimbursements

Mr. Ganesh Sabat	391.79	324.27
Mr. Bhargav Kotadia	156.00	144.00
Mr. Jose Callo	255.66	-

Investments made during the year

SMT Cardiovascular Private Limited, India	1.00	-
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Unsecured Loan given during the year

Sahajanand Medical Technologies Ireland Limited, Ireland	7,798.91	-
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Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

(Rs. in lacs)

(c) Closing Balances :
Shares issued to enterprise having substantial interest over the Company

NHPEA Sparkle Holdings B.V.	-	8,000.00
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Trade Receivable

Sahajanand Medical Technologies Ireland Limited, Ireland	2,572.22	1,899.49
SMT Germany GmbH	503.60	-
SMT Importadora E Distribuidora De Produtos Hospitalares Ltda. (formerly known as Zarek Distribuidora De Produtos Hospitalares Eireli Av.)	357.75	-

Trade Payable

Sahajanand Medical Technologies Ireland Limited, Ireland	143.72	-
Sahajanand Technologies Private Limited, India	0.98	-

Other Payables

Mr. Dhirajlal Kotadia	15.20	-
Mr. Dhirajkumar Vasoya	10.20	-
Mr. Bhargav Kotadia	1.53	-

Other Receivables

Sahajanand Technologies Private Limited, India	169.79	-
Sahajanand Life Sciences Private Limited, India	1.33	-
SMT Cardiovascular Private Limited, India	70.85	-

Other Current Liabilities

Mr. Ganesh Sabat	86.43	174.17
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Unsecured Loan outstanding (current and non-current)

Sahajanand Medical Technologies Ireland Limited, Ireland	8,271.78	-
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Accrued Interest outstanding on unsecured loan

Sahajanand Medical Technologies Ireland Limited, Ireland	268.34	-
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Note: 33 Segment Reporting
Primary segment:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is revaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company has only one reportable business segment "Interventional Devices".

Secondary segments (By geography):

(Rs. in lacs)

Particulars	For the year ended 31 March, 2020		
	India	Outside India	Total
Revenue from location of customers	29,530.42	12,776.18	42,306.60
Carrying amount of segment non-current assets *	11,402.92	-	11,402.92

(Rs. in lacs)

Particulars	For the year ended 31 March, 2019		
	India	Outside India	Total
Revenue from location of customers	24,725.64	7,910.23	32,635.87
Carrying amount of segment non-current assets *	6,582.16	-	6,582.16

No single customer contributes more than 10% or more of the Company's total revenue for the years ended March 31, 2020 and March 31, 2019.

* Non-current assets exclude financial assets and deferred tax assets.



Note 34: Consumption of Traded Goods

Cost of Material Consumed includes Trading of Stock-in-trade amounting Rs. 2,688.70 lacs (31 March, 2019 - Rs. 1,799.06 lacs).

Note 35: Financial Risk Management**Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategy. The Company's financial risk management policy is set by the Board. The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The key risks and mitigating actions are also placed before the Board of Directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a adverse change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, receivables, payables and loans.

The Company manages the risk through the Finance department that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Finance department activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The Finance department provides funding for the Company's operations. In addition to guidelines and exposure limits, a system of authorities and extensive independent reporting covers all major areas of activity.

(A) Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The Company maintained a cautious funding strategy, with a positive cash balance for major part of the year ended 31 March, 2020 and throughout the year for the year ended 31 March, 2019. This was the result of existing business model of the company and funding arrangement from the investing partners.

The Company's board of directors regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in liquid mutual funds/fixed deposits while ensuring sufficient liquidity to meet its liabilities.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Maturity patterns of other financial liabilities**(Rs. in lacs)**

As at 31 March, 2020	0-12 months	Beyond 12 months	Total
Trade Payable	6,707.91	-	6,707.91
Payable related to Capital goods	120.40	-	120.40
Other Financial Liability	984.23	240.03	1,224.26
Short-Term Borrowings	7,223.62	-	7,223.62
Long-Term Borrowings	114.82	35.33	150.15
Lease Liabilities	196.49	312.42	508.91
Total	15,347.47	587.78	15,935.25



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

(Rs. in lacs)

As at 31 March, 2019	0-12 months	Beyond 12 months	Total
Trade Payable	2,753.45	-	2,753.45
Payable related to Capital goods	58.19	-	58.19
Other Financial Liability	872.62	184.13	1,056.75
Short-Term Borrowings	5,692.03	-	5,692.03
Long-Term Borrowings	176.18	156.59	332.77
Total	9,552.47	340.72	9,893.19

(B) Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables:

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business.

Other financial assets:

The Company maintains exposure in cash and cash equivalents, term deposits with banks, Loans, Security deposits and other financial assets. The Company has concentrated its main activities with a limited number of counter-parties (bank) which have secure credit ratings, to reduce this risk. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Finance department.

(C) Management of Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Foreign currency risk;
- Price risk; and

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

(I) Foreign Currency Risk:

The Company is exposed to foreign exchange risk arising from various currency exposures on account of sale and procurement of goods and services, primarily with respect to US Dollar and EURO.

The Company's management regular review the currency risk. However at this stage the company has not entered into any forward exchange contracts or other arrangements to cover this risk as the risk is not material.

Unhedged foreign currency exposure:**Particulars of unhedged foreign currency exposures as at the reporting date:**

As at 31 March, 2020	Amount in USD(in Lacs)	Amount in Rupees (in Lacs)	Amount in EUR(in Lacs)	Amount in Rupees (in Lacs)
Trade payables	(1.62)	(121.94)	(34.89)	(2,897.23)
Capital Creditors	(0.11)	(8.43)	(0.12)	(10.07)
Trade Receivables	18.99	1,431.34	39.91	3,314.71

As at 31 March, 2019	Amount in USD(in Lacs)	Amount in Rupees (in Lacs)	Amount in EUR(in Lacs)	Amount in Rupees (in Lacs)
Trade payables	(0.52)	(35.74)	(15.78)	(1,226.14)
Trade Receivables	11.03	763.27	23.94	1,859.86



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

Foreign Currency Risk Sensitivity

A change of 1% in foreign currency would have following impact on profit before tax:

(Rs. in lacs)

Currency	31 March, 2020		31 March, 2019	
	1% Increase	1% Decrease	1% Increase	1% Decrease
United States Dollar	13.01	(13.01)	7.28	(7.28)
Euro	4.07	(4.07)	6.34	(6.34)
Increase / (decrease) in profit	17.08	(17.08)	13.61	(13.61)

Date : December 11, 2020

(II) Pricing Risk:

There is no material impact of pricing risk on the financial statements and the operations of the Company.

Financial Instrument by category

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of trade receivables, cash, loans, other financial assets, trade payables and other financial liabilities, approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

Categorization of financial assets and liabilities

(Rs. in lacs)

As at 31 March, 2020		(Rs. in lacs)		
		Non-Current	Current	Total
Financial Assets measured at amortised cost (*)				
Investments	0.42	-	-	0.42
Trade receivables	-	22,882.30	-	22,882.30
Cash and cash equivalents	-	1,536.07	-	1,536.07
Loans	2,794.76	5,706.13	-	8,500.89
Others financial asset	163.93	1,303.87	-	1,467.80
Other Bank Balances	-	4,427.49	-	4,427.49
	2,959.11	35,855.86	-	38,814.97
Financial Liabilities at amortised cost				
Trade payables	-	6,707.91	-	6,707.91
Borrowings	35.33	7,223.62	-	7,258.95
Other financial liabilities	240.03	1,219.45	-	1,459.48
Lease Liabilities	312.42	196.49	-	508.91
	587.78	15,347.47	-	15,935.25

*Above excludes investment in subsidiaries of Rs. 75.40 lakhs which are measured at cost

As at 31 March, 2019		(Rs. in lacs)		
		Non-Current	Current	Total
Financial Assets measured at amortised cost *				
Investments	0.42	-	-	0.42
Trade receivables	-	16,450.97	-	16,450.97
Cash and cash equivalents	-	799.31	-	799.31
Loans	106.96	274.55	-	381.51
Others financial asset	90.98	871.33	-	962.31
Other Bank Balances	-	16,418.92	-	16,418.92
	198.36	34,815.08	-	35,013.44
Financial Liabilities at amortised cost				
Trade payables	-	2,753.45	-	2,753.45
Borrowings	156.59	5,692.03	-	5,848.62
Other financial liabilities	184.13	1,106.98	-	1,291.11
	340.72	9,552.46	-	9,893.18

*Above excludes investment in subsidiary of Rs. 74.40 lakhs which are measured at cost



Note 36: Employee benefits

In accordance with Ind AS - 19 Employee Benefits, specified under Section 133 of the Companies Act, 2013 the following disclosures are made:

36.1 The Company recognised Rs. 125.95 lacs (Previous year: Rs.112.35 lacs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

36.2 Defined benefit plans:

The Company has an unfunded gratuity plan for qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Actuarial gains and losses in respect of defined benefit plans are recognised in the financial statements through other comprehensive income.

Interest risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following table set out the unfunded status of the defined benefit schemes and the amount recognised in financial statements.

	(Rs. in lacs)	
Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Opening of defined benefit obligation	104.90	81.32
Current service cost	91.00	71.25
Past service cost	-	-
Interest on net defined benefit liability / (asset)	36.43	28.35
(Gains)/losses on settlement	-	-
Employer contributions	(107.97)	(75.39)
Interest on plan assets	(30.98)	(24.71)
Total expense recognised in the Statement of Profit and Loss	(11.52)	(0.50)

Amount recognized in OCI outside profit and loss account - Re-measurements during the period due to

Actuarial loss/(Gain) arising from change in financial assumptions	97.70	21.67
Actuarial loss/(Gain) arising from change in demographic assumptions	(19.00)	3.24
Actual return on plan assets less interest on plan assets	8.17	6.73
Actuarial loss/(Gain) arising on account of experience adjustment	19.13	(7.56)
Total amount recognized in other comprehensive income	106.00	24.08
Benefits Paid	-	-
Closing of defined benefit obligation Net asset / (liability) recognised in the Balance Sheet	199.37	104.90

	(Rs. in lacs)	
Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Opening net defined benefit liability / (asset)	104.90	81.32
Expense charged to profit & loss account	96.45	74.89
Amount recognized outside profit & loss account	(106.00)	(24.08)
Benefits Paid	107.97	75.39
Closing net defined benefit liability / (asset)	199.37	104.90

The principal assumptions used for the purposes of the actuarial valuations are as follows.

Discount rate	6.85%	7.80%
Salary escalation	10% for 2 years and 7% thereafter	10% for 3 years and 7% thereafter
Attrition rate	7.00%	7.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors such as supply and demand in the employment markets.



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

(Rs. in lacs)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Present value of funded defined benefit obligation	199.37	104.90
Fair value of plan assets	490.85	375.06
Net liability arising from defined benefit obligation	690.22	479.96

Sensitivity Analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following tables summarize the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points. These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Particulars	Year ended 31 March, 2020		Year ended 31 March, 2019	
	Discount Rate	Salary Escalation	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-7.79%	8.56%	-6.54%	5.62%
Impact of decrease in 50 bps on DBO	8.64%	-7.79%	7.20%	-5.24%



Note 37: CSR Expenditure

Amount required to be spend by to Company on Corporate Social Responsibility related activities during the year is Rs. 75.30 lacs. The amount recognised as expense in the Statement of P&L on CSR Related activities is Rs. 88 lacs (PY 2018-19, Rs. 63 lacs) which comprises of:

(Rs. in lacs)

Particulars	Disclosed in Note No.	Paid	Provided	Total
Other Revenue Expenses : Charged and presented under Other expenses	27	88.00	-	88.00

Note 38: Disclosure pursuant to Ind AS 20 Accounting for Government Grant and Disclosure of Government Assistance

The company exports to qualify for various export benefits offered in the form of duty credit scrips under foreign trade policy framed by Department General of Foreign Trade (DGFT). Income accounted towards such export incentives and duty drawback amounts to Rs. 626.72 lacs (P.Y. 2018-19, Rs. 155.19 lacs)

Note 39: Disclosure for Research & Development Expenses**(a) Details of revenue expenditure directly related to Research & Development (R&D):**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Rs. In lacs	Rs. In lacs
Employee benefits expense	672.63	517.41
Cost of raw material and components consumed	157.49	131.67
Legal & Professional fees	365.23	437.66
Others	7,910.71	5,515.70
Sub-total disclosed in R&D Expenses (Note 27)	9,106.06	6,602.44
Depreciation	121.90	104.18
Total revenue expenditure for R&D expenses	9,227.96	6,706.61

(b) Details of Capital expenditure directly related to Research & Development:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Rs. In lacs	Rs. In lacs
Property, Plant and Equipment		
Plant & equipment	77.57	141.52
Furniture & fixtures	-	24.68
Vehicles	-	22.00
Computers	-	1.49
Intangible Assets		
Software	32.50	44.50
Total	110.07	234.19

Note 40: Transition note on Ind AS 116

Effective 01 April, 2019, the company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March, 2019 have not been retrospectively adjusted.

The effect of adoption of Ind AS 116 as at 01 April, 2019 is as follows:

- Recognition of 'Right of Use' asset of Rs. 555.80 lacs and a lease liabilities of Rs. 611.70 lacs. The cumulative effect of applying the standard, amounting to Rs. 39.62 lacs was debited to retained earnings, net of taxes.
- Leasehold land were reclassified from Property, Plant and Equipment to Right of use assets as at 01 April, 2019 amounting to Rs. 537.92 lacs (Gross Block: Rs. 595.45 lacs and Accumulated depreciation Rs. 57.53 lacs).

Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 01 April, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 01 April, 2019 was 9.1%.



The Company had no finance leases as on 31 March, 2019 and accordingly no remeasurement was done.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right to-use asset, and finance cost for interest accrued on lease liability.

Practical expedients applied

In applying Ind AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with a remaining lease term of less than 12 months as at 01 April, 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease.

Accounting Policy

As a lessee:

The Company's lease asset classes primarily consist of leases for office space and residential space. 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: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) 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.

Variable lease payments based on an index or a rate (for example, linked to a consumer price index, a benchmark interest rate or a market rental rate) are part of the lease liability. However, other variable lease payments in excess of minimum guaranteed periodic lease payment are not considered as part of the lease liability. Such lease payments are recognised in the Statement of Profit and Loss in the period incurred.

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Rental contracts for leases of offices and home are typically made for fixed periods of 1 to 5 years.

Leasehold land for 15 to 16 years.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. 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.

Date : December 11 ,2020

Measurement of lease liabilities

(Rs. in lacs)

Operating lease commitments disclosed as at 31 March, 2019	630.12
(Less): Discounted using the lessee's incremental borrowing rate of at the date of initial application	140.72
Add: Leases not considered in operating lease commitments considered in Ind AS 116	122.29
Lease liability recognised as at 01 April, 2019	611.70
Of which are:	
Current lease liabilities	155.50
Non-current lease liabilities	456.20

Measurement of right of use assets

The associated right-of-use assets for office and home related leases were measured on a modified retrospective basis as if the new rules had always been applied.



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

Adjustments recognised in the balance sheet on 01 April, 2019

The change in accounting policy affected the following items in the balance sheet on 01 April, 2019:

- right-of-use assets – increase by Rs. 1,151.25 lacs
- deferred tax assets – increase by Rs. 16.41 lacs
- lease liabilities – increase by Rs. 611.70 lacs
- The net impact on retained earnings on 01 April, 2019 was an decrease of Rs 39.80 lacs (net of taxes)

Rental contracts for leases of offices and home are typically made for fixed periods of 1 to 5 years.

Amounts recognised in Balance Sheet

The balance sheet shows the following amounts relating to leases:

	(Rs. in lacs)	
	31 March, 2020	01 April, 2019
Right-of-use assets	938.40	1,151.25
Total	938.40	1,151.25

	31 March, 2020	01 April, 2019
Lease Liabilities		
Current	196.49	155.50
Non-current	312.42	456.20
Total	508.91	611.70

Movement of Right-of-Use assets

Details of carrying amount of right-of-use assets and movement during the period is disclosed under Note 3 (C)

Movement in Lease Liabilities		(Rs. in lacs)
	Lease Liabilities	
Opening recognition		611.70
Addition during Year		60.63
Finance Cost		52.33
Lease Liability Payments		215.75
Closing Balance as on 31 March, 2020		508.91

Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

	Note	31 March, 2020
Depreciation charge of right-of-use assets	3	215.95

	Note	31 March, 2020
Interest expense (included in finance costs)	26	52.33

The total cash outflow for leases for the year ended 31 March, 2020 was Rs. 163.42 lacs (Principal portion) and Rs. 52.33 lacs (Interest portion).

The undiscounted cash flow payable by the company is as follows:

	(Rs. In lacs)
Amount	
Not later than 1 year	234.95
Later than 1 year and not later than 5 years	344.57
Later than 5 years	-
Total Lease Payments	579.52

Note 41: Disclosure pursuant to Ind AS 115

Company has disaggregation the revenue into Domestic Sales and Export Sales in the below table

(Rs. in lacs)

Particulars	2019-20		2018-19	
	Domestic	Export	Domestic	Export
Sales	29,530.42	12,776.18	24,725.64	7,910.23

Note 42 : Disclosure pursuant to section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

A Investment in Equity Shares

(Rs. In lacs)

Name of the entity	Investment during the year	Investment redeemed during the year	As at 31 March, 2020
SMT Cardiovascular Pvt. Ltd.	1.00	-	1.00
Total	1.00	-	1.00



Sahajanand Medical Technologies Private Limited

Notes forming part of the financial statements for the year ended 31 March, 2020

B Details of Inter-corporate deposits/ Loans given by the Company during the year are as follows:

(Rs. In lacs)

Name of the entity	Loans given during the year	Loan Repayment during the year	As at 31 March, 2020
Sahajanand Medical Technologies Ireland Limited (Note i)	8,271.78	-	8,271.78
Kimaya Heart Institute & LLP Research Centre (Note ii)	25.00	-	25.00
Total	8,296.78	-	8,296.78

Note (i): Sahajanand Medical Technologies Ireland Limited

(Rs. In lacs)

Particulars	For the year ended 31 March, 2020
Purpose of utilization of loan given to the entities	Acquisition & General Working Capital Purpose
Loan Repayment Terms	Out of EUR 996 lacs loan given, EUR 330 lacs is repayable within 1 year and balance is repayable within 3 years
Rate of Interest	6.00%
Interest Repayment Terms	Interest is repayable with principal amount at the end of the term

Note (ii): Kimaya Heart Institute & LLP Research Centre

(Rs. In lacs)

Particulars	For the year ended 31 March, 2020
Purpose of utilization of loan given to the entities	Business Loan
Loan Repayment Terms	The repayment of the loan will start after 6 months of commencement of business by the borrower with a minimum repayment of Rs. 2.5 lacs per month
Rate of Interest	6.25%
Interest Repayment Terms	Interest is repayable at the end of the loan

Note 43 : Material event after reporting period

Subsequent to the balance sheet date, in May, 2020, the Company acquired Vascular Concepts Ltd, India for making a foray in structural heart segment. It has no impact on financial statements as at and for the year ended 31 March, 2020.

Note 44 : COVID-19 Impact


The spread of COVID-19 has affected the business from mid-March 2020, which had no major impact of the Company's operation, post the national lock down. The operations of the Company were not impacted significantly considering the operations of the Company were considered as an essential service by the respective government authorities. The Company had carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future. Since the situations are continuously evolving, the impact assessed may be different from the estimates made as at the date of approval of these financial statements and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.


Note 45 :

Unless otherwise stated, figures in brackets relate to the previous year. Previous period's figures have been regrouped / rearranged, to the extent necessary, to conform to current period's classifications. All the numbers have been rounded off to nearest lakhs.

For and on behalf of the Board of Directors
Sahajanand Medical Technologies Private Limited


Bhargav Kotadia
Managing Director
DIN No : 06575042


Ganesh Sabat
CEO and Director
DIN No : 07983480


Ashish Agrawal
CFO


Flora Das
Company Secretary

Place : Mumbai
Date : December 11, 2020

Place : Mumbai
Date : December 11, 2020

Place : Mumbai
Date : December 11, 2020

Place : Mumbai
Date : December 11, 2020

