

AARTECH SOLONICS LIMITED

AUDITED FINANCIAL STATEMENTS

APRIL – SEPTEMBER
(FOR THE HALF YEAR ENDING SEPTEMBER 30, 2022)

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

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 Financial Statements

We have audited the accompanying Financial Statements of AARTECH SOLONICS LIMITED ('the Company'), which comprise the Balance Sheet as at September 30, 2022, the statement of Profit and Loss Account and the cash flow statement for the half year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board Of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and 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 Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records; relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the



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, 2022, 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, 2022 and taken on record by the Board Of Directors, none of the Directors is disqualified as on September 30, 2022 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 12, 2022

UDIN: 22129331BCYGQF2479

AARTECH SOLONICS LIMITED

Balance Sheet as at September 30, 2022

Particulars	Notes	As at 30th September 2022	As at 31st March 2022
EQUITY & LIABILITIES			
Shareholders' Funds			
Share capital	2	10,59,01,250	10,59,01,250
Reserves & Surplus	3	18,79,43,104	18,37,85,888
Non Current Liabilities			
Long term Borrowings		-	-
Deferred Tax Liabilities (Net)	4	8,98,932	8,17,086
Government Grant	5	-	21,47,449
Current Liabilities			
Short Term Borrowings	6	1,40,45,185	65,17,600
Trade Payables	7	5,12,65,163	4,17,25,559
Other Current Liabilities	8	12,96,522	8,45,942
Short Term Provisions	9	77,46,286	72,44,775
TOTAL		36,90,96,442	34,89,85,549
ASSETS			
Non-Current Assets			
Fixed Assets			
- Tangible Assets	10	2,81,90,548	2,43,38,094
- Intangible Assets		-	-
- Capital Work-in-Progress		-	-
Non-Current Investments	11	10,04,24,451	6,11,14,451
Deferred Tax Assets (Net)		-	-
Long Term Loans and Advances	12	6,23,70,024	6,59,84,520
Other Non Current Assets		-	-
Current Assets			
Current Investments	13	5,09,19,450	7,78,37,088
Inventories	14	3,91,90,400	2,44,78,123
Trade Receivables	15	4,66,55,257	7,08,46,107
Cash and Bank Balances	16	1,65,96,028	1,04,92,144
Short Term Loans and Advances	17	79,32,113	55,05,702
Other Current Assets	18	1,68,18,171	83,89,320
		36,90,96,442	34,89,85,549

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 Aiyar & Co.**

Chartered Accountants

For and on behalf of the Board of Directors



CA Amit Singhvi
Partner

(Membership No. 129331)

UDIN: 22129331BCYGQF2479

Place : Bhopal

Date : November 12, 2022



Amit A. Raj
Chairman &
Managing Director



Arati Nath
Chief Executive
Officer



Pradeep Narkhede
Chief Financial Officer



K.R. Tanuj Reddy
Company Secretary



AARTECH SOLONICS LIMITED

Statement of Profit and Loss for the half year ended September 30, 2022

	Notes	For the half year ended 30th September 2022	For the half year ended 31st March 2022
REVENUES			
Revenue from operations	19	7,35,04,002	13,22,37,646
Other income	20	89,92,325	97,29,336
TOTAL REVENUE		8,24,96,327	14,19,66,982
EXPENDITURES			
Cost of materials consumed	21	5,11,55,138	8,18,40,938
Change in inventories of finished goods and work in process	22	-98,85,851	39,54,925
Employee benefit expenses	23	1,40,74,901	1,49,48,138
Finance costs	24	9,98,239	8,97,661
Depreciation and amortization expenses	25	11,81,929	10,11,683
Other expenses	26	1,92,43,508	1,70,57,411
TOTAL EXPENSES		7,67,67,864	11,97,10,756
Profit before exceptional and extraordinary items and tax		57,28,463	2,22,56,226
Exceptional Items		-	-
Profit before extraordinary items and tax		57,28,463	2,22,56,226
Extraordinary Items		-	-
Profit before tax		57,28,463	2,22,56,226
Tax Expense			
Current Tax		14,89,401	29,88,710
Deferred Tax	27	81,846	1,09,741
Profit for the year		41,57,216	1,91,57,775
Earnings per equity share (Par value of ₹ 10 each)			
Basic (₹)		0.39	1.81
Diluted (₹)		0.39	1.81

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: 22129331BCYGQF2479
Place : Bhopal
Date : November 12, 2022



For and on behalf of the Board of Directors

Amit A. Raj
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, 2022

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:

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, 2022

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, 2022

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, 2022

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, 2022

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, 2022

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 30th September, 2022

2. SHARE CAPITAL

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Authorized Share Capital:		
1,50,00,000 Equity shares of ₹10 each	15,00,00,000	15,00,00,000
Total	15,00,00,000	15,00,00,000
Issued, subscribed and Paid up:		
1,05,90,125 Equity shares of ₹10 each fully paid	10,59,01,250	10,59,01,250
Total	10,59,01,250	10,59,01,250

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 2022	As at 31st March 2022
Equity Shares at the beginning of the year	1,05,90,125	70,60,094
Add : Equity shares issued during the year		
– as fully paid up bonus shares	-	35,30,031
– as fully paid up shares for cash	-	-
Less : Shares cancelled on buy back of Equity Shares	-	-
Equity Shares at the end of the year	1,05,90,125	1,05,90,125

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, 2022		
Mr. Anil Anant Raje	23,38,000	22.08%
Mrs. Chhaya Anil Raje	13,99,999	13.22%
Mr. Amit Anil Raje	15,31,600	14.46%
Mr. Kailash Kabra	10,76,000	10.16%
Ashtamangal Projects Limited	7,94,000	7.50%
As at March 31, 2022		
Mr. Anil Anant Raje	23,38,000	22.08%
Mrs. Chhaya Anil Raje	13,99,999	13.22%
Mrs. Prajakta Shashikant Kulkarni	16,38,000	15.47%
Mr. Amit Anil Raje	15,31,600	14.46%
Ashtamangal Projects Limited	9,18,000	8.67%

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 30th September, 2022

3. RESERVES AND SURPLUS

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
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	6,16,15,082	9,69,15,392
Less : Bonus Shares Issued	-	3,53,00,310
Closing Balance	6,16,15,082	6,16,15,082
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	6,76,98,448	5,19,79,066
Add : Profit for the year	41,57,216	1,91,57,775
Add : Provision of Income Tax	-	91,654
Less: Appropriations:		
- Dividend paid on Equity Shares	-	35,30,047
- Transferred to General Reserve	-	-
Closing Balance	7,18,55,664	6,76,98,448
Total	18,79,43,104	18,37,85,888

4. DEFERRED TAX LIABILITIES (Net)

Particulars	(Amount in ₹)	
	As at 30th September 2022	
Deferred tax liability as on March 31, 2022	8,17,086	
Add: Deferred tax Liability arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act	81,846	
Add: Deferred tax Liability arising on account of section 43B of Income Tax Act	-	
Deferred tax liability as on September 30, 2022	8,98,932	

- 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 30th September, 2022

5. GOVERNMENT GRANT

Particulars	As at	As at
	30th September 2022	31st March 2022
- Unspent Capital Grant for DST Project "Saur Stambh"	-	14,37,608
- Unspent Revenue Grant for DST Project "Saur Stambh"	-	7,09,841
- Spark Grant from Defence Innovation Organisation for Disc5	-	-
Total	-	21,47,449

6. SHORT TERM BORROWINGS

(Amount in ₹)

Particulars	As at	As at
	30th September 2022	31st March 2022
- HDFC Bank CC Account	1,40,45,185	65,17,600
- HDFC Bank (Bill Discounting)	-	-
Total	1,40,45,185	65,17,600

7. TRADE PAYABLES

(Amount in ₹)

Particulars	As at	As at
	30th September 2022	31st March 2022
Micro, Small and Medium Enterprises (Refer Note No. 7.1)	18,27,482	15,88,224
Others	4,94,37,681	4,01,37,335
Total	5,12,65,163	4,17,25,559

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:

(Amount in ₹)

Particulars	As at	As at
	30th September 2022	31st March 2022
Principal amount due and remaining unpaid	18,27,482	15,88,224
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	-	-
Total	18,27,482	15,88,224



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AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September, 2022

8. OTHER CURRENT LIABILITIES

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Audit Fees Payable	1,35,000	90,000
Rent Payable	1,35,000	-
Electricity Expenses Payable	2,35,033	56,626
Professional Fees Payable	78,100	81,000
Expenses Payable	5,42,876	2,88,886
Advance from Customers	1,70,513	3,29,430
Total	12,96,522	8,45,942

9. SHORT TERM PROVISIONS

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Provision for Employee Benefits:		
- Salary and Reimbursements	24,61,131	34,17,289
- Statutory Bonus	3,74,708	3,74,708
- Contribution to ESIC and Provident Fund	1,60,120	1,39,181
Others:		
- Tax Deducted ay source Payable	3,87,288	12,23,858
- GST Payable	-	-
- Professional Tax Payable	3,414	5,496
- Provision for Income Tax	43,59,625	20,84,243
Total	77,46,286	72,44,775



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AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2022

10. FIXED ASSETS

Particulars	Gross Block			Rate of Depreciation	Depreciation/Amortisation			Net Block	
	As at 01/04/2022	Additions	As at 30/09/2022		As at 01/04/2022	For the year	(Deductions)	As at 01/04/2022	As at 30/09/2022
Tangible Assets:									
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%	3,31,133	-	1,27,13,171	1,27,13,171	1,23,82,038
Plant & Machinery	63,99,268	22,87,000	86,72,268	6.33%	1,98,585	-903	40,22,606	40,22,606	60,97,924
Electrification	29,18,226	96,850	30,15,076	9.50%	53,608	-	8,70,576	8,70,576	9,13,818
Office Equipment	31,65,882	14,25,911	45,91,792	19.00%	1,14,520	-	4,55,009	4,55,009	17,66,399
Computer & Accessories	26,62,684	5,45,904	32,08,588	31.67%	1,93,702	-	6,41,520	6,41,520	9,93,722
Testing Equipment	8,18,910	10,530	8,29,440	6.33%	15,153	-	1,64,267	1,64,267	1,59,644
Furniture & Fixtures	65,35,186	6,67,147	72,02,333	9.50%	1,04,514	-	9,58,549	9,58,549	15,21,182
Vehicles	33,82,304	-	33,82,304	11.88%	77,511	-	6,80,508	6,80,508	6,02,997
Tools	29,30,564	14,139	29,44,703	6.33%	93,203	-	20,41,156	20,41,156	19,62,092
Total	5,14,38,279	50,47,481	5,64,71,759		11,81,929	-903	2,43,38,094	2,82,81,211	2,81,90,548



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September, 2022

11. NON CURRENT INVESTMENT

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
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
– Epsilon Ten Ltd	3,93,10,000	-
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	10,04,24,451	6,11,14,451

12. LONG TERM LOANS & ADVANCES

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Loans & Advances to related parties (unsecured considered good)		
– AIC- AARTECH SOLONICS PVT LTD	10,50,859	10,12,042
Other Loans and Advances (Unsecured Considered Good)	5,65,11,269	6,02,23,302
Security Deposits (Unsecured Considered Good)	48,07,896	47,49,176
Total	6,23,70,024	6,59,84,520



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September, 2022

13. CURRENT INVESTMENT

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Investments in mutual funds (Instrument wise):		
- Aditya Birla Sunlife Equity Advantage Growth Fund	7,00,000	1,00,000
- Nippon India Ultra Short Duration Fund Growth Plan	96,04,689	3,94,48,685
- Aditya Birla Sun Life Banking and Financial Services	-	5,38,082
- 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	1,194	1,194
- DSP Mid Cap Fund Regular Plan Growth	-	1,00,000
- HDFC Small Cap Fund Regular Plan	1,00,000	8,50,000
- HDFC Top 100 Fund Regular Growth Plan	50,000	9,48,129
- IDFC Bond Fund Medium Term Plan Growth	2,00,000	1,00,000
- IDFC Ultra Short Term Fund Regular Plan	2,00,000	1,00,000
- Invesco India Gilt Fund Growth Plan	1,00,000	1,00,000
- Kotak Balanced Advantage Fund Growth	-	9,29,592
- Kotak Emerging Equity Scheme Growth Regular Plan	1,50,000	8,50,000
- Kotak Equity Opportunities Fund Growth Regular Plan	6,00,000	3,00,000
- Kotak Pioneer Fund Growth Regular Plan	-	13,48,623
- Nippon India Banking & Financial Services Fund Growth Plan	23,84,893	18,24,893
- Nippon India CPSE ETF Fund	1,75,004	1,75,004
- Nippon India Growth Fund Growth Plan	6,00,000	-
- Nippon India Large Cap Fund Growth Plan	65,52,052	58,21,097
- Nippon India Multi Cap Fund Growth Plan	20,84,848	14,24,848
- Nippon India Overnight Fund Growth Plan	5,024	5,024
- Nippon India Short Term Fund Growth Plan	9,706	9,706
- Nippon India Small Cap Fund-Growth Plan	9,18,721	3,18,721
- Nippon India Value Fund Growth Plan	11,30,000	8,00,000
- Nippon India Gold Savings Fund Growth Plan	1,00,000	-
- IDFC Sterling Value Fund Growth Regular Plan	-	5,02,597
- IDFC Balanced Advantage Fund Regular Plan Growth	-	3,21,000
- Nippon India Pharma Fund Growth Plan	4,83,290	4,83,290
- Nippon India Passive Flexicap FOF Growth Plan	25,00,000	-
- Nippon India Nifty Midcap 150 Index Fund Growth Plan	32,61,660	-



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September, 2022

- DSP Flexi Cap Fund Regular Plan Growth		15,64,210
- Tata Balances Advantage Fund Regular Plan Growth	5,95,783	5,95,783
- Nippon India Flexi Cap Fund Growth Plan	81,08,544	1,00,00,000
- Tata Resources & Energy Fund Regular Plan Growth	5,00,475	5,00,475
- Nippon India Multi Cap Fund Growth Plan (466218393367)	1,99,000	1,99,000
- Nippon India Ultra Short Duration Fund Growth Plan (466218393367)		4,77,136
- Nippon India Taiwan Equity Fund Growth Plan	45,00,000	45,00,000
- Nippon India Power & Infra Fund Growth Plan	6,00,000	6,00,000
- Nippon India Passive Flexicap FOF Growth Plan (466218393367)	20,00,000	-
- Nippon India Large Cap Fund Growth Plan (466218393367)	15,04,568	-
- Nippon India Consumption Fund Growth Plan (466218393367)	10,00,000	-
Total	5,09,19,450	7,78,37,088

14. INVENTORIES

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Raw Materials and components	2,82,48,516	2,34,22,090
Work-in-progress	88,75,594	10,25,325
Finished Goods	20,66,290	30,708
Stock in trade	-	-
Total	3,91,90,400	2,44,78,123

15. TRADE RECEIVABLES

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Outstanding for less than 6 months from the due date (Unsecured, considered good)	3,72,34,295	5,46,18,125
Outstanding for more than 6 months from the due date (Unsecured, considered good)	94,20,962	1,62,27,982
Total	4,66,55,257	7,08,46,107

15.1 The amount of trade receivables outstanding for more than 6 months include an amount of ₹ 5,71,515 receivable from M/s GET Power Pvt Ltd. The Company has appealed for the recovery of the above amount under section 20 read with section 30 of the MSME Act, 2006. The Company is fairly optimistic that they will be able to recover the amount from the debtor and hence no provision has been proposed by the management.



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September, 2022

16. CASH AND CASH EQUIVALENTS

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Balances with banks:		
– Earmarked Balances	-	-
– Guarantees (refer note no. 16.1)	55,83,032	56,68,938
– Other Commitments (refer note no. 16.2)	1,08,65,778	45,94,688
Cash on hand	9,223	22,992
Others (refer note no. 16.3)	1,37,995	2,05,526
Total	1,65,96,028	1,04,92,144

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 2022	As at 31st March 2022
Unsecured Loans and Advances: (Unsecured, considered good)		
Advance to Suppliers	77,24,445	34,95,853
Advance to Employees	39,000	16,79,485
Prepaid Expenses	1,68,668	3,30,364
Total	79,32,113	55,05,702

18. OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Income Tax AY 2020-21	-	2,22,279
Income Tax AY 2022-23	8,87,751	-
TDS Receivable	5,33,153	-
TCS Receivable	1,054	-
Accrued Interest	82,39,133	65,25,120
GST Receivable	71,57,080	16,41,921
Total	1,68,18,171	83,89,320



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September, 2022

19. REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Sale of Products	6,55,38,915	12,83,36,502
Sale of Services	79,65,087	39,01,144
Total	7,35,04,002	13,22,37,646

20. OTHER INCOME

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
- Interest Income	23,27,063	19,37,466
- Rental Income	1,54,749	1,32,344
- Government Grant for DST Project - "Saur Stambh"	21,47,449	3,38,719
- Spark Grant from Defence Innovation Organisation for Disc5	10,00,000	-
- Net gain/(- loss) on sale of investments	33,23,116	50,01,517
- Net gain on foreign currency transaction and translation	-	-
- Other non-operating income	39,948	62,927
- Profit on sale of Fixed Assets	-	22,56,363
Total	89,92,325	97,29,336

21. COST OF MATERIALS CONSUMED

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Purchase of Raw Materials	5,59,81,564	8,54,47,027
Opening Balance of Raw Materials	2,34,22,090	1,98,16,001
Less : Closing Balance of Raw Materials	2,82,48,516	2,34,22,090
Total	5,11,55,138	8,18,40,938

22. CHANGE IN INVENTORIES

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Finished goods:		
Opening Balance	30,708	30,708
Less: Closing Balance	20,66,290	30,708
	-20,35,582	-
Work-in-Progress:		
Opening Balance	10,25,325	49,80,250
Less: Closing Balance	88,75,594	10,25,325
	-78,50,269	39,54,925
Total	-98,85,851	39,54,925



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AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September, 2022

23. EMPLOYEE BENEFIT EXPENSES

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Salaries and Wages:		
– Directors Remuneration	22,15,145	20,76,174
– Staff Salary	97,92,967	1,02,85,938
– Salary relates to Recognised Research & Development Facility	13,49,364	3,64,284
– Statutory Bonus	-	7,48,302
Contribution to Provident Fund and Other Funds	5,19,684	4,63,164
Staff Welfare Expenses	1,97,741	10,10,276
Total	1,40,74,901	1,49,48,138

24. FINANCE COST

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Interest Expenses (Refer Note No. 24.1)	6,43,118	6,57,554
Other borrowing costs (Refer Note No.24.2)	3,55,121	2,40,107
Total	9,98,239	8,97,661

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 2022	As at 31st March 2022
Depreciation of tangible assets	11,81,929	10,11,683
Amortisation of intangible assets	-	-
Total	11,81,929	10,11,683

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 30th September, 2022

26. OTHER EXPENSES

Particulars	(Amount in ₹)	
	As at 30th September 2022	As at 31st March 2022
Administrative Expenses		
Audit fees	45,000	50,000
Director Sitting Fees	30,000	30,000
Membership & Registration Fees	67,950	54,502
Insurance Expenses	94,601	1,22,405
Internet Expenses	2,15,153	1,69,490
Legal expenses	3,09,970	7,95,124
Professional & consultancy expenses	16,70,138	44,60,426
Electricity Expenses	25,309	23,125
Office Expenses	1,20,235	1,12,178
Petrol & Diesel	1,87,058	2,05,972
Postage & Courier Expenses	31,279	10,721
Printing & Stationery Expenses	1,16,257	82,860
Rates and taxes	5,66,715	9,452
Rent Office	9,00,000	9,00,000
Repairs & Maintenance	12,41,489	4,44,553
Vehicle Repairs & Maintenance	88,608	1,05,170
TCS ERP Solution	1,35,227	-
Security Expenses	87,000	61,937
Telephone & Mobile expenses	66,961	87,385
Water Charges	59,455	79,971
Miscellaneous administrative expenses	3,35,357	7,33,941
Total (A)	63,93,760	85,39,213
Manufacturing Expenses		
Power and Fuel	9,60,058	4,89,622
Rent Factory	1,89,000	2,10,000
Job Work Expenses	14,95,138	18,23,571
Site Development expenses	-	2,22,047
Repairs to machinery	1,47,949	86,043
Testing & Calibration Charges	10,07,513	2,98,480
MPIDC Annual Maintenance Charges	87,432	-
Labour Charges	1,24,090	7,71,605
Drawing & Design Charges	32,113	-
Miscellaneous manufacturing expenses	3,14,165	-
Total (B)	43,57,458	39,01,368
Selling and Marketing Expenses		
Advertisement and business promotion expenses	1,51,545	3,55,786
Sales Commission	14,67,908	8,89,684
Travelling Expenses	18,10,316	12,47,002
Late Delivery	8,42,054	2,81,100
Transportation Outward	12,16,358	12,57,181
Tender Fees	41,312	71,649
Other Selling Expenses	2,36,707	3,44,949
Total (C)	57,66,200	44,47,351



AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended 30th September, 2022

Research & Development Expenses

Material Consumed	5,27,798	67,820
Travelling Expenses	5,53,079	22,258
Other Expenses	12,98,215	1,556
Total (D)	23,79,092	91,634

Loss due to Foreign Currency Fluctuation (E)	3,46,997	77,846
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Total Other Expenses (A+B+C+D+E)	1,92,43,508	1,70,57,411
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27. DEFERRED TAX EXPENSE

The deferred tax expense debited to the statement of profit and loss for the period has been recognised for the tax effect of the timing difference accounting income and taxable for the year and quantified using the tax rates and laws enacted pertaining to the period during which the difference arises. The deferred tax expense as debited in the statement of profit and loss has been computed as under:

27.1 Deferred tax impact of the timing difference in depreciation as per the Companies Act, 2013 and depreciation as per the Income Tax Act, 1961 –

– Depreciation as per Income Tax Act, 1961	:	₹	14,96,722
– Depreciation as per Companies Act, 2013	:	₹	11,81,929
– Difference	:	₹	3,14,793
– Deferred Tax Expense/(Income)	:	₹	81,846

27.2 Deferred tax impact on Unpaid bonus not deductible u/s 43B of Income Tax Act

– Unpaid bonus not deductible u/s 43B of Income Tax Act	:	₹	-
– Unpaid bonus paid during the year	:	₹	-
– Difference	:	₹	-
– Deferred Tax Expense/(Income)	:	₹	-

27.3 Net deferred tax expense debited to statement of profit and loss for the period is ₹ 81,846



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AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Half Year ended September 30, 2022

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	Unsecured Loan	10,50,859
2	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	Interest paid on Loan	43,130
3	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	8% Convertible Debentures	2,00,00,000
4	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	Interest on Debentures	8,52,329
5	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	Job Work Service (Revenue)	4,33,017
6	AIC - Aartech Solonics Pvt Ltd	Subsidiary Company	Other Services (Expenses)	25,00,000
7	Faradigm Ultracapitors Pvt Ltd	Subsidiary Company	8% Convertible Debentures	2,50,00,000
8	Faradigm Ultracapitors Pvt Ltd	Subsidiary Company	Interest on Debentures	10,65,411
9	Faradigm Ultracapitors Pvt Ltd	Subsidiary Company	Sales	28,40,250



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AARTECH SOLONICS LIMITED**Statement of Cash Flow for the half year ended September 30, 2022**

Particulars	For the year ended 30th September 2022	For the year ended 31st March 2022
1. Cash Flows from Operating Activities		
<i>Net Profit and Loss a/c (as per profit and loss account)</i>	41,57,216	1,91,57,775
Add : (A) Apportionment of Fund :		
<i>Provision for tax made during the year</i>	14,89,401	29,88,710
<i>Deferred Tax</i>	81,846	1,09,741
Net Profit before taxation and extra ordinary items	57,28,463	2,22,56,226
Add : (B) Non operating Expenses :		
<i>Depreciation during the year</i>	11,81,929	10,11,683
Sub Total	11,81,929	10,11,683
Less : (C) Non operating Income :		
<i>Interest Income (refer note 20)</i>	23,27,063	19,37,466
<i>Rental Income (refer note 20)</i>	1,54,749	1,32,344
<i>Net gain/(- loss) on sale of investments (refer note 20)</i>	33,23,116	50,01,518
<i>Other non-operating income (refer note 20)</i>	39,948	62,925
<i>Grant for DST Saur Stambh Project (refer note 20)</i>	21,47,449	3,38,719
<i>Spark Grant from Defence Innovation Organisation for Disc5 (refer note 20)</i>	10,00,000	-
<i>Loss on sale of Fixed Assets (refer note 19)</i>	-	22,56,363
Sub Total	89,92,325	97,29,335
(D) Operating Profit Before Working Capital Changes (A+B-C)	-20,81,933	1,35,38,574
Add : (E) Increase in current liabilities and decrease in current assets:		
<i>Decrease in Inventory</i>	-	3,48,836
<i>Decrease in Account Receivable</i>	2,41,90,850	-
<i>Decrease in Short term Loans and Advances</i>	-	1,23,61,655
<i>Decrease in Other Current Assets</i>	-	-
<i>Increase in Short term borrowings</i>	75,27,585	-
<i>Increase in Trade Payables</i>	95,39,604	3,12,51,905
<i>Increase in Short Term Provisions</i>	-	36,32,417
<i>Increase in Other Current Liabilities</i>	4,50,580	-
Sub Total	4,17,08,619	4,75,94,813
Less : (F) Increase in current assets and decrease in current liabilities:		
<i>Increase in Inventory</i>	1,47,12,277	-
<i>Increase in Account Receivable</i>	-	2,27,84,935
<i>Increase in Short Term Loans and Advances</i>	24,26,411	-
<i>Increase in Other Current Assets</i>	84,28,851	9,64,502
<i>Decrease in Short Term Borrowings</i>	-	90,65,511
<i>Decrease in Trade Payable</i>	-	-
<i>Decrease in Short Term Provisions</i>	9,87,890	-
<i>Decrease in Other Current Liabilities</i>	-	4,70,646
Sub Total	2,65,55,429	3,32,85,594
(G) Cash generated from Operations (D+E-F)	1,30,71,257	2,78,47,793
(H) Income tax paid during the year:	-	18,79,514
(I) Net cash generated from operational activity (G-H)	1,30,71,257	2,59,68,279



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AARTECH SOLONICS LIMITED**Statement of Cash Flow for the half year ended September 30, 2022**

Particulars	For the year ended 30th September 2022	For the year ended 31st March 2022
2. Cash Flows from Investing Activities		
(A) Net cash inflow from investment activity		
<i>Interest Income (refer note 20)</i>	23,27,063	19,37,466
<i>Rental Income (refer note 20)</i>	1,54,749	1,32,344
<i>Net gain/(- loss) on sale of investments (refer note 20)</i>	33,23,116	50,01,518
<i>Other non-operating income (refer note 20)</i>	39,948	62,925
<i>Grant for DST Saur Stambh Project (refer note 20)</i>	21,47,449	-
<i>Spark Grant from Defence Innovation Organisation for Disc5 (refer note 20)</i>	10,00,000	-
<i>Proceeds from marketable securities</i>	4,18,64,821	2,08,34,234
<i>Proceeds from sale of fixed assets</i>	13,097	29,93,873
<i>Realisation of Long Term Loans & Advances</i>	36,73,216	8,67,628
<i>Realisation of security deposit</i>	-	-
Sub Total	5,45,43,459	3,18,29,988
(B) Net cash outflow from investment activity		
<i>Investment made in marketable securities during the year</i>	1,49,47,182	4,78,72,846
<i>Investment made in Subsidiary Company</i>	-	-
<i>Investment made in Equity</i>	3,93,10,000	-
<i>Utilisation of Grant for DST Saur Stambh Project</i>	21,47,449	3,44,392
<i>Long Term Loans & Advances</i>	-	-
<i>Purchase of new assets (net of sale proceed)</i>	50,47,481	27,26,922
<i>Security deposit paid</i>	58,720	6,81,859
Sub Total	6,15,10,832	5,16,26,019
(C) Net cash generated from Investment activity (a-b)	-69,67,373	-1,97,96,031
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 financing activity		
<i>Dividend Paid</i>	-	35,30,047
<i>Decrease in long term borrowing</i>	-	-
Sub Total	-	35,30,047
(C) Net cash generated from Financing activity (a-b)	-	-35,30,047
4. Net Increase/(Decrease) in Cash (1+2+3)	61,03,884	26,42,201
Cash and cash equivalents at the beginning of the year	1,04,92,144	78,49,943
5. Cash and cash equivalents at the end of the year	1,65,96,028	1,04,92,144



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