

# AARTECH SOLONICS LIMITED

## CONSOLIDATED FINANCIAL STATEMENT

Assessment Year 2019-20

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

Tel. No. 91-755-4276335/2463693  
Fax No. 91-755-2463593  
E-mail: [info@aartechsolonics.com](mailto:info@aartechsolonics.com)  
Website: [www.aartechsolonics.com](http://www.aartechsolonics.com)

Auditors:  
***SPARK & Associates***  
Chartered Accountants  
F-08, Smruti Towers  
159, Zone II, M P Nagar  
Bhopal



# SPARK & ASSOCIATES CHARTERED ACCOUNTANTS

F-08, Smruti Complex, 159, Zone-II,  
MP Nagar, Bhopal - 462011 (M.P.)  
Tel.: 0755-2556641, 9425300141  
E-mail : ca.roopak@gmail.com  
Website : www.ca-spark.com

## INDEPENDENT AUDITORS' REPORT

To the Members of **AARTECH SOLONICS LIMITED**

### Report on Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of AARTECH SOLONICS LIMITED (herein referred to as the holding company), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2019, the consolidated statement of Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

### Management's Responsibility for the Consolidated Financial Statements

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

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

### Auditor's Responsibility

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







# SPARK & ASSOCIATES

## CHARTERED ACCOUNTANTS

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at year March 31, 2019, its Consolidated Profit, and its Consolidated Cash Flows for the year ended on that date.

For **SPARK & Associates**  
Chartered Accountants

**CA Roopak Jain**

Partner

(Membership No.: 410002)



Place: Bhopal

Date: May 29, 2019

# AARTECH SOLONICS LIMITED

## Consolidated Balance Sheet as at 31st March 2019

Particulars	Notes	As at 31st March 2019	As at 31st March 2018
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	2	7,06,00,940	4,94,00,940
Reserves & Surplus	3	18,18,63,345	12,55,98,119
<b>Minority Interest</b>	4	-3,08,450	-59,673
<b>Non Current Liabilities</b>			
Long term Borrowings	5	1,09,61,272	-
Deferred Tax Liabilities (Net)	6	6,49,810	5,08,684
<b>Capital Grant</b>	7	26,28,239	26,28,239
<b>Current Liabilities</b>			
Short Term Borrowings			
Trade Payables	8	93,74,310	48,49,104
Other Current Liabilities	9	3,20,100	59,73,983
Short Term Provisions	10	71,44,235	89,00,981
<b>TOTAL</b>		<b>28,32,33,801</b>	<b>19,78,00,377</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
- Tangible Assets	11	3,75,21,994	3,38,41,076
- Intangible Assets			
- Capital Work-in-Progress			
Non-Current Investments	12	7,62,66,832	2,56,90,594
Long Term Loans and Advances	13	3,77,83,977	42,48,703
Other Non Current Assets			
<b>Current Assets</b>			
Current Investments	14	10,07,117	1,83,82,036
Inventories	15	2,53,55,861	3,88,91,216
Trade Receivables	16	5,08,18,795	3,45,05,875
Cash and Cash Equivalent	17	4,20,11,940	3,52,09,866
Short Term Loans and Advances	18	16,04,862	19,91,025
Other Current Assets	19	1,08,62,423	50,39,986
		<b>28,32,33,801</b>	<b>19,78,00,377</b>

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

The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

For SPARK & Associates  
Chartered Accountants

CA Roopak Jain  
Partner

(Membership No. 410002)



  
Anil A. Rajee  
Managing Director

  
Amit A. Rajee  
Director

For and on behalf of the Board of Directors

  
Arati Nath  
Chief Financial Officer

  
K.R. Tarnuj Reddy  
Company Secretary

Place : Bhopal

Date : May 29 , 2019

# AARTECH SOLONICS LIMITED

## Consolidated Statement of Profit and Loss for the year ended 31st March 2019

	Notes	As at 31st March 2019	As at 31st March 2018
<b>REVENUES</b>			
Revenue from operations	20	14,04,41,550	9,88,27,691
Other income	21	1,08,59,385	1,21,63,735
<b>TOTAL REVENUE</b>		<b>15,13,00,935</b>	<b>11,09,91,426</b>
<b>EXPENDITURES</b>			
Cost of materials consumed	22	7,19,33,125	5,18,45,510
Change in inventories of finished goods and work in process	23	1,66,07,824	-1,61,438
Employee benefit expenses	24	2,67,14,854	2,37,57,616
Finance costs	25	16,43,272	7,61,307
Depreciation and amortization expenses	26	27,03,095	31,73,605
Other expenses	27	2,21,49,013	2,20,29,098
<b>TOTAL EXPENSES</b>		<b>14,17,51,183</b>	<b>10,14,05,698</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>95,49,752</b>	<b>95,85,728</b>
Exceptional Items			
<b>Profit before extraordinary items and tax</b>		<b>95,49,752</b>	<b>95,85,728</b>
Extraordinary Items			
<b>Profit before tax</b>		<b>95,49,752</b>	<b>95,85,728</b>
<b>Tax Expense</b>			
Current Tax	28	42,72,177	22,25,740
Deferred Tax	29	1,41,126	-2,08,921
<b>Profit for the year</b>		<b>51,36,449</b>	<b>75,68,909</b>
<b>Earnings per equity share (Par value of ₹ 10 each)</b>			
Basic (₹)		0.71	1.47
Diluted (₹)		0.71	1.47

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

The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

For SPARK & Associates  
Chartered Accountants

  
CA Roopak Jain  
Partner  
(Membership No. 410002)



  
Anil A. Raje  
Managing Director

For and on behalf of the Board of Directors

  
Amit A. Raje  
Director

  
Arati Nath  
Chief Financial

  
K.R. Tanuj Reddy  
Company Secretary

Place : Bhopal

Date : May 29, 2019



# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 2. SHARE CAPITAL

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
<b>Authorized Share Capital:</b>		
100,20,000 Equity shares of ₹10 each	10,02,00,000	10,02,00,000
<b>Total</b>	<b>10,02,00,000</b>	<b>10,02,00,000</b>
<b>Issued, subscribed and Paid up:</b>		
70,60,094 Equity shares of ₹10 each fully paid	7,06,00,940	4,94,00,940
<b>Total</b>	<b>7,06,00,940</b>	<b>4,94,00,940</b>

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:

(Number of equity shares)

Particulars	As at	
	31st March 2018	
Equity Shares at the beginning of the year	51,40,094	49,40,094
Add : Equity shares issued during the year		
- as fully paid up bonus shares	-	-
- as fully paid up shares for cash	21,20,000	2,00,000
Less : Shares cancelled on buy back of Equity Shares	-	-
<b>Equity Shares at the end of the year</b>	<b>72,60,094</b>	<b>51,40,094</b>

### 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
<b>As at March 31, 2019</b>		
<b><u>Aartech Solonics Limited</u></b>		
Mr. Anil Anant Rajee	15,58,667	22.08%
Mrs. Chhaya Anil Rajee	9,33,333	13.22%
Mrs. Prajakta Shashikant Kulkarni	10,92,000	15.47%
Mr. Amit Anil Rajee	10,21,067	14.46%
<b><u>Faradigm Ultracapacitors Private Limited</u></b>		
Aartech Solonics Ltd	9,500	95.00%
Mr. Anil Anant Rajee (Minority Interest)	500	5.00%
Since, Mr. Anil Anant Rajee does not have any beneficial interest in the shares, the company Faradigm Ultracapacitors Private Limited is a wholly owned subsidiary of Aartech Solonics Ltd as it is having 100% beneficial interest in the shares of Faradigm Ultracapacitors Private Limited.		
<b><u>AIC-Aartech Solonics Private Limited</u></b>		
Aartech Solonics Ltd	9,900	99.00%
Mr. Anil Anant Rajee (Minority Interest)	100	1.00%
Nominee shareholder holding shares on behalf of Aartech Solonics Ltd U/s 187 of Companies Act 2013. Hence, AIC- Aartech Solonics Pvt Ltd is a wholly owned subsidiary of Aartech Solonics Ltd as per the said section		

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



# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 3. RESERVES AND SURPLUS

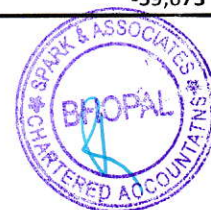
(Amount in ₹)

Particulars	As at	As at
	31st March 2019	31st March 2018
<b>a) Capital Reserve</b>		
Balance as per last Financial Statements	35,52,358	35,52,358
Add : Transferred from the statement of profit and loss	-	-
<b>Closing Balance</b>	<b>35,52,358</b>	<b>35,52,358</b>
<b>b) General Reserve</b>		
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	-	-
<b>Closing Balance</b>	<b>9,69,15,392</b>	<b>9,69,15,392</b>
<b>c) Securities Premium</b>		
Balance as per last Financial Statements	40,000	40,000
Add : Received during the year on issue on share	5,08,80,000	-
<b>Closing Balance</b>	<b>5,09,20,000</b>	<b>40,000</b>
<b>e) Surplus / (deficit) balance in statement of profit and loss during the year</b>		
Balance as per last Financial Statements	2,50,90,369	1,77,58,289
Add : Profit for the year	51,36,449	75,68,909
Less: Appropriations:		
– Share of Minority Interest (Refer note 4)	-2,48,777	-65,673
– Transferred to Capital Grant	-	3,02,502
– Proposed Dividend on Equity Shares	-	-
– Provision for Dividend Distribution Tax	-	-
– Net Transitional value of fixed assets	-	-
<b>Closing Balance</b>	<b>3,04,75,595</b>	<b>2,50,90,369</b>
<b>Total</b>	<b>18,18,63,345</b>	<b>12,55,98,119</b>

### 4. MINORITY INTEREST

(Amount in ₹)

Particulars	As at	As at
	31st March 2019	31st March 2018
<b>AIC - AARTECH SOLONICS PRIVATE LIMITED</b>		
– Share Capital of AIC-Aartech Solonics Pvt Ltd	1,000	1,000
– Profit & Loss of AIC-Aartech Solonics Pvt Ltd	-96,229	-10,313
	<b>-95,229</b>	<b>-9,313</b>
<b>FARADIGM ULTRACAPACITORS PRIVATE LIMITED</b>		
– Share Capital of Faradigm Ultracapacitors Pvt Ltd	5,000	5,000
– Profit & Loss of Faradigm Ultracapacitors Pvt Ltd	-2,18,220	-55,360
	<b>-2,13,220</b>	<b>-50,360</b>
<b>Total</b>	<b>-3,08,450</b>	<b>-59,673</b>





# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 5. LONG TERM BORROWINGS

Particulars	As at	As at
	31st March 2019	31st March 2018
Secured Loan from HDFC Bank	1,09,61,272	-
<b>Total</b>	<b>1,09,61,272</b>	<b>-</b>

### 6. DEFERRED TAX LIABILITIES (Net)

Particulars	As at	As at
	31st March 2019	31st March 2018
<b>Deferred tax liability as on March 31, 2018</b>	<b>5,08,684</b>	<b>7,17,605</b>
Less: Deferred tax asset arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act	-	2,95,206
Add: Deferred tax liability arising on account of section 35D of Income Tax Act	2,601	13,849
Add: Deferred tax Liability arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act	43,102	85,544
Add: Deferred tax liability arising on account of section 43B of Income Tax Act	95,423	14,590
<b>Deferred tax liability as on March 31, 2019</b>	<b>6,49,810</b>	<b>5,08,684</b>

- 6.1 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.

### 7. CAPITAL GRANT

Particulars	As at	As at
	31st March 2019	31st March 2018
- Grant received from Niti Aayog	26,28,239	26,28,239
<b>Total</b>	<b>26,28,239</b>	<b>26,28,239</b>

### 8. TRADE PAYABLES

Particulars	As at	As at
	31st March 2019	31st March 2018
Micro, Small and Medium Enterprises	11,48,643	4,488
Other	82,25,667	48,44,616
<b>Total</b>	<b>93,74,310</b>	<b>48,49,104</b>





# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 9. OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
Unpaid Dividends	1,542	14,712
Revenue Grant received in advance	-	46,28,881
Expenses Payable	10,809	20,000
Other Payables	3,07,749	13,10,390
<b>Total</b>	<b>3,20,100</b>	<b>59,73,983</b>

### 10. SHORT TERM PROVISIONS

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
<b>Provision for Employee Benefits:</b>		
- Salary and Reimbursements	17,828	61,68,029
- Contribution to ESIC and Provident Fund	1,46,771	1,58,690
- Gratuity	-	-
- Leave encashment	-	-
- Superannuation	-	-
- ESOP/ESOS	-	-
<b>Others (includes Duties &amp; Taxes Payable)</b>	<b>69,79,636</b>	<b>25,74,261</b>
<b>Total</b>	<b>71,44,235</b>	<b>89,00,981</b>

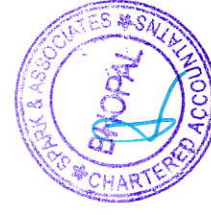


# AARTECH SOLONICS LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

## 11. FIXED ASSETS

Particulars	Gross Block		Rate of Depreciation	Depreciation/Amortisation			Net Block		
	As at 01/04/2018	Addition / Deduction		As at 31/03/2019	As at 01/04/2018	For the year	As at 31/03/2019	As at 01/04/2018	As at 31/03/2019
	(Amount in ₹)								
Tangible Assets:									
Land	17,90,732	-	0.00%	-	-	-	17,90,732	17,90,732	17,90,732
Building	1,97,02,685	28,16,436	3.17%	55,77,742	6,75,390	62,53,132	1,41,24,943	1,41,24,943	1,62,65,989
Plant & Machinery	1,61,51,908	4,17,585	6.33%	48,60,050	1,29,668	49,89,718	1,12,91,858	1,12,91,858	1,15,79,774
Electrification	20,29,739	7,68,001	9.50%	13,07,299	1,96,654	15,03,953	7,22,440	7,22,440	12,93,787
Office Equipment	33,50,528	4,51,437	19.00%	32,98,446	85,010	33,83,456	52,082	52,082	4,18,509
Computer & Accessories	56,45,694	11,28,343	31.67%	52,27,093	3,20,368	55,47,461	4,18,601	4,18,601	12,26,576
Testing Equipment	31,48,745	-	6.33%	14,95,128	1,99,315	16,94,443	16,53,617	16,53,617	14,54,302
Furniture & Fixtures	63,67,408	2,84,619	9.50%	39,53,528	6,27,338	45,80,866	24,13,880	24,13,880	20,71,161
Vehicles	48,61,308	(63,662)	11.88%	43,18,387	3,81,474	41,49,861	5,42,921	5,42,921	6,47,785
Tools	13,65,071	31,255	6.33%	5,35,069	87,878	6,22,947	8,30,002	8,30,002	7,73,379
<b>Total</b>	<b>6,44,13,818</b>	<b>58,34,013</b>		<b>3,05,72,742</b>	<b>27,03,095</b>	<b>3,27,25,837</b>	<b>3,38,41,076</b>	<b>3,38,41,076</b>	<b>3,75,21,994</b>





# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 12. NON CURRENT INVESTMENT

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
<b>Investment in property</b>	1,30,64,811	1,29,64,441
<b>Other Investments</b>	1,000	1,000
<b>Investment in Silver Coin</b>	9,740	6,450
<b>Investments in equity instruments:</b>		
Investment in Dena Bank Equity	54,640	54,640
Investment In Ansheo Nutraware Private Limited	25,000	
Investment In Bozobaka Labs Private Limited	31,578	
Investment In Exosolar Private Limited	2,000	
<b>Investments in mutual funds (Instrument wise):</b>		
– 928.901 (Previous year 1,228.29) SBI Magnum Tax gain Scheme – Dividend	-	52,186
– 10,782.06 (Previous year 10,782.06) Sundaram BNP Paribas Tax Saver (Open Ended) – Dividend	-	1,12,077
– 49,990 (Previous year 49,990) Axis Small Cap Fund – Dividend Option	-	5,00,000
50,000 (Previous year 50,000) Axis Hybrid Fund Series 22	-	5,00,000
– 26,693.508 (Previous year 26,693.508) Axis Long Term Equity Fund Dividend Pay-out	-	4,99,900
– 9,455.809 (Previous year 9,455.809) SBI Magnum Balanced Fund	-	10,00,000
– 82,9681.316 (Previous year 8,29,681.361) Kotak Equity Saving Fund Regular Plan Growth	-	99,99,900
1,02,963.45 (Previous year Nil) Axis Multi Cap Fund Growth	11,03,768	
1,92,164 (Previous year Nil) DSP Equity Fund Regular Plan Growth	92,05,630	
1,680.04 (Previous year Nil) HDFC Capital Fund Growth	10,30,547	
7,486.89 (Previous year Nil) TATA Equity Fund Regular Growth	9,99,900	
1,842.57 (Previous year Nil) ICICI Prudential Floating Interest Fund	5,00,000	
1,526.48 (Previous year Nil) Aditya Birla Sunlife Equity Advantage Fund	6,00,000	
43,173.83 (Previous year Nil) Aditya Birla Sunlife Frontline Equity Fund	96,38,218	
17,502.77 (Previous year Nil) Kotak Low duration Fund Growth	4,00,00,000	
<b>Total</b>	<b>7,62,66,832</b>	<b>2,56,90,594</b>
Quoted Investments – Book Value	6,31,32,703	1,27,18,703
Quoted Investments – Market Value	6,45,21,440	1,58,52,594
Unquoted Investments – Book Value	1,32,59,811	1,31,59,441
<b>Total book value of non-current investments</b>	<b>7,63,92,514</b>	<b>2,58,78,144</b>



# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 13. LONG TERM LOANS & ADVANCES

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Other Loans and Advances</b> (Unsecured, considered good)	3,41,29,600	-
<b>Security Deposits</b> (Unsecured Considered Good)	36,54,377	42,48,703
<b>Total</b>	<b>3,77,83,977</b>	<b>42,48,703</b>

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

### 14. CURRENT INVESTMENT

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Investments in mutual funds (Instrument wise):</b>		
- Birla Sun Life Cash Manager-Daily Dividend Regular	-	1,71,66,999
- Reliance Short Term Fund Monthly Dividend	10,07,117	12,15,036
<b>Total</b>	<b>10,07,117</b>	<b>1,83,82,036</b>

### 15. INVENTORIES

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Raw Materials and components	1,86,91,712	1,56,19,243
Work-in-progress	8,76,865	2,32,71,973
Finished Goods	13,41,353	-
Stock in trade	44,45,931	-
<b>Total</b>	<b>2,53,55,861</b>	<b>3,88,91,216</b>

### 16. TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
Outstanding for less than 6 months from the due date (Unsecured, considered good)	4,43,67,912	2,75,07,567
Outstanding for more than 6 months from the due date (Unsecured, considered good)	64,50,883	69,98,308
<b>Total</b>	<b>5,08,18,795</b>	<b>3,45,05,875</b>





# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 17. CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
Balances with banks:		
– Earmarked Balances	2,25,000	2,25,000
– Guarantees (refer note no. 17.1)	37,532	1,41,82,652
– Other Commitments (refer note no. 17.2)	4,15,22,467	2,05,34,731
Cash on hand	1,08,811	1,64,763
Others (refer note no. 17.3)	1,18,130	1,02,720
<b>Total</b>	<b>4,20,11,940</b>	<b>3,52,09,866</b>

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

17.2 Other commitments represent balances with banks.

17.3 Others represent imprest given to employees for incurring expenses.

### 18. SHORT TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
Loans and Advances to Related Parties		
Other Loans and Advances	16,04,862	19,91,025
<b>Total</b>	<b>16,04,862</b>	<b>19,91,025</b>

### 19. OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
Income Tax Refund Receivable AY 2016-2017	4,21,004	4,21,004
TDS Receivable	15,49,446	-
Advance Tax AY 2019-20	20,90,000	-
Income Tax Refund Receivable AY 2018-2019	-	64,113
Excise Duty Receivables	1,32,442	-
Other receivables	3,617	10,14,190
Prepaid Insurance	10,879	-
Accrued Interest	6,15,139	-
GST Receivable	60,39,895	35,40,679
<b>Total</b>	<b>1,08,62,423</b>	<b>50,39,986</b>



# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 20. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
Sale of Products	13,75,49,034	9,46,40,282
Sale of Services	28,92,516	41,87,409
<b>Total</b>	<b>14,04,41,550</b>	<b>9,88,27,691</b>

### 21. OTHER INCOME

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
- Interest Income	9,95,376	14,15,669
- Dividend Income	1,93,968	8,81,017
- Revenue Government Grant for DST Uplift Project	54,28,881	46,28,880
- Net gain/(- loss) on sale of investments	31,88,904	20,20,902
- Other non-operating income	9,42,256	32,17,267
- Profit on sale of Fixed Assets	1,10,000	-
<b>Total</b>	<b>1,08,59,385</b>	<b>1,21,63,735</b>

### 22. COST OF MATERIALS CONSUMED

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
Purchase of Raw Materials	7,50,05,594	5,25,36,593
Opening Balance of Raw Materials	1,56,19,243	1,49,28,160
Less : Closing Balance of Raw Materials	1,86,91,712	1,56,19,243
<b>Total</b>	<b>7,19,33,125</b>	<b>5,18,45,510</b>

### 23. CHANGE IN INVENTORIES

(Amount in ₹)

Particulars	As at	
	31st March 2019	31st March 2018
Finished goods:		
Opening Balance	-	-
Less: Closing Balance	57,87,284	-
	<b>(57,87,284)</b>	-
Work-in-Progress:		
Opening Balance	2,32,71,973	2,31,10,535
Less: Closing Balance	8,76,865	2,32,71,973
	<b>2,23,95,108</b>	<b>(1,61,438)</b>
<b>Total</b>	<b>1,66,07,824</b>	<b>(1,61,438)</b>





# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 24. EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

Particulars	As at	As at
	31st March 2019	31st March 2018
Salaries and Wages	2,43,87,293	2,15,71,149
Contribution to Provident Fund and Other Funds	10,49,938	10,85,998
Staff Welfare Expenses	12,77,624	11,00,469
<b>Total</b>	<b>2,67,14,854</b>	<b>2,37,57,616</b>

### 25. FINANCE COST

(Amount in ₹)

Particulars	As at	As at
	31st March 2019	31st March 2018
Interest Expenses	8,24,274	13,268
Other borrowing costs	8,18,998	7,48,039
<b>Total</b>	<b>16,43,272</b>	<b>7,61,307</b>

### 26. DEPRECIATION AND AMORTISATION EXPENSES

(Amount in ₹)

Particulars	As at	As at
	31st March 2019	31st March 2018
Depreciation of tangible assets	27,03,095	31,73,605
Amortisation of intangible assets	-	-
<b>Total</b>	<b>27,03,095</b>	<b>31,73,605</b>

26.1 Refer note 11 for assets wise details of depreciation charge and note 1.9 for depreciation policy and rates of depreciation



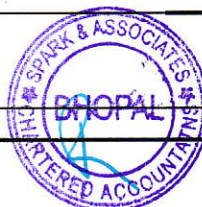
# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 27. OTHER EXPENSES

(Amount in ₹)

Particulars	As at 31st March 2019	As at 31st March 2018
<b>Administrative Expenses</b>		
Audit fees	1,60,000	1,10,000
Insurance	4,29,606	1,42,325
Internet expenses	2,57,316	1,91,783
Electricity Expenses	1,13,546	72,622
Legal & professional expenses	1,50,317	9,23,499
Professional & consultancy expenses	16,55,811	14,30,689
Petrol & Diesel	1,57,131	1,47,215
Rates and taxes (excluding taxes on income)	2,94,539	8,92,508
Rent office	18,08,500	11,27,345
Security Expenses	1,45,499	1,84,750
Repairs & Maintenance	2,27,764	29,982
Vehicle Repairs & Maintenance	1,17,873	1,02,298
Telephone & Mobile expenses	2,48,069	3,35,260
Postage & Courier Charges	2,37,814	1,227
Printing & Stationery Expenses	3,12,283	69,122
Preliminary Expenses	-	50,020
Registration & Stamp Charges	1,510	-
Training, Exhibition, Workshop & Seminar Expenses	5,28,255	6,19,698
Start-up Exchange Program Expenses	-	50,000
Licensing Expenses	3,894	6,600
Membership & Subscription Fees	9,51,594	999
Office Expenses	2,64,823	1,26,767
Trainees Stipend	5,000	-
Conveyance Expenses	5,880	5,345
Miscellaneous administrative expenses	24,58,603	24,87,954
<b>Total (A)</b>	<b>1,05,35,627</b>	<b>91,08,009</b>
<b>Manufacturing Expenses</b>		
Power and Fuel	5,89,186	5,67,106
Rent Factory	2,70,532	2,30,697
Repairs to machinery	4,72,808	2,03,249
Testing Charges	5,82,381	-
Job Work Expenses.	8,22,385	-
Miscellaneous manufacturing expenses	5,07,528	12,22,952
<b>Total (B)</b>	<b>32,44,820</b>	<b>22,24,004</b>
<b>Selling and Marketing Expenses</b>		
Advertisement and business promotion expenses	10,59,450	5,86,340
Sales Commission	16,11,139	30,21,687
Travelling Expenses	35,47,018	29,05,255
Late Delivery	10,45,560	24,12,664
Transportation Outward	6,43,978	8,93,411
<b>Total (C)</b>	<b>79,07,144</b>	<b>98,19,358</b>
<b>Research &amp; Development Expenses</b>		
Material Consumed	-	1,67,827
Travelling Expenses	-	17,109
Other Expenses	200	34,953
DST Project Uplift Expenses	8,94,575	6,19,056
<b>Total (D)</b>	<b>8,94,775</b>	<b>8,38,944</b>
<b>Loss due to Foreign Currency Fluctuation (E)</b>	<b>-4,33,353</b>	<b>38,783</b>
<b>Total Other Expenses (A+B+C+D+E)</b>	<b>2,21,49,013</b>	<b>2,20,29,098</b>



# AARTECH SOLONICS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2019

### 28. CURRENT TAX

Provision for current tax is made in the statement of profit and loss for the year ending March 31, 2019 after taking into consideration the provisions of Income Tax Act, 1961 including provisions of Minimum Alternate Tax under section 115JB (Chapter XII-B) including various benefits available under the Income Tax Act.

For the year ending March 31, 2019 (assessment year 2019 - 20), the income tax computed under the other provisions (provisions of the Income Tax Act other than Chapter XII-B) amounts to ₹ 48,82,845 and income tax computed under the provisions of chapter XII-B of Income Tax Act amounts to ₹ 42,72,177. The provision of ₹ 42,72,177 has been made after utilising MAT credit.

### 29. 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:

#### 29.1 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 Companies Act	:	₹	27,03,095
– Depreciation as per Income Tax Act	:	₹	28,74,223
– Difference	:	₹	1,71,128
– Deferred tax impact (Income)	:	₹	43,102

#### 29.2 Deferred tax impact of the timing difference due to the unpaid bonus to employees debited in the statement of profit and loss for the period disallowed under section 43B of Income Tax Act, 1961 –

– Unpaid bonus not deductible under section 43B of Income Tax Act for the previous year paid in the current year	:	₹	3,43,000
– Unpaid bonus not deductible under section 43B of Income Tax Act	:	₹	-
– Difference	:	₹	3,43,000
– Deferred tax impact (Income)	:	₹	95,423

#### 29.3 Deferred tax impact of the timing difference due in preliminary expenses as per the statement of profit and loss for the period disallowed under section 35D of Income Tax Act, 1961 –

– Preliminary Expenses	:	₹	-
– Preliminary Expenses (1/5th)	:	₹	10,004
– Timing difference between the Book Profit and Taxable Profit	:	₹	10,004
– Deferred Tax Liability/ (Asset)	:	₹	2,601

#### 29.4 Net deferred tax income credited to the statement of profit and loss for the period is ₹ 1,41,126.

### 30. CONTINGENT LIABILITY

AIC - Aartech Solonics Private Limited is an Atal Incubation Center (AIC) supported by Atal Innovation Mission, a flagship mission of Niti Aayog, Government of India. AIM has raised objections to the rent charged by Aartech Solonics Limited to AIC-Aartech Solonics Private Limited. The company is pursuing the matter with AIM and is hopeful of getting a favorable response. If AIM does not agree to the rent paid to Aartech Solonics Limited, Aartech Solonics Limited will have to return the amount received as rent. The total of rent received is Rs. 75,00,000.





# AARTECH SOLONICS LIMITED

## Statement of Consolidated Cash Flow for the year ended 31st March 2019

Particulars	As at	
	31st March 2019	31st March 2018
<b>1. Cash Flows from Operating Activities</b>		
<i>Net Profit and Loss a/c ( as per profit and loss account)</i>	51,36,449	75,68,909
<b>Add : (A) Apportionment of Fund :</b>		
<i>Provision for tax made during the year</i>	42,72,177	22,25,740
<i>Deferred Tax</i>	1,41,126	-2,08,921
<b>Net Profit before taxation and extra ordinary items</b>	<b>95,49,752</b>	<b>95,85,728</b>
<b>Add : (B) Non operating Expenses :</b>		
<i>Depreciation during the year</i>	27,03,095	31,73,605
<b>Sub Total</b>	<b>27,03,095</b>	<b>31,73,605</b>
<b>Less : (C) Non operating Income :</b>		
<i>Interest Income (refer note 21)</i>	9,95,376	14,15,669
<i>Dividend Income (refer note 21)</i>	1,93,968	8,81,017
<i>Net gain/(- loss) on sale of investments</i>	31,88,904	46,28,880
<i>Other non-operating income ( refer note 21)</i>	9,42,256	20,20,902
<i>Revenue Government Grant</i>	54,28,881	32,17,267
<i>Profit on sale of fixed assets</i>	1,10,000	-
<b>Sub Total</b>	<b>1,08,59,385</b>	<b>1,21,63,735</b>
<b>(D) Operating Profit Before Working Capital Changes (A+B-C)</b>	<b>13,93,462</b>	<b>5,95,598</b>
<b>Add : (E) Increase in current liabilities and decrease in current assets:</b>		
<i>Decrease in inventory</i>	1,35,35,355	-8,52,521
<i>Increase in short term loans and advances</i>	-	-
<i>Decrease in other current assets</i>	-	21,47,401
<i>Increase in Short term provisions</i>	-	29,56,277
<i>Increase in Deferred Revenue Grant</i>	-	-
<i>Increase in Trade Payables</i>	45,25,206	-
<i>Increase in other current liabilities</i>	-	55,15,523
<i>Decrease in account receivable</i>	-	-
<i>Decrease in Short term loan and advances</i>	3,86,163	77,33,797
<b>Sub Total</b>	<b>1,84,46,724</b>	<b>1,75,00,477</b>
<b>Less : (F) Increase in current assets and decrease in current liabilities:</b>		
<i>Increase in account receivable</i>	1,63,12,920	28,83,615
<i>Increase in inventory</i>	-	-
<i>Increase in Other current assets</i>	58,22,437	34,15,773
<i>Decrease in Short Term Borrowings</i>	-	49,57,702
<i>Decrease in other current liabilities</i>	56,53,883	33,223
<i>Decrease in short term provisions</i>	24,83,020	-
<i>Decrease in Trade Payable</i>	-	1,00,39,364
<i>Increase in Short term loan and advances</i>	-	1,01,904
<b>Sub Total</b>	<b>3,02,72,260</b>	<b>2,14,31,579</b>
<b>(G) Cash generated from Operations (D+E-F)</b>	<b>-1,04,32,074</b>	<b>-33,35,504</b>
<b>(H) Income tax paid during the year:</b>	<b>35,45,903</b>	<b>12,54,394</b>
<b>(I) Net cash generated from operational activity (G-H)</b>	<b>-1,39,77,977</b>	<b>-45,89,898</b>



**AARTECH SOLONICS LIMITED****Statement of Consolidated Cash Flow for the year ended 31st March 2019**

Particulars	As at	As at
	31st March 2019	31st March 2018
<b>2. Cash Flows from Investing Activities</b>		
<b>(A) Net cash inflow from investment activity</b>		
Interest Income (refer note 21)	9,95,376	14,15,669
Dividend Income (refer note 21)	1,93,968	8,81,017
Revenue Government Grant	54,28,881	46,28,880
Net gain/(- loss) on sale of investments (refer note 21)	31,88,904	20,20,902
Other non-operating income (refer note 21)	9,42,256	32,17,267
Proceeds from marketable securities	3,00,38,982	1,41,46,395
Proceeds from sale of fixed assets	1,10,000	26,89,364
Grant received from Government	-	26,28,239
Maturity of fixed deposit made during the year	17,10,763	19,80,953
Realisation of security deposit		
<b>Sub Total</b>	<b>4,26,09,130</b>	<b>3,36,08,686</b>
<b>(B) Net cash outflow from investment activity</b>		
Investment made in marketable securities during the year	6,31,36,641	1,690
Investment made in Property	1,03,660	
Investment made in Subsidiary Company		1,95,000
Long Term Loans & Advances	3,35,35,274	2,77,23,631
Utilisation of Grant for DST Uplift Project		9,71,774
Purchase of new assets	63,84,013	1,51,45,137
Security deposit paid		9,38,900
<b>Sub Total</b>	<b>10,31,59,588</b>	<b>4,49,76,131</b>
<b>(C) Net cash generated from Investment activity (a-b)</b>	<b>-6,05,50,458</b>	<b>-1,13,67,445</b>
<b>3. Cash Flows from Financing Activities</b>		
<b>(A) Net cash inflow from financing activity</b>		
Proceeds from issue of equity shares	7,20,80,000	2,77,23,631
Increase in long term borrowings	1,09,61,272	
<b>(B) Net cash outflow from investment activity</b>		
Decrease in long term borrowing		
<b>Sub Total</b>	<b>-</b>	<b>-</b>
<b>(C) Net cash generated from Financing activity (a-b)</b>	<b>8,30,41,272</b>	<b>2,77,23,631</b>
<b>Net Increase/(Decrease) in Cash (1+2+3)</b>	<b>85,12,837</b>	<b>1,17,66,287</b>
<b>4.</b>		
Cash and cash equivalents at the beginning of the year	2,44,94,379	1,27,28,092
<b>Cash and cash equivalents at the end of the year</b>	<b>3,30,07,216</b>	<b>2,44,94,379</b>

