

AARTECH SOLONICS LIMITED

CONSOLIDATED FINANCIAL STATEMENT **(FOR THE HALF YEAR ENDING SEPTEMBER 30,2020)**

Registered Office:
E-2/57, "Ashirvad"
Arera Colony
Bhopal – 462016
Madhya Pradesh

Tel. No. 91-755-4276335/2463693
Fax No. 91-755-2463593
E-mail: info@aartechsolonics.com
Website: www.aartechsolonics.com

Auditors:
S. Ramanand Aiyer & co
Chartered Accountants
51, Ratna lok Colony, Scheme No.
53, Vijay Nagar
Indore

S. Ramanand Aiyar & Co.

CHARTERED ACCOUNTANTS

51, Ratna lok Colony, Scheme No. 53, Vijay Nagar, INDORE- 452011 (M.P.)

Tel: 0731-4066810, E-mail : indore@sraco.in, www.sraco.in

INDEPENDENT AUDITORS' REPORT

To the Members of AARTECH SOLONICS LIMITED

Report on Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of AARTECH SOLONICS LIMITED (herein referred to as the holding company), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at September 30, 2020, the consolidated statement of Profit and Loss Account and the consolidated Cash Flow Statement for the half year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board Of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirement the Companies Act, 2013 ("the Act") that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated Cash Flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the



S. Ramanand Aiyar & Co.

CHARTERED ACCOUNTANTS

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provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act.


Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at September 30, 2020, its Consolidated Profit, and its Consolidated Cash Flows for the half year ended on that date.

For S. Ramanand Aiyar & co
Chartered Accountants


CA Amit Singhvi

Partner

(Membership No.: 129331)



Place: Bhopal

Date: November 13, 2020

UDIN: 20129331AAAAGK9092

AARTECH SOLONICS LIMITED**Consolidated Balance Sheet as at 30th September 2020**

Particulars	Notes	As at 30th Sep 2020	As at 31st March 2020
EQUITY & LIABILITIES			
Shareholders' Funds			
Share capital	2	7,06,00,940	7,06,00,940
Reserves & Surplus	3	17,84,25,860	17,66,44,159
Minority Interest	4	-6,38,086	-5,67,237
Non Current Liabilities			
Long term Borrowings	5	36,97,261	62,01,514
Deferred Tax Liabilities (Net)	6	10,15,365	10,15,365
Capital Grant	7	26,28,239	26,28,239
Current Liabilities			
Short Term Borrowings	8	1,01,74,371	1,73,58,455
Trade Payables	9		1,77,33,850
- To MSME		64,01,370	
- To Others		43,41,624	
Other Current Liabilities	10	52,51,842	52,20,911
Short Term Provisions	11	27,40,665	19,32,622
TOTAL		28,46,39,451	29,87,68,818
ASSETS			
Non-Current Assets			
Fixed Assets			
- Tangible Assets	12	3,81,78,671	3,96,65,412
- Intangible Assets			
- Capital Work-in-Progress			
Non-Current Investments	13	1,59,77,029	1,59,77,029
Long Term Loans and Advances	14	5,91,47,568	5,92,16,062
Other Non Current Assets			
Current Assets			
Current Investments	15	7,67,65,702	8,18,23,347
Inventories	16	2,71,07,135	2,90,38,939
Trade Receivables	17		4,65,40,092
- Outstanding for less than 6 months		2,98,09,182	
- Outstanding for more than 6 months		1,26,91,362	
Cash and Cash Equivalent	18	79,99,294	76,97,698
Short Term Loans and Advances	19	86,88,725	94,19,865
Other Current Assets	20	82,74,783	93,90,374
		28,46,39,451	29,87,68,818

Significant accounting policies and notes to financial statements are given in note 1 to 30

The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

For S. Ramanand Aiyer & Co.
Chartered Accountants



CA Amit Singhvi
Partner

(Membership No. 129331)
UDIN - 20129331AAAAGK9092
Place : Bhopal
Date : November 13, 2020

For and on behalf of the Board of Directors

Amit A. Rajee
Chairman &
Managing Director

Arati Nath
Chief Executive Officer

Pradeep Narkhede
Chief Financial Officer

K.R. Tanuj Reddy
Company Secretary

AARTECH SOLONICS LIMITED

Consolidated Statement of Profit and Loss for the half year ended 30 September 2020

	Notes	As at 30th Sep 2020	As at 31st March 2020
REVENUES			
Revenue from operations	21	4,67,15,230	10,09,92,804
Other income	22	15,69,404	48,82,215
TOTAL REVENUE		4,82,84,634	10,58,75,019
EXPENDITURES			
Cost of materials consumed	23	1,83,38,972	5,18,53,871
Change in inventories of finished goods and work in process	24	39,81,381	26,31,149
Employee benefit expenses	25	1,20,26,534	2,66,57,250
Finance costs	26	9,72,260	17,64,761
Depreciation and amortization expenses	27	19,22,839	29,82,002
Other expenses	28	93,31,797	2,03,67,772
TOTAL EXPENSES		4,65,73,782	10,62,56,806
Profit before exceptional and extraordinary items and tax		17,10,852	-3,81,787
Exceptional Items			
Profit before extraordinary items and tax		17,10,852	-3,81,787
Extraordinary Items			
Profit before tax		17,10,852	-3,81,787
Tax Expense			
Current Tax	29		42,72,177
Deferred Tax	30		1,41,126
Profit for the year		17,10,852	-47,95,090
Earnings per equity share (Par value of ₹ 10 each)			
Basic (₹)		0.24	0.71
Diluted (₹)		0.24	0.71

Significant accounting policies and notes to financial statements are given in note 1 to 30

The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

For S. Ramanand Aiyer & Co
Chartered Accountants

CA Amit Singhvi
Partner

(Membership No. 129331)

UDIN - 20129331AAAAGK9092

Place : Bhopal

Date : November 13, 2020



For and on behalf of the Board of Directors

Amit A. Rajee

Chairman & Managing
Director

Arati Nath

Chief Executive Officer

Pradeep Narkhede

Chief Financial Officer

K.R. Tanuj Reddy

Company Secretary

AARTECH SOLONICS LIMITED

Statement of Consolidated Cash Flow for the half year ended 30th September 2020

Particulars	As at 30th Sep 2020	As at 31st March 2020
1. Cash Flows from Operating Activities		
Net Profit and Loss a/c (as per profit and loss account)	17,10,852	-19,47,926
Add : (A) Apportionment of Fund :		
Provision for tax made during the half year	-	12,00,584
Deferred Tax	-	3,65,555
Net Profit before taxation and extra ordinary items	17,10,852	-3,81,787
Add : (B) Non operating Expenses :		
Depreciation during the half year	19,22,839	29,82,002
Sub Total	19,22,839	29,82,002
Less : (C) Non operating Income :		
Interest Income (refer note 22)	82,871	10,98,737
Dividend Income (refer note 22)	-	-
Net gain/(- loss) on sale of investments	12,90,440	19,47,459
Net gain on foreign currency transaction and translation (other than considered)	16,489	63,892
Other non-operating income (refer note 22)	1,79,604	2,62,353
Revenue Government Grant	-	10,09,773
Profit on sale of fixed assets	-	5,00,000
Sub Total	15,69,404	48,82,215
(D) Operating Profit Before Working Capital Changes (A+B-C)	20,64,287	-22,82,000
Add : (E) Increase in current liabilities and decrease in current assets:		
Decrease in inventory	19,31,804	
Increase in short term loans and advances	7,31,140	
Decrease in other current assets	11,15,591	17,76,267
Increase in Short term provisions	8,08,043	-
Increase in Short term Borrowings	-	1,73,58,455
Increase in Deferred Revenue Grant	-	-
Increase in Trade Payables	-	83,59,540
Increase in other current liabilities	30,931	13,70,764
Decrease in account receivable	40,39,548	42,78,703
Decrease in Short term loan and advances		
Sub Total	86,57,057	3,31,43,729
Less : (F) Increase in current assets and decrease in current liabilities:		
Increase in account receivable		
Increase in inventory		36,83,078
Increase in Other current assets		
Increase in short term loans and advances		78,15,003
Decrease in Short Term Borrowings	71,84,084	
Decrease in other current liabilities	-	
Decrease in short term provisions		52,11,613
Decrease in Trade Payable	69,90,856	-
Increase in Short term loan and advances		
Sub Total	1,41,74,940	1,67,09,694
(G) Cash generated from Operations (D+E-F))	-34,53,596	1,41,52,035
(H) Income tax paid during the half year:		15,04,802
(I) Net cash generated from operational activity (G-H)	-34,53,596	1,26,47,233
2. Cash Flows from Investing Activities		
(A) Net cash inflow from investment activity		
Interest Income (refer note 22)	82,871	10,98,737
Dividend Income (refer note 22)	-	-
Revenue Government Grant	-	10,09,773
Net gain/(- loss) on sale of investments (refer note 22)	12,90,440	19,47,459
Other non-operating income (refer note 22)	1,79,604	2,62,353
Proceeds from marketable securities	40,39,548	6,40,85,180
Proceeds from sale of fixed assets	-	5,00,000



Net gain on foreign currency transaction and translation (other than considered for)	16,489	63,892
<i>Maturity of fixed deposit made during the half year</i>		50,10,972
<i>Realisation of security deposit</i>		
Sub Total	66,27,049	7,39,78,367
(B) Net cash outflow from investment activity		
<i>Investment made in marketable securities during the half year</i>		8,46,11,607
<i>Investment made in Property</i>		
<i>Fixed deposit made the during half year</i>	1,83,001	12,36,520
<i>Investment made in Subsidiary Company</i>		
<i>Long Term Loans & Advances</i>	-68,494	2,14,32,085
<i>Utilisation of Grant for DST Uplift Project</i>		
<i>Purchase of new assets</i>	4,36,097	49,90,919
<i>Security deposit paid</i>		
Sub Total	5,50,604	11,22,71,131
(C) Net cash generated from Investment activity (a-b)	60,76,445	-3,82,92,764
3. Cash Flows from Financing Activities		
(A) Net cash inflow from financing activity		
<i>Proceeds from issue of equity shares</i>		
<i>Increase in long term borrowings</i>		
(B) Net cash outflow from investment activity		
<i>Decrease in long term borrowing</i>	25,04,253	47,59,758
Sub Total	25,04,253	47,59,758
(C) Net cash generated from Financing activity (a-b)	-25,04,253	-47,59,758
Net Increase/(Decrease) in Cash (1+2+3)	1,18,596	-3,04,05,289
4.		
Cash and cash equivalents at the beginning of the year	26,01,927	3,30,07,216
Cash and cash equivalents at the end of the half year	27,20,523	26,01,927



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

2. SHARE CAPITAL

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Authorized Share Capital:		
100,20,000 Equity shares of ₹10 each	10,02,00,000	10,02,00,000
Total	10,02,00,000	10,02,00,000
Issued, subscribed and Paid up:		
70,60,094 Equity shares of ₹10 each fully paid	7,06,00,940	7,06,00,940
Total	7,06,00,940	7,06,00,940

2.1 The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is set out below:

Particulars	(Number of equity shares)	
	As at 30th Sep 2020	As at 31st March 2020
Equity Shares at the beginning of the year	72,60,094	72,60,094
Add : Equity shares issued during the year		
– as fully paid up bonus shares	-	-
– as fully paid up shares for cash	-	-
Less : Shares cancelled on buy back of Equity Shares	-	-
Equity Shares at the end of the year	72,60,094	72,60,094

2.2 Terms / rights attached to Equity Shares

Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3 The details of shareholders holding more than 5% equity shares in the Company:

Name of Share Holders	No. of Shares	% held
As at September 30, 2020		
Aartech Solonics Limited		
Mr. Anil Anant Raje	15,58,667	22.08%
Mrs. Chhaya Anil Raje	9,33,333	13.22%
Mrs. Prajakta Shashikant Kulkarni	10,92,000	15.47%
Mr. Amit Anil Raje	10,21,067	14.46%
Ashtamangal Projects Limited	4,80,000	6.80%

Faradigm Ultracapacitors Private Limited

Aartech Solonics Ltd	9,500	95.00%
Mr. Anil Anant Raje (Minority Interest)	500	5.00%

Since, Mr. Anil Anant Raje does not have any beneficial interest in the shares, the company Faradigm Ultracapacitors Private Limited is a wholly owned subsidiary of Aartech Solonics Ltd as it is having 100% beneficial interest in the shares of Faradigm Ultracapacitors Private Limited.

AIC-Aartech Solonics Private Limited

Aartech Solonics Ltd	9,900	99.00%
Mr. Anil Anant Raje (Minority Interest)	100	1.00%

Nominee shareholder holding shares on behalf of Aartech Solonics Ltd U/s 187 of Companies Act 2013. Hence, AIC- Aartech Solonics Pvt Ltd is a wholly owned subsidiary of Aartech Solonics Ltd as per the said section

As per the records of the Company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

3. RESERVES AND SURPLUS

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
a) Capital Reserve		
Balance as per last Financial Statements	35,52,358	35,52,358
Add : Transferred from the statement of profit and loss	-	-
Closing Balance	35,52,358	35,52,358
b) General Reserve		
Balance as per last Financial Statements	9,69,15,392	9,69,15,392
Add : Transferred from the statement of profit and loss	-	-
Add : Transferred from Investment allowance reserve	-	-
Closing Balance	9,69,15,392	9,69,15,392
c) Securities Premium		
Balance as per last Financial Statements	5,09,20,000	5,09,20,000
Add : Received during the year on issue on share	-	-
Closing Balance	5,09,20,000	5,09,20,000
d) Surplus / (deficit) balance in statement of profit and loss during the year		
Balance as per last Financial Statements	2,52,56,409	3,04,75,595
Add : Profit for the year	17,10,852	-19,47,926
Less: Appropriations:		
- Share of Minority Interest (Refer note 4)	-70,849	-2,58,788
- Transferred to Capital Grant	-	-
- Proposed Dividend on Equity Shares	-	-
- Provision for Dividend Distribution Tax	-	35,30,047
- Net Transitional value of fixed assets	-	-
Closing Balance	2,70,38,110	2,52,56,409
Total	17,84,25,860	17,66,44,159

4. MINORITY INTEREST

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
AIC - AARTECH SOLONICS PRIVATE LIMITED		
- Share Capital of AIC-Aartech Solonics Pvt Ltd	1,000	1,000
- Profit & Loss of AIC-Aartech Solonics Pvt Ltd	-1,34,349	-1,29,780
	-1,33,349	-1,28,780
FARADIGM ULTRACAPACITORS PRIVATE LIMITED		
- Share Capital of Faradigm Ultracapacitors Pvt Ltd	5,000	5,000
- Profit & Loss of Faradigm Ultracapacitors Pvt Ltd	-5,09,737	-4,43,458
	-5,04,737	-4,38,458
Total	-6,38,086	-5,67,237



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

10. OTHER CURRENT LIABILITIES

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Unpaid Dividends	-	-
Expenses Payable	-	13,328
Other Payables	19,84,696	16,77,536
Dividend Payable	35,30,047	35,30,047
Total	55,14,743	52,20,911

11. SHORT TERM PROVISIONS

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Provision for Employee Benefits:		
- Salary and Reimbursements	24,10,337	15,981
- Contribution to ESIC and Provident Fund	1,45,760	1,35,715
- Gratuity	-	-
- Leave encashment	-	-
- Superannuation	-	-
- ESOP/ESOS	-	-
Others (includes Duties & Taxes Payable)	1,84,568	17,80,926
Total	27,40,665	19,32,622



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

13. NON CURRENT INVESTMENT

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Investment in property	1,30,64,811	1,30,64,811
Other Investments	1,000	1,000
Investment in Silver Coin	-	-
Investments in equity instruments:		
Dena Bank Equity	54,640	54,640
Enerqual Technology Private Limited	3,00,000	3,00,000
Umang Shridhar Design Private Limited	25,00,000	25,00,000
Investment In Ansheo Nutraware Private Limited	25,000	25,000
Investment In Bozobaka Labs Private Limited	31,578	31,578
Investment In Exosolar Private Limited	-	-
Total	1,59,77,029	1,59,77,029



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

14. LONG TERM LOANS & ADVANCES

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Other Loans and Advances (Unsecured, considered good)	5,55,30,344	5,55,30,344
Security Deposits (Unsecured Considered Good)	36,17,224	36,85,718
Total	5,91,47,568	5,92,16,062

14.1 Security deposits represents amount of security deposits for electricity, rent, telephone, earnest money

15. CURRENT INVESTMENT

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Investments in mutual funds (Instrument wise):		
- Aditya Birla Sunlife Frontline Equity Growth Fund	48,08,048	
- Axis Multi Cap Fund Growth Plan	-	
- DSP Equity Fund Regular Growth Plan	8,01,484	
- HDFC Capital Builder Value Fund Regular Growth	16,30,547	
- Kotak Low Duration Fund Standard Growth	27,38,466	
- Tata Equity P/E Fund Regular Plan Growth	5,74,945	
- Aditya Birla Sunlife Low Duration Growth Plan	47,96,210	
- Aditya Birla Sun Life Banking and Financial Services	10,00,000	
- Aditya Birla Sun Life Dynamic Bund Fund Growth	5,00,000	
- Aditya Birla Sun Life Equity Fund Growth Plan	25,00,000	
- Aditya Birla Sun Life Focused Equity Fund Growth	-	
- Aditya Birla Sun Life India Gen Next Fund Growth	10,00,000	
- Aditya Birla Sun Life MNC Fund Growth Plan	10,00,000	
- Aditya Birla Sun Life Overnight Fund Growth Plan	1,193	
- DSP Mid Cap Fund Regular Plan Growth	9,99,985	
- HDFC Small Cap Fund Regular Plan	8,99,993	
- HDFC Top 100 Fund Regular Growth Plan	8,49,993	
- IDFC Banking & PSU Debt Fund Regular Plan Growth	2,50,220	
- IDFC Bond Fund Medium Term Plan Growth	6,14,834	
- IDFC Bond Fund Short Term Plan Growth	9,48,434	
- IDFC Emerging Businesses Fund Regular Plan Growth	7,96,181	
- IDFC Large Cap Fund Growth	-0	
- IDFC Ultra Short Term Fund Regular Plan	10,01,378	
- Invesco Mutual Fund	1,00,000	
- Kotak Balanced Advantage Fund Growth	55,222	
- Kotak Emerging Equity Scheme Growth Regular Plan	-	
- Kotak Equity Opportunities Fund Growth Regular Plan	6,49,995	
- Kotak Focused Equity Fund Growth	-	
- Kotak Pioneer Fund Growth Regular Plan	30,00,000	
- Kotak Standard Multicap Fund Growth Regular Plan	56,49,993	
- Nippon India Balanced Advantage Growth Fund	2,27,741	
- Nippon India Banking Fund Growth Plan	34,66,071	
- Nippon India Banking & PSU Debt Fund Growth Plan	18,51,749	
- Nippon India CPSE ETF Fund	1,75,004	
- Nippon India Growth Fund Growth Plan	22,00,670	
- Nippon India Junior Bees FOF Growth Plan	3,99,975	
- Nippon India Large Cap Fund Growth Plan	13,57,982	
- Nippon India Low Duration Fund Growth Plan	25,99,870	
- Nippon India Multi Cap Fund Growth Plan	27,42,999	
- Nippon India Overnight Fund Growth Plan	1,85,536	
- Nippon India Prime Debt Fund Growth Plan	-	
- Nippon India Short Term Fund Growth Plan	59,08,884	
- Nippon India Small Cap Fund-Growth Plan	9,45,461	
- Nippon India US Equity Opportunities Fund Growth	74,888	



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

- Nippon India Value Fund Growth Plan	60,000	
- Nippon India Gold Savings Fund Growth Plan	3,88,981	
- Nippon India Multi Asset Fund Growth Plan (MFGPG)	9,99,950	
- DSP Ultra Short Fund Regular Plan Growth	94,84,525	
- Kotak low duration fund standard regular growth	27,092	
- Kotak standard multicap fund regular growth	60,00,000	
- Nippon india banking & PSU debt fund regular growth	-	
- Nippon india short term fund regular growth	-	
- 11050 - Nippon India Liquid Fund Growth Plan	5,01,204	
Total	7,67,65,702	8,18,23,347
Quoted Investments – Book Value	7,67,65,702	8,18,23,347
Quoted Investments – Market Value		
Unquoted Investments – Book Value	7,67,65,702	8,18,23,347
Total book value of current investments	7,67,65,702	8,18,23,347

16. INVENTORIES

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Raw Materials and components	2,70,55,516	2,50,05,939
Work-in-progress	-	39,85,235
Finished Goods	51,619	47,765
Stock in trade	-	-
Total	2,71,07,135	2,90,38,939

17. TRADE RECEIVABLES

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Outstanding for less than 6 months from the due date (Unsecured, considered good)	2,98,09,182	3,87,12,768
Outstanding for more than 6 months from the due date (Unsecured, considered good)	1,26,91,362	78,27,324
Total	4,25,00,544	4,65,40,092



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

18. CASH AND CASH EQUIVALENTS

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Balances with banks:		
- Earmarked Balances	-	2,25,000
- Guarantees (refer note no. 18.1)	52,78,772	6,97,628
- Other Commitments (refer note no. 18.2)	25,43,265	65,94,776
Cash on hand	25,157	94,840
Others (refer note no. 18.3)	1,52,101	85,453
Total	79,99,294	76,97,698

18.1 Guarantees represent fixed deposits pledged with banks for bank guarantees.

18.2 Other commitments represent balances with banks.

18.3 Others represent imprest given to employees for incurring expenses.

19. SHORT TERM LOANS AND ADVANCES

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Loans and Advances to Related Parties	31,76,700	32,30,700
Other Loans and Advances	55,12,025	61,89,165
Total	86,88,725	94,19,865

20. OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Income Tax Refund Receivable AY 2016-2017	4,21,004	4,21,004
TDS Receivable	1,30,022	69,174
Advance Tax AY 2019-20	-	-
Advance Income Tax AY 2020-21	3,04,218	3,04,218
Excise Duty Receivables	1,32,442	1,32,442
Other receivables	-	-
Prepaid Insurance	-	-
Accrued Interest	8,44,655	8,37,950
GST Receivable	64,42,442	76,25,586
Total	82,74,783	93,90,374



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

21. REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Sale of Products	4,65,99,060	9,15,73,117
Sale of Services	1,16,170	94,19,686
Total	4,67,15,230	10,09,92,804

22. OTHER INCOME

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
- Interest Income	82,871	10,98,737
- Dividend Income	-	-
- Revenue Government Grant for DST Uplift Project	-	10,09,773
- Net gain/(- loss) on sale of investments	12,90,440	19,47,459
- Net gain on foreign currency transaction and translation (other than considered for finance cost)	16,489	63,892
- Other non-operating income	1,79,604	2,62,353
- Profit on sale of Fixed Assets	-	5,00,000
Total	15,69,404	48,82,215

23. COST OF MATERIALS CONSUMED

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Purchase of Raw Materials	2,03,88,549	5,81,68,098
Opening Balance of Raw Materials	2,50,05,939	1,86,91,712
Less : Closing Balance of Raw Materials	2,70,55,516	2,50,05,939
Total	1,83,38,972	5,18,53,871

24. CHANGE IN INVENTORIES

Particulars	(Amount in ₹)	
	As at 30th Sep 2020	As at 31st March 2020
Finished goods:		
Opening Balance	47,765	57,87,284
Less: Closing Balance	51,619	47,765
	<u>(3,854)</u>	<u>57,39,519</u>
Work-in-Progress:		
Opening Balance	39,85,235	8,76,865
Less: Closing Balance	-	39,85,235
	<u>39,85,235</u>	<u>(31,08,369)</u>
Total	39,81,381	26,31,149



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

25. EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

Particulars	As at	
	30th Sep 2020	31st March 2020
Salaries and Wages	1,14,98,948	2,42,07,285
Contribution to Provident Fund and Other Funds	4,43,056	9,19,844
Staff Welfare Expenses	84,530	15,30,121
Total	1,20,26,534	2,66,57,250

26. FINANCE COST

(Amount in ₹)

Particulars	As at	
	30th Sep 2020	31st March 2020
Interest Expenses	5,47,465	13,14,133
Other borrowing costs	4,24,794	4,50,628
Total	9,72,260	17,64,761

27. DEPRECIATION AND AMORTISATION EXPENSES

(Amount in ₹)

Particulars	As at	
	30th Sep 2020	31st March 2020
Depreciation of tangible assets	19,22,839	29,82,002
Amortisation of intangible assets	-	-
Total	19,22,839	29,82,002

27.1 Refer note 12 for assets wise details of depreciation charge and note 1.11 for depreciation policy and rates of depreciation



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half year ended 30th September, 2020

28. OTHER EXPENSES

(Amount in ₹)

Particulars	As at	As at
	30th Sep 2020	31st March 2020
Administrative Expenses		
Audit fees	-	1,20,000
Director Sitting Fees	1,05,000	75,000
Insurance	1,18,869	1,41,374
Membership & Registration Fees	1,09,783	73,200
Internet expenses	1,91,670	3,36,406
Electricity Expenses	40,502	1,35,575
Legal & professional expenses	34,611	1,56,719
Registration & Stamp Charges	12,51,525	24,84,408
Professional & consultancy expenses	6,69,000	9,22,634
Petrol & Diesel	70,449	2,30,404
Rates and taxes (excluding taxes on income)	50,291	5,26,231
Rent office	9,00,000	18,00,000
Security Expenses	79,033	1,79,621
Repairs & Maintenance	2,22,608	5,19,714
Vehicle Repairs & Maintenance	1,24,482	85,920
Telephone & Mobile expenses	85,360	1,85,442
TCS ERP Solution	-	4,55,000
Postage & Courier Charges	58,461	1,90,987
Printing & Stationery Expenses	30,223	68,772
Incubation Centre Expenses	2,625	1,63,484
Licensing Expenses	-	-
Membership & Subscription Fees	-	-
Office Expenses	1,08,761	2,56,744
Conveyance Expenses	-	35,300
Miscellaneous administrative expenses	7,20,538	8,42,225
Total (A)	49,73,789	99,85,160
Manufacturing Expenses		
Power and Fuel	3,45,545	7,14,936
Rent Factory	1,52,484	3,30,371
Powder Coating	-	4,28,601
Site Development expenses	9,81,875	3,33,334
Repairs to machinery	34,086	86,689
Testing Charges	4,82,075	8,000
Job Work Expenses	9,93,224	12,24,222
Miscellaneous manufacturing expenses	1,22,572	3,90,191
Total (B)	31,11,861	35,16,345
Selling and Marketing Expenses		
Advertisement and business promotion expenses	18,991	5,50,317
Sales Commission	3,48,541	25,19,611
Travelling Expenses	1,84,083	27,21,230
Late Delivery	26,695	84,884
Transportation Outward	6,39,662	7,51,202
Tender Fees	-	76,562
Total (C)	12,17,972	67,03,806
Research & Development Expenses		
Material Consumed	27,384	86,693
Travelling Expenses	-	54,631
Other Expenses	-	3,903
DST Project Uplift Expenses	-	-
Total (D)	27,384	1,45,227
Loss due to Foreign Currency Fluctuation (E)	790	17,235
Total Other Expenses (A+B+C+D+E)	93,31,797	2,03,67,772



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the half Year ended 30th September, 2020

12. FIXED ASSETS

Particulars	Gross Block		Rate of Depreciation	Depreciation/Amortisation		Net Block	
	As at 01/04/2020	Addition /Deduction		As at 01/04/2020	For the year	As at 01/04/2020	As at 30/09/2020
Tangible Assets:		As at 30/09/2020			As at 30/09/2020		
Land	17,90,732	-	0.00%	-	-	17,90,732	17,90,732
Building	2,31,59,700	-	3.17%	3,67,081	-	1,61,92,101	1,58,25,020
Plant & Machinery	1,72,89,217	1,59,992	6.33%	5,56,071	-	1,48,40,737	1,44,44,657
Electrification	27,97,740	-	9.50%	1,27,824	-	10,38,137	9,10,313
Office Equipment	32,00,744	41,272	19.00%	62,489	-	4,64,690	4,43,473
Computer & Accessories	33,93,988	2,27,545	31.67%	2,80,840	-	8,56,259	8,02,964
Testing Equipment	31,48,745	3,390	6.33%	99,664	-	12,54,987	11,58,713
Furniture & Fixtures	65,20,687	-	9.50%	3,06,479	-	15,25,268	12,18,789
Vehicles	33,82,304	-	11.88%	79,622	-	9,95,827	9,16,205
Tools	13,50,882	3,898	6.33%	42,769	-	7,06,676	6,67,805
Total	6,60,34,739	4,36,097		19,22,839	-	3,96,65,414	3,81,78,671



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half Year ended 30th September, 2020

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 CORPORATE INFORMATION

The Consolidated Financial Statements comprise financial statements of "Aartech Solonics Limited" ("the Holding Company") and its subsidiaries "AIC- Aartech Solonics Pvt Ltd & Faradigm Ultracapacitors Pvt Ltd (collectively referred to as "the Group") for the half year ended 30th September 2020. AIC-Aartech Solonics Pvt Ltd & Faradigm Ultracapacitors Pvt Ltd are wholly owned subsidiaries of Aartech Solonics Ltd.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Consolidated Financial Statements have been prepared to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended and as applicable from time to time) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention on Going Concern basis.

The accounting policies and estimates adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below (if any).

1.3 PRINCIPLES OF CONSOLIDATION

- 1.1.1. The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- 1.1.2. Profits or losses resulting from intra-group transactions that are recognised in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.
- 1.1.3. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- 1.1.4. The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.
- 1.1.5. Minority Interest's share of profit / loss of consolidated subsidiaries for the half year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half Year ended 30th September, 2020

1.4 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

During the half year ended 30th September 2020, the Schedule III notified under the Companies Act, 2013, has become applicable to the Group, for preparation and presentation of its financial statements. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of these financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Group has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

1.5 USE OF ESTIMATES

The preparation of Consolidated 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 Consolidated Financial Statements and the results of operations during the reporting period.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.6 REVENUE RECOGNITION

Revenue on sale of goods is recognized when property in the goods is transferred to the buyer for a price, or when all significant risks and rewards of ownership have been transferred to the buyer and no effective control is retained by the Company in respect of the goods transferred, to a degree usually associated with ownership, and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods.

Revenue on transactions of rendering services is recognized under the completed service contract method. Contract is regarded as completed when no significant uncertainty exists regarding the amount of consideration that will be derived from rendering the services.

Interest Income

Interest Income from a financial asset is recognised using Effective Interest Rate Method.



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half Year ended 30th September, 2020

Dividend Income

Dividend Income is recognised when the Group's right to receive the amount has been established.

1.7 INVENTORIES

- a. Finished goods and work in progress are valued at lower of historical cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. By products are valued at net realizable value. Cost of finished goods and by- products includes excise duty. Cost is determined on a weighted average basis.
- b. Stores, Spares and Raw Materials are valued at lower of historical cost or net realizable value. However materials & other items held for use in the production of inventories are not written below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
- c. Historical cost is determined on the basis of weighted average method.
- d. Obsolete stocks are identified once every year on the basis of technical evaluation and are charged off to revenue.
- e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

1.8 INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost individually. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments in case of long term investments.

1.9 FIXED & INTANGIBLE ASSETS

Tangible Fixed Assets

Fixed assets are stated at historical cost less accumulated depreciation and impairment loss if any. While arriving at the historical cost, all costs, including net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets, and including financing costs till commencement of commercial production or the date the asset is put to use or bringing the asset to its working condition for intended use, are capitalized.



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half Year ended 30th September, 2020

Intangible Fixed Assets

Capital Expenditure on purchase and development of identifiable non-monetary assets without physical substance is recognized as Intangible Assets in accordance with principles given under AS-26 – Intangible Assets issued by the Institute of Chartered Accountants of India. These are grouped and separately shown under the schedule of Fixed Assets. These are amortized over their respective expected useful lives. Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

1.10 EXPENSES INCURRED DURING CONSTRUCTION PERIOD

Direct expenditure on projects or assets under construction or development is shown under capital work-in-progress.

The progress / milestone based payments made under the contracts for projects and assets under construction or development and other capital advances are considered as advances on capital account until the same are allocated to fixed assets, capital work-in-progress, and expenditure during construction and other relevant accounts, as applicable.

Expenditure incidental to the construction of projects or assets under construction or development that take substantial period of time to get ready for their intended use is accumulated as expenditure during construction, pending allocation to fixed assets and other relevant accounts, as applicable.

1.11 DEPRECIATION & AMORTISATION

Depreciation on fixed assets is provided as per straight line method. Depreciation is computed as per Part "C" of Schedule II of The Companies Act 2013.

Depreciation on additions / deductions to fixed assets made during the half year is provided on a pro-rata basis from / up to the date of such additions / deductions, as the case may be.

Intangible assets are amortized over the best estimate of their useful lives; subject to a rebuttable presumption that such useful lives will not exceed ten years.

1.12 IMPAIRMENT OF ASSETS

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company Group estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half Year ended 30th September, 2020

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount but limited to the carrying amount that would have been determined (net of depreciation/amortization) had no impairment loss been recognized in prior accounting periods.

1.13 FOREIGN CURRENCY TRANSACTIONS

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- iii. Non-monetary foreign currency items are carried at cost.
- iv. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

1.14 RESEARCH AND DEVELOPMENT

The Holding Company maintains an in house Research & Development Facility which has been recognized by the Department of Scientific & Industrial Research, Ministry of Science & Technology, and Government of India during the current financial year. The Holding Company accounts for the Revenue Expenditure on research and development facility including salaries, consumables and power & fuel separately and the same is disclosed separately under respective heads of expenditure in the Statement of Profit and Loss. Capital expenditure to the research & development facility is shown as addition to fixed assets and disclosed separately.

1.15 EMPLOYEES BENEFITS

Expenses and liabilities in respect of employee benefits are recorded as under.

i. Provident Fund & ESI

The Holding Company makes contribution to statutory provident fund and Employee State Insurance in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948 which is a defined contribution plan and



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half Year ended 30th September, 2020

contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

ii. **Gratuity**

Gratuity is a post-employment benefit. The Holding Company has formed a gratuity trust with Life Insurance Corporation of India during the year ending March 31, 2013. The annual provision is determined by the Life Insurance Corporation and the same is paid by the Company to be used as Gratuity Fund. Before April 1, 2012, the Holding Company did not make any provisions in the books of accounts for future liability on account of gratuity payable in the event of retirement of any of its employees or directors. The amount of gratuity due and payable was recorded as an expense in the year in which the liability to pay the same arises.

iii. **Leave Encashment**

Leave encashment is recorded in the books of the Company as and when the same arises and becomes payable. The Holding Company does not make any provisions in the books of account for leave encashment becoming due or expected after the balance sheet date.

iv. **Short-term employee benefits** are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

v. **Post-employment and other long term employee benefits** are recognized as an expense in the Profit and Loss account in the year in which the employee has retired / resigned and the amount has become payable.

1.16 LEASES

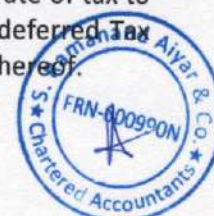
Leases, where the lessor effectively retains substantially all the risks and benefits of the ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

In case of finance leases, the lower of the fair value of the assets and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Profit and Loss account.

1.17 TAXES ON INCOME

The tax expense for the period comprises of current tax and deferred income tax. Provision for Current Tax is made in accordance with the provisions of Income Tax Act, 1961.

In accordance with Accounting Standard AS-22 'Accounting for Taxes on Income' as notified by Companies Accounting Standard Rules, 2006, Deferred Tax Liability/ Asset arising from timing differences between book and income tax profits is accounted for at the current rate of tax to the extent these differences are expected to crystallize in later years. However, deferred Tax Assets are recognized only if there is a reasonable/ virtual certainty of realization thereof.



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half Year ended 30th September, 2020

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Tax on distribution of dividend is recognized on the basis of proposed dividend and the provision is made in the books of accounts.

1.18 GOVERNMENT GRANTS AND SUBSIDIES

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

1.19 BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.20 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

A contingent liability is recognized for:

- i. A present obligation that arises from past events but is not recognized as a provision because either the possibility that an outflow of resources embodying economic benefits will be required to settle the obligation is remote or a reliable estimate of the amount of the obligation cannot be made.
- ii. A possible obligation that arises from past events and 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 Group.

Contingent assets are neither accounted for nor disclosed in the financial statements.



AARTECH SOLONICS LIMITED

Notes on Consolidated Financial Statements for the half Year ended 30th September, 2020

1.21 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary. Any loss or gain on sale / redemption of investments is recognized in the profit and loss account.

