

AARTECH SOLONICS LIMITED

AUDITED FINANCIAL STATEMENTS

APRIL - SEPTEMBER

(FOR THE HALF YEAR ENDING SEPTEMBER 30, 2021)

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: fa@aartechsolonics.com
Website: www.aartechsolonics.com

Auditors:
S. Ramanand Aiyar & Co.
Chartered Accountants
51, Ratan Lok Colony
Scheme No. 53,
Vijay Nagar, Indore
E-Mail: indore@sraco.in

Company's preparation of the 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 Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at September 30, 2021, its profit, and its cash flows for the half year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section(11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the Directors as on September 30, 2021 and taken on record by the Board Of Directors, none of the Directors is disqualified as on September 30, 2021 from being appointed as a Director in terms of section 164(2) of the Act;



f. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2020, in our opinion and to the best of our information and according to the explanations given to us:

- I. The Company does not have any pending litigations which would impact its financial position.
- II. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- III. There has been no delay in transferring amounts if any, to the Investor Education and Protection Fund by the Company.

For **S. Ramanand Aiyar & Co.**
Chartered Accountants


CA Amit Singhvi
Partner
(Membership No.: 129331)



Place: Bhopal
Date: November 10, 2021
UDIN: 21129331AAAAND5940

AARTECH SOLONICS LIMITED

Balance Sheet as at September 30, 2021

Particulars	Notes	As at 30th September 2021	As at 31st March 2021
EQUITY & LIABILITIES			
Shareholders' Funds			
Share capital	2	7,06,00,940	7,06,00,940
Reserves & Surplus	3	20,42,96,891	20,83,52,027
Non Current Liabilities			
Long term Borrowings		-	-
Deferred Tax Liabilities (Net)	4	7,07,344	6,64,677
Capital Grant	5	17,82,000	-
Current Liabilities			
Short Term Borrowings	6	1,55,83,111	87,55,427
Trade Payables	7	1,04,73,653	1,48,60,259
Other Current Liabilities	8	13,16,590	8,67,700
Short Term Provisions	9	27,13,302	70,63,572
TOTAL		30,74,73,831	31,11,64,602
ASSETS			
Non-Current Assets			
Fixed Assets			
- Tangible Assets	10	2,33,60,366	2,19,91,663
- Intangible Assets		-	-
- Capital Work-in-Progress		-	-
Non-Current Investments	11	6,11,14,451	6,11,14,451
Deferred Tax Assets (Net)		-	-
Long Term Loans and Advances	12	6,61,70,289	6,35,23,450
Other Non Current Assets		-	-
Current Assets			
Current Investments	13	5,07,98,476	5,88,90,997
Inventories	14	2,48,26,959	2,02,81,115
Trade Receivables	15	4,80,61,172	6,34,99,824
Cash and Bank Balances	16	78,49,943	99,48,942
Short Term Loans and Advances	17	1,78,67,357	83,31,999
Other Current Assets	18	74,24,818	35,82,161
		30,74,73,831	31,11,64,602

Significant accounting policies and notes to financial statements are given in note 1 to 28
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: 21129331AAAAND5940

Place : Bhopal

Date : November 10, 2021



Amit A. Raje
Chairman &
Managing Director

Arati Nath
Chief Executive
Officer

Pradeep Narkhede
Chief Financial Officer

K.R. Tanuj Reddy
Company Secretary



For and on behalf of the Board of Directors

AARTECH SOLONICS LIMITED

Statement of Profit and Loss for the Half year ended September 30, 2021

	Notes	For half year ended 30th September 2021	For half year ended 31st March 2021
REVENUES			
Revenue from operations	19	3,13,58,043	6,35,33,510
Other income	20	95,76,916	73,63,161
TOTAL REVENUE		4,09,34,959	7,08,96,671
EXPENDITURES			
Cost of materials consumed	21	2,47,51,522	3,61,84,260
Change in inventories of finished goods and work in process	22	-41,40,070	-8,19,269
Employee benefit expenses	23	1,22,11,013	1,52,80,061
Finance costs	24	8,10,497	9,24,213
Depreciation and amortization expenses	25	9,84,378	10,27,519
Other expenses	26	1,03,30,088	1,13,17,178
TOTAL EXPENSES		4,49,47,428	6,39,13,962
Profit before exceptional and extraordinary items and tax		-40,12,469	69,82,709
Exceptional Items		-	-
Profit before extraordinary items and tax		-40,12,469	69,82,709
Extraordinary Items		-	-
Profit before tax		-40,12,469	69,82,709
Tax Expense			
Current Tax		-	17,50,487
Deferred Tax	27	42,667	33,994
Profit for the year		-40,55,136	51,98,228
Earnings per equity share (Par value of ₹ 10 each)			
Basic (₹)		-0.57	0.74
Diluted (₹)		-0.57	0.74

Significant accounting policies and notes to financial statements are given in note 1 to 28
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: 21129331AAAAND5940
Place : Bhopal
Date : November 10, 2021



For and on behalf of the Board of Directors



Amit A. Raje
Chairman &
Managing Director



Arati Nath
Chief Executive
Officer



Pradeep Narkhede
Chief Financial Officer



K.R. Tanuj Reddy
Company Secretary



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September 2021

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The 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).

1.2 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS:

During the year ended 31 March 2021, the Schedule III notified under the Companies Act, 2013, has become applicable to the Company, 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 Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

1.3 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 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.

1.4 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.



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September 2021

1. SIGNIFICANT ACCOUNTING POLICIES

1.5 INVENTORIES:

(i) 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.

(ii) 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.

(iii) Historical cost is determined on the basis of weighted average method.

(iv) Obsolete stocks are identified once every year on the basis of technical evaluation and are charged off to revenue.

(v) 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.

1.6 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.

1.7 FIXED ASSETS (*Tangible*):

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.

1.8 FIXED ASSETS (*Intangible*):

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.

1.9 EXPENSES INCURRED DURING CONSTRUCTION PERIOD:

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.



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September 2021

1. SIGNIFICANT ACCOUNTING POLICIES

1.10 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 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.

1.11 IMPAIRMENT OF ASSETS:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company 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.

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.

1.12 FOREIGN CURRENCY TRANSACTIONS:

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. 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. Non-monetary foreign currency items are carried at cost. 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.

1.13 RESEARCH AND DEVELOPMENT:

The 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 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.



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September 2021

1. SIGNIFICANT ACCOUNTING POLICIES

1.14 EMPLOYEES BENEFITS:

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

(i) Provident Fund & ESI

The 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 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 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 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.

(ii) Leave Encashment

Leave encashment is recorded in the books of the Company as and when the same arises and becomes payable. The 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.

Tax expense comprises of current and deferred. 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. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

1.15 LEASE:

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.



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September 2021

1. SIGNIFICANT ACCOUNTING POLICIES

1.16 TAXES ON INCOME:

Tax expense comprises of current and deferred. 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.

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

1.17 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. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

1.18 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.

1.19 PROVISIONS AND CONTINGENCIES:

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. Provisions are not discounted and are determined based on best estimate required to settle the obligation at each balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to effect the current best estimation.

A contingent liability is recognized for:

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.

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 Company.

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



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September 2021

1. SIGNIFICANT ACCOUNTING POLICIES

1.20 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.



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

2. SHARE CAPITAL

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Authorized Share Capital:		
100,00,000 Equity shares of ₹10 each	10,00,00,000	10,00,00,000
Total	10,00,00,000	10,00,00,000
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 September 2021	As at 31st March 2021
Equity Shares at the beginning of the year	70,60,094	70,60,094
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	70,60,094	70,60,094

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 March 31, 2021		
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%
As at September 30, 2021		
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%

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 Financial Statements for the Half Year ended September 30, 2021

3. RESERVES AND SURPLUS

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
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	5,69,64,277	5,17,66,049
Add : Profit for the year	-40,55,136	51,98,228
Less: Appropriations:		
- Proposed Dividend on Equity Shares	-	-
- Transferred to General Reserve	-	-
Closing Balance	5,29,09,141	5,69,64,277
Total	20,42,96,891	20,83,52,027

4. DEFERRED TAX LIABILITIES (Net)

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Deferred tax liability as on March 31, 2021		6,64,677
Less: Deferred tax asset arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act		-
Add: Deferred tax Liability arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act		42,667
Deferred tax liability as on September 30, 2021		7,07,344

- 4.1 The deferred tax assets and liabilities have been recognised in accordance with the provisions of Accounting Standard 22 on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India for giving effects for the timing differences between the taxable income and the accounting income for the period that originate in one period and are capable of reversal in one or more subsequent periods.



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

5. CAPITAL GRANT

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
- Grant received from DST	17,82,000	-
Total	17,82,000	-

6. SHORT TERM BORROWINGS

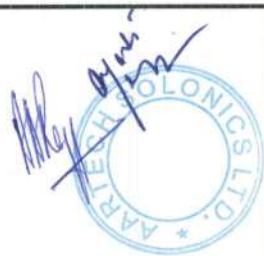
Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
- HDFC Bank CC Account	1,25,23,105	87,55,427
- HDFC Bank (Bill Discounting)	30,60,006	-
Total	1,55,83,111	87,55,427

7. TRADE PAYABLES

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Micro, Small and Medium Enterprises (Refer Note No. 7.1)	1,67,385	1,56,402
Others	1,03,06,268	1,47,03,857
Total	1,04,73,653	1,48,60,259

7.1 The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the Company, on the basis of information and records available with them. This information has been relied upon by the auditors. Based on available information with the Company, there is amounting to ₹ Nil (principal) and no interest thereon outstanding to the micro, small and medium enterprises, as defined under section 7 of The Micro, Small and Medium Enterprises Development Act, 2006. Disclosure as required under section 22 of the Act is as under:

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Principal amount due and remaining unpaid	1,67,385	1,56,402
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Amount of further interest remaining due and payable	-	-
Total	1,67,385	1,56,402



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

8. OTHER CURRENT LIABILITIES

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Dividend Payable	-	-
Audit Fees Payable	1,37,500	92,500
Rent Payable	5,67,000	1,39,133
Electricity Expenses Payable	66,995	52,021
Telephone & Mobile Expenses	-	788
Water Charges Payable	-	6,875
Professional Fees Payable	81,000	90,000
Expenses Payable	2,26,537	2,90,944
Advance from Customers	2,37,558	1,95,439
Total	13,16,590	8,67,700

9. SHORT TERM PROVISIONS

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Provision for Employee Benefits:		
- Salary and Reimbursements	12,18,508	21,69,784
- Contribution to ESIC and Provident Fund	1,43,762	1,23,486
Others:		
- TDS Payable	1,62,889	13,21,092
- GST Payable	-	22,58,739
- Professional Tax Payable	2,956	5,284
- Provision for Income Tax	11,85,187	11,85,187
Total	27,13,302	70,63,572



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

10. FIXED ASSETS

Particulars	Gross Block			Rate of Depreciation	Depreciation/Amortisation			Net Block	
	As at 01/04/2021	Addition/(Deduction)	As at 30/09/2021		As at 01/04/2021	For the year	As at 30/09/2021	As at 01/04/2021	As at 30/09/2021
	(Amount in ₹)								
Land	17,90,732	-	17,90,732	0.00%	-	-	17,90,732	17,90,732	17,90,732
Building	2,08,34,523	-	2,08,34,523	3.17%	74,60,898	3,30,227	1,33,73,625	1,33,73,625	1,30,43,398
Plant & Machinery	45,54,111	9,62,707	55,16,818	6.33%	21,51,891	95,051	22,46,942	24,02,220	32,69,876
Electrification	25,96,872	14,426	26,11,298	9.50%	19,00,013	83,517	19,83,530	6,96,859	6,27,768
Office Equipment	28,03,957	2,27,868	30,31,825	19.00%	26,31,402	28,480	26,59,882	1,72,555	3,71,943
Computer & Accessories	20,99,007	-	20,99,007	31.67%	18,30,343	67,315	18,97,658	2,68,664	2,01,349
Testing Equipment	31,52,135	-	31,52,135	6.33%	20,93,185	95,766	21,88,951	10,58,950	9,63,184
Furniture & Fixtures	61,11,748	2,01,264	63,13,012	9.50%	53,59,548	1,35,709	54,95,257	7,52,200	8,17,755
Vehicles	33,82,304	-	33,82,304	11.88%	25,45,721	78,775	26,24,496	8,36,583	7,57,808
Tools	13,69,248	9,46,816	23,16,064	6.33%	7,29,973	69,538	7,99,511	6,39,275	15,16,553
Total	4,86,94,637	23,53,081	5,10,47,718		2,67,02,974	9,84,378	2,76,87,352	2,19,91,663	2,33,60,366



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

11. NON CURRENT INVESTMENT

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Investment in property	1,30,64,811	1,30,64,811
Investment in subsidiary		
– AIC- AARTECH SOLONICS PVT LTD	1,00,000	1,00,000
– FARADIGM ULTRACAPACITORS PVT LTD	95,000	95,000
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
Investments in Fully Convertible Debenture:		
– Faradigm Ultracapacitors Private Limited	2,50,00,000	2,50,00,000
– AIC- Aartech Solonics Pvt Ltd	2,00,00,000	2,00,00,000
Total	6,11,14,451	6,11,14,451

12. LONG TERM LOANS & ADVANCES

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Loans & Advances to related parties (unsecured considered good)		
– AIC- AARTECH SOLONICS PVT LTD	9,77,182	9,40,123
– FARADIGM ULTRACAPACITORS PVT LTD	9,02,488	30,07,639
Other Loans and Advances (Unsecured Considered Good)	6,02,23,302	5,63,83,302
Security Deposits (Unsecured Considered Good)	40,67,317	31,92,386
Total	6,61,70,289	6,35,23,450



AARTECH SOLONICS LIMITED**Notes on Financial Statements for the Half Year ended September 30, 2021****13. CURRENT INVESTMENT**

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Investments in mutual funds (Instrument wise):		
- Tata Banking & PSU Debt Fund Regular Plan Growth	-	5,83,848
- Aditya Birla Sunlife Equity Advantage Growth Fund	11,00,000	6,00,000
- Aditya Birla Sun Life Banking And Finacial Services Fund	5,38,082	5,38,082
- Aditya Birla Sun Life Overnight Fund Growth Plan	1,194	1,194
- Aditya Birla Sunlife MNC Fund Growth Plan	10,00,000	10,00,000
- Aditya Birla Sun Life India Gen Next Fund Growth Plan	10,00,000	10,00,000
- Aditya Birla Sun Life Dynamic Bond Fund Growth Plan	5,00,000	5,00,000
- Aditya Birla Sun Life Flexi Cap Fund Growth Regular Plan	25,00,000	25,00,000
- Aditya Birla Sun Life Low Duration Fund Growth Plan	-	65,59,671
- DSP Mid Cap Fund Regular Plan Growth	22,00,000	16,00,000
- HDFC Small Cap Fund Regular Plan Growth	5,50,000	2,50,000
- HDFC Top 100 Fund Regular Plan Growth	6,48,129	3,48,129
- IDFC Bond Fund Medium Term Plan Growth	-	5,00,000
- IDFC Bond Fund Short Term Plan Growth	-	9,48,434
- Invesco Mutual Fund	1,00,000	1,00,000
- Kotak Balanced Advantage Fund Growth	9,29,592	9,29,592
- Kotak Emerging Equity Scheme Growth Regular Plan	5,50,000	3,00,000
- Kotak Equity Opprtunities Fund Growth Regular Plan	-	9,50,000
- Kotak Pioneer Fund Growth Regular Plan	13,48,623	13,48,623
- Kotak Low Duration Fund Standard Growth	17,36,418	8,02,851
- Nippon India Banking Fund Growth Plan	-	9,80,087
- Nippon India Banking & Financial Services Fund Growth Plan	15,50,000	-
- Nippon India Growth Fund Growth Plan	14,01,131	15,22,701
- Nippon India Large Cap Fund Growth Plan	68,54,316	24,62,792
- Nippon India Multicap Fund Growth Plan	12,96,920	17,91,657
- Nippon India Short Term Fund Growth Plan	-	29,99,850
- Nippon India Small Cap Fund Growth Plan	8,00,000	4,99,975
- Nippon India Value Fund Growth Plan	4,70,000	1,39,995
- Nippon India CPSE ETF Fund	1,75,004	1,75,004
- Nippon India Ultra Short Duration Fund Growth Plan	-	46,75,319
- Nippon India Gold Savings Fund Growth Plan	40,000	99,995
- Nippon India Multi Asset Fund Growth Plan (MFGPG)	-	9,99,950
- Tata Short Term Bond Fund Regular Plan Growth-I	-	5,00,000
- Tata Balances Advantage Fund Regular Plan Growth	5,95,783	-
- Aditya Birla Sun Life Floating Rate Fund Growth Regular Plan	5,00,000	5,00,000
- DSP Floater Fund Regular Growth	-	54,76,592
- DSP Flexi Cap Fund Regular Plan Growth	15,64,210	-
- IDFC Sterling Value Fund Growth Regular Plan	5,02,597	5,02,597
- IDFC Balanced Advantage Fund Regular Plan Growth	3,21,000	-
- IDFC Dynamic Equity Fund Regular Plan Growth	-	3,21,000
- Nippon India Nifty Samllcap 250 Index Fund Growth Plan	10,42,187	7,79,317
- Nippon India Pharma Fund Growth Plan	4,83,290	2,98,985
- Nippon India Passive Flexicap FOF Growth Plan	50,00,000	33,05,233
- Nippon India Asset Allocator FOF Growth Plan	15,00,000	14,99,925
- Nippon India Flexi Cap Fund Growth Plan	1,00,00,000	-
- Nippon India Corporate Bond Fund Growth Plan	20,00,000	-
- Nippon India Nifty Midcap 150 Index Fund Growth Plan	-	39,99,800
- Nippon India Nifty 50 Value 20 Index Fund Growth Plan	-	39,99,800
Total	5,07,98,476	5,88,90,997



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

14. INVENTORIES

Particulars	(Amount in ₹)	
	As at	As at
	30th September 2021	31st March 2021
Raw Materials and components	1,98,16,001	1,94,10,227
Work-in-progress	49,80,250	8,60,280
Finished Goods	30,708	10,608
Stock in trade	-	-
Total	2,48,26,959	2,02,81,115

15. TRADE RECEIVABLES

Particulars	(Amount in ₹)	
	As at	As at
	30th September 2021	31st March 2021
Outstanding for less than 6 months from the due date (Unsecured, considered good)	2,68,26,751	5,00,34,478
Outstanding for more than 6 months from the due date (Unsecured, considered good)	2,12,34,421	1,34,65,346
Total	4,80,61,172	6,34,99,824



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

16. CASH AND CASH EQUIVALENTS

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Balances with banks:		
– Earmarked Balances	-	2,25,000
– Guarantees (refer note no. 16.1)	55,28,176	52,62,419
– Other Commitments (refer note no. 16.2)	20,46,533	41,98,127
Cash on hand	14,004	23,160
Others (refer note no. 15.3)	2,61,229	2,40,236
Total	78,49,943	99,48,942

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

16.2 Other commitments represent balances with banks.

16.3 Others represent imprest given to employees for incurring expenses.

17. SHORT TERM LOANS AND ADVANCES

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Unsecured Loans and Advances: (Unsecured, considered good)		
Advance to Suppliers	1,47,78,563	13,85,967
Advance to Employees	28,22,850	66,26,961
Prepaid Expenses	2,65,943	3,19,071
Other Loans and Advances	-	-
Total	1,78,67,357	83,31,999

18. OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Income Tax Refund Receivable AY 2016-17	-	-
Income Tax Refund Receivable AY 2020-21	3,04,218	3,04,218
TDS Receivable	3,62,460	-
TCS Receivable	9,919	7,228
Accrued Interest	49,14,478	32,70,715
GST Receivable	18,33,743	-
Total	74,24,818	35,82,161



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

19. REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Sale of Products	2,76,08,133	5,61,70,307
Sale of Services	37,49,911	73,63,203
Total	3,13,58,043	6,35,33,510

20. OTHER INCOME

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
- Interest Income	22,52,819	45,25,127
- Rental Income	1,26,816	1,05,850
- Dividend Income	-	11,507
- Net gain/(- loss) on sale of investments	60,65,131	26,08,050
- Net gain on foreign currency transaction and translation	59,522	84,787
- Other non-operating income	24,068	27,840
- Revenue Grant from DST	10,48,560	-
- Profit on sale of Fixed Assets	-	-
Total	95,76,916	73,63,161

21. COST OF MATERIALS CONSUMED

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Purchase of Raw Materials	2,51,57,296	2,94,48,680
Opening Balance of Raw Materials	1,94,10,227	2,61,45,807
Less : Closing Balance of Raw Materials	1,98,16,001	1,94,10,227
Total	2,47,51,522	3,61,84,260

22. CHANGE IN INVENTORIES

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Finished goods:		
Opening Balance	10,608	51,619
Less: Closing Balance	30,708	10,608
	-20,100	41,011
Work-in-Progress:		
Opening Balance	8,60,280	-
Less: Closing Balance	49,80,250	8,60,280
	-41,19,970	-8,60,280
Total	-41,40,070	-8,19,269



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

23. EMPLOYEE BENEFIT EXPENSES

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Salaries and Wages:		
– Directors Remuneration	20,76,174	24,04,942
– Staff Salary	89,41,053	1,11,41,006
– Salary relates to Recognised Research & Development Facility	5,88,269	4,15,478
Contribution to Provident Fund and Other Funds	4,75,039	4,25,304
Staff Welfare Expenses	1,30,478	8,93,331
Total	1,22,11,013	1,52,80,061

24. FINANCE COST

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Interest Expenses (Refer Note No. 23.1)	5,81,896	6,01,356
Other borrowing costs (Refer Note No.23.2)	2,28,601	3,22,857
Total	8,10,497	9,24,213

24.1 Interest Expenses shown interest on CC/OD Account.

24.2 Other borrowing costs include bank charges and bank commission paid during the year for bank guarantees.

25. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	(Amount in ₹)	
	As at 30th September 2021	As at 31st March 2021
Depreciation of tangible assets	9,84,378	10,27,519
Amortisation of intangible assets	-	-
Total	9,84,378	10,27,519

25.1 Refer note 10 for assets wise details of depreciation charge and note 1.10 for depreciation policy and rates of depreciation.



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2021

28. RELATED PARTY DISCLOSURE

S.No.	Name of Related Party	Related Party Category	Nature of Transaction	Amount in ₹
1	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	Investment in Equity Shares	1,00,000
2	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	Unsecured Loan	9,77,182
3	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	Interest paid on Loan	40,065
4	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	8% Convertible Debentures	2,00,00,000
5	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	Interest on Debentures	8,50,000
6	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	Job Work Service (Revenue)	3,07,010
7	Faradigm Ultracapitors Pvt Ltd	Subsidiary Company	Investment in Equity Shares	9,50,000
8	Faradigm Ultracapitors Pvt Ltd	Subsidiary Company	Unsecured Loan	9,02,488
9	Faradigm Ultracapitors Pvt Ltd	Subsidiary Company	Interest on Unsecured Loan	72,055
10	Faradigm Ultracapitors Pvt Ltd	Subsidiary Company	8% Convertible Debentures	2,50,00,000
11	Faradigm Ultracapitors Pvt Ltd	Subsidiary Company	Interest on Debentures	10,62,500






AARTECH SOLONICS LIMITED

Statement of Cash Flow for the Half Year ended September 30, 2021

Particulars	For half year ended 30th September 2021	For half year ended 31st March 2021
1. Cash Flows from Operating Activities		
Net Profit and Loss a/c (as per profit and loss account)	-40,55,136	51,98,228
Add : (A) Apportionment of Fund :		
Provision for tax made during the year	-	17,50,487
Deferred Tax	42,667	33,994
Net Profit before taxation and extra ordinary items	-40,12,469	69,82,709
Add : (B) Non operating Expenses :		
Depreciation during the year	9,84,378	10,27,519
Sub Total	9,84,378	10,27,519
Less : (C) Non operating Income :		
Interest Income (refer note 19)	22,52,819	45,25,127
Rental Income (refer note 19)	1,26,816	1,05,850
Dividend Income (refer note 19)	-	11,507
Net gain/(- loss) on sale of investments (refer note 19)	60,65,131	26,08,050
Other non-operating income (refer note 19)	24,068	27,840
Revenue Grant from DST	10,48,560	-
Profit on sale of Fixed Assets (refer note 19)	-	-
Sub Total	95,17,394	72,78,374
(D) Operating Profit Before Working Capital Changes (A+B-C)	-1,25,45,485	7,31,854
Add : (E) Increase in current liabilities and decrease in current assets:		
Decrease in Inventory	-	59,16,311
Decrease in Account Receivable	1,54,38,652	-
Decrease in Short term Loans and Advances	-	3,15,094
Decrease in Other Current Assets	-	-
Increase in Short term borrowings	68,27,684	-
Increase in Trade Payables	-	41,93,883
Increase in Short Term Provisions	-	31,91,495
Increase in Other Current Liabilities	4,48,890	-
Sub Total	2,27,15,226	1,36,16,783
Less : (F) Increase in current assets and decrease in current liabilities:		
Increase in Inventory	45,45,844	-
Increase in Account Receivable	-	2,13,68,915
Increase in Short Term Loans and Advances	95,35,358	-
Increase in Other Current Assets	38,42,657	5,91,831
Decrease in Short Term Borrowings	-	14,18,944
Decrease in Trade Payable	43,86,606	-
Decrease in Short Term Provisions	43,50,270	-
Decrease in Other Current Liabilities	-	40,62,290
Sub Total	2,66,60,735	2,74,41,980
(G) Cash generated from Operations (D+E-F)	-1,64,90,994	-1,30,93,343
(H) Income tax paid during the year:	-	5,65,300
(I) Net cash generated from operational activity (G-H)	-1,64,90,994	-1,36,58,643
2. Cash Flows from Investing Activities		
(A) Net cash inflow from investment activity		
Interest Income (refer note 19)	22,52,819	45,25,127
Rental Income (refer note 19)	1,26,816	1,05,850
Dividend Income (refer note 19)	-	11,507
Net gain/(- loss) on sale of investments (refer note 19)	60,65,131	26,08,050
Other non-operating income (refer note 19)	24,068	27,840
Revenue Grant from DST	10,48,560	-
Capital Grant from DST	17,82,000	-
Proceeds from marketable securities	3,41,70,652	4,59,02,302
Proceeds from sale of fixed assets	-	-
Realisation of Long Term Loans & Advances	-	3,16,891
Realisation of security deposit	-	4,24,838
Sub Total	4,54,70,046	5,39,22,405



AARTECH SOLONICS LIMITED**Statement of Cash Flow for the Half Year ended September 30, 2021**

Particulars	For half year ended 30th September 2021	For half year ended 31st March 2021
(B) Net cash outflow from investment activity		
<i>Investment made in marketable securities during the year</i>	2,60,78,131	3,45,65,072
<i>Investment made in Subsidiary Company</i>	-	-
<i>Investment made in Debentures of Subsidiary Company</i>	-	29,20,000
<i>Investment made in Property</i>	-	-
<i>Long Term Loans & Advances</i>	17,71,908	-
<i>Purchase of new assets (net of sale proceed)</i>	23,53,081	6,79,157
<i>Security deposit paid</i>	8,74,931	-
Sub Total	3,10,78,051	3,81,64,229
(C) Net cash generated from Investment activity (a-b)	1,43,91,995	1,57,58,176
3. Cash Flows from Financing Activities		
(A) Net cash inflow from financing activity		
<i>Increase in long term borrowing</i>	-	-
<i>Proceeds from issue of equity shares</i>	-	-
Sub Total	-	-
(B) Net cash outflow from investment activity		
<i>Decrease in long term borrowing</i>	-	-
Sub Total	-	-
(C) Net cash generated from Financing activity (a-b)	-	-
4. Net Increase/(Decrease) in Cash (1+2+3)	-20,98,999	20,99,533
Cash and cash equivalents at the beginning of the year	99,48,942	78,49,409
5. Cash and cash equivalents at the end of the year	78,49,943	99,48,942

