

AIC-AARTECH SOLOINICS PRIVATE LIMITED

AUDITED FINANCIAL STATEMENTS

(FOR THE YEAR ENDING MARCH 31, 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: amit.raje@aic-aartech.in
Website: <http://aic-aartech.in>

Auditors:
PREM CHAND JAIN & CO.
Chartered Accountants
F-08, Smruti Towers
159, Zone II, M P Nagar
Bhopal – 462011



PREM CHAND JAIN & CO.
CHARTERED ACCOUNTANTS

Chartered Accountants
F08, Smriti Towers
159, Zone II, M.P. Nagar
Bhopal-462 011

Tel: +91-755-255 6641
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INDEPENDENT AUDITORS' REPORT

To the Members of **AIC- AARTECH SOLONICS PRIVATE LIMITED**

Report on Financial Statements

We have audited the attached Balance Sheet of AIC-AARTECH SOLONICS PRIVATE LIMITED ('the Company') as at March 31, 2022, the statement of Profit and Loss Account for the 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 Rule 7 of the Companies (Accounts) Rules, 2014. The 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. 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 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. 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 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 March 31, 2022, its profit/loss, for the year ended on that date.

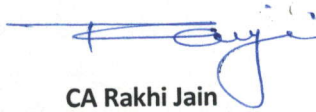
Report on Other Legal and Regulatory Requirements

1. 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 March 31, 2022 and taken on record by the Board Of Directors, none of the Directors is disqualified as on March 31, 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, 2014, 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.

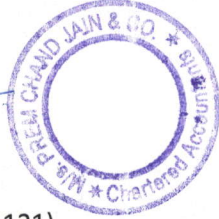


III. There has been no delay in transferring amounts if any, to the Investor Education and Protection Fund by the Company.

For Prem Chand Jain & Co.
Chartered Accountants
FRN : 000066C



CA Rakhi Jain
Partner
(Membership No.: 411121)
Place: Bhopal
Date: May 12, 2022
UDIN: 22411121AIVJUT5003



AIC-AARTECH SOLONICS PRIVATE LIMITED

Balance Sheet as at 31st March 2022

Particulars	Notes	As at 31st March 2022	As at 31st March 2021
EQUITY & LIABILITIES			
Shareholders' Funds			
Share capital	2	- 1,00,000	1,00,000
Reserves & Surplus	3	-1,74,89,918	-1,56,93,193
Non Current Liabilities			
Long term Borrowings	4	2,10,12,042	2,09,40,123
Deferred Tax Liabilities (Net)	5	2,36,886	2,13,865
Capital Grant	6	26,28,239	26,28,239
Current Liabilities			
Short Term Borrowings			
Trade Payables	7	5,388	2,210
Other Current Liabilities	8	25,04,409	9,57,041
Short Term Provisions	9	2,39,777	1,59,728
TOTAL		92,36,823	93,08,013
ASSETS			
Non-Current Assets			
Fixed Assets			
- Tangible Assets	10	53,64,872	59,72,299
- Intangible Assets		-	-
- Capital Work-in-Progress		-	-
Non-Current Investments	11	56,578	56,578
Short Term Loans and Advances			
Other Non Current Assets			
Current Assets			
Current Investments	12	3,22,501	3,22,501
Inventories			
Trade Receivables	13	10,99,768	4,13,432
Cash and Cash Equivalents	14	2,12,246	2,47,034
Short Term Loans and Advances	15	5,388	-
Other Current Assets	16	21,75,470	22,96,169
TOTAL		92,36,823	93,08,013

Significant accounting policies and notes to financial statements are given in note 1 to 24

The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

For **PREM CHAND JAIN & CO.**

Chartered Accountants

CA Rakhi Jain

Partner

(Membership No. 411121)

UDIN: 2241121AIVJUT5003

Place : Bhopal

Date : May 12, 2022

For and on behalf of the Board of Directors

Amit A. Raje

Director

Arati Nath

Director



AIC-AARTECH SOLONICS PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March 2022

	Notes	For the year ended 31st March 2022	For the year ended 31st March 2021
REVENUES			
Revenue from operations	17	15,12,163	5,44,959
Other income	18	-	20,863
TOTAL REVENUE		15,12,163	5,65,822
EXPENDITURES			
Cost of materials consumed		-	-
Change in inventories of finished goods and work in process		-	-
Employee benefit expenses	19	4,75,649	2,45,178
Finance costs	20	17,88,460	17,30,696
Depreciation and amortization expenses	21	6,61,853	9,04,653
Other expenses	22	3,59,905	3,91,471
TOTAL EXPENSES		32,85,867	32,71,998
Profit before exceptional and extraordinary items and tax		-17,73,704	-27,06,176
Exceptional Items			
Profit before extraordinary items and tax		-17,73,704	-27,06,176
Extraordinary Items		-	-
Profit before tax		-17,73,704	-27,06,176
Tax Expense			
Current Tax		-	-
Deferred Tax	23	23,021	9,043
Profit for the year		-17,96,725	-27,15,219
Earnings per equity share (Par value of ` 10 each)			
Basic (`)		-180	-272
Diluted (`)		-180	-272

Significant accounting policies and notes to financial statements are given in note 1 to 24
The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

For **PREM CHAND JAIN & CO.**
Chartered Accountants

CA Rakhi Jain
Partner
(Membership No. 411121)

UDIN: 22411121AIVJUT5003

Place : Bhopal
Date : May 12, 2022



For and on behalf of the Board of Directors

Amit A. Raje
Director

Araji Nath
Director



AIC-AARTECH SOLONICS PRIVATE LIMITED

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

1.2 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS:

The Schedule III notified under the Companies Act, 2013, is 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.

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 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.

1.5 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.

1.6 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.



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AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

1.7 REVENUE RECOGNITION:

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. 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.

1.8 GOVERNMENT GRANTS AND SUBSIDIES:

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

1.9 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.

1.10 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 disclosed where the possibility of an outflow of resources embodying economic benefits is possible.

1.11 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 share 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.



AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

2. SHARE CAPITAL

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
Authorized Share Capital:		
10,000 Equity shares of `10 each	1,00,000	1,00,000
Total	1,00,000	1,00,000
Issued, subscribed and Paid up:		
10,000 Equity shares of `10 each fully paid	1,00,000	1,00,000
Total	1,00,000	1,00,000

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 2022	As at 31st March 2021
Equity Shares at the beginning of the year	10,000	10,000
Add : Equity shares issued during the year		
- as fully paid up bonus shares	-	-
- as fully paid up shares for cash	-	-
Less : Shares cancelled on buy back of Equity Shares	-	-
Equity Shares at the end of the year	10,000	10,000

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 equity shares in the Company:

Name of Share Holders	No. of Shares	% held
As at March 31, 2020		
Aartech Solonics Ltd	9,900	99.00%
Mr. Anil Anant Raje	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.



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AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

3. RESERVES AND SURPLUS

Particulars	(Amount in `)	
	As at 31st March 2022	As at 31st March 2021
a) Surplus / (deficit) balance in statement of profit and loss during the		
Balance as per last Financial Statements	-1,56,93,193	-1,29,77,974
Add : Profit for the year	-17,96,725	-27,15,219
Less: Appropriations:	-	-
- Proposed Dividend on Equity Shares	-	-
- Transfer to General Reserve	-	-
Closing Balance	-1,74,89,918	-1,56,93,193

4. LONG TERM BORROWINGS

Particulars	(Amount in `)	
	As at 31st March 2022	As at 31st March 2021
- Unsecured Loan from Related parties	10,12,042	9,40,123
- 8% Convertible Cumulative Debentures	2,00,00,000	2,00,00,000
Total	2,10,12,042	2,09,40,123

5. DEFERRED TAX LIABILITIES (Net)

Particulars	(Amount in `)	
	As at 31st March 2022	As at 31st March 2021
Deferred tax liability as on March 31, 2021	2,13,865	2,04,822
Add: Deferred tax Liability arising on account of section 35D of Income Tax Act	1,300	1,300
Add: Deferred tax liability arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act	21,721	7,743
Deferred tax liability as on March 31, 2022	2,36,886	2,13,865

5.1 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:



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AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

6. CAPITAL GRANT

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
- Grant received from Niti Aayog	26,28,239	26,28,239
Total	26,28,239	26,28,239

7. TRADE PAYABLES

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
Micro, Small and Medium Enterprises	-	-
Others	5,388	2,210
Total	5,388	2,210

8. OTHER CURRENT LIABILITIES

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
Audit Fees Payable	10,000	10,000
Interest on Debentures Payable	24,71,104	9,41,104
Expenses Payable	23,305	5,937
Total	25,04,409	9,57,041

9. SHORT TERM PROVISIONS

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Employee Benefits:		
- Salary and Reimbursements	55,607	27,302
Duties & Taxes Payable		
- TDS Payable	1,84,170	1,32,426
- GST Payable	-	-
Total	2,39,777	1,59,728



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AIC-ARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

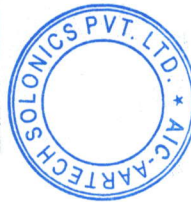
10. FIXED ASSETS

Particulars	Gross Block		Rate of Depreciation	Depreciation/Amortisation			Net Block		
	As at 01/04/2021	Addition/ (Deduction)		As at 31/03/2022	As at 01/04/2021	For the year	As at 31/03/2022	As at 01/04/2021	As at 31/03/2022
	(Amount in `)								
Tangible Assets:									
Building	25,83,089	-	3.17%	2,40,885	81,884	3,22,769	23,42,204	22,60,320	
Plant & Machinery	31,69,744	-	6.33%	4,74,355	2,00,643	6,74,998	26,95,389	24,94,746	
Computer & Accessories	15,22,526	-	31.67%	12,91,437	2,31,089	15,22,526	2,31,089	-	
Furniture & Fixtures	3,51,263	54,426	9.50%	85,513	34,672	1,20,185	2,65,750	2,85,504	
Electrical Installations and Equipment	3,19,287	-	9.50%	87,796	30,333	1,18,129	2,31,491	2,01,158	
Office Equipment	4,38,059	-	19.00%	2,31,683	83,232	3,14,915	2,06,376	1,23,144	
Total	83,83,968	54,426		24,11,669	6,61,853	30,73,522	59,72,299	53,64,872	



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AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

11. NON CURRENT INVESTMENT

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
Investment in Equity		
- Investment In Ansheo Nutraware Private Limited	25,000	25,000
- Investment In Bozobaka Labs Private Limited	31,578	31,578
Total	56,578	56,578

12. CURRENT INVESTMENT

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
Investment in Mutual Fund		
- Nippon India Short Term Fund Growth Plan	3,22,501	3,22,501
Total	3,22,501	3,22,501

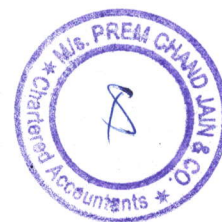
13. TRADE RECEIVABLES

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
Outstanding for more than 6 months from the due date (Unsecured, considered good)	2,00,713	2,61,388
Outstanding for less than 6 months from the due date (Unsecured, considered good)	8,99,055	1,52,044
Total	10,99,768	4,13,432



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AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

14. CASH AND CASH EQUIVALENTS

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with banks:		
- Other Commitments (refer note no. 14.1)	2,08,128	2,46,174
- Bank deposits with more than 12 months maturity		-
Cash on hand	4,118	860
Others (refer note no. 14.2)	-	-
Total	2,12,246	2,47,034

14.1 Other commitments represent balances with banks.

14.2 Others represent imprest given to employees for incurring expenses.

15. SHORT TERM LOANS AND ADVANCES

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
Loans & Advances	5,388	-
Total	5,388	-

16. OTHER CURRENT ASSETS

(Amount in `)

Particulars	As at 31st March 2022	As at 31st March 2021
TDS Receivable	1,21,011	22,015
GST Receivable	20,54,459	22,66,773
Accrued Interest	-	7,381
Total	21,75,470	22,96,169



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AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

17. REVENUE FROM OPERATIONS

(Amount in `)

Particulars	As at	As at
	31st March 2022	31st March 2021
- Sale of Products	22,943	2,348
- Sale of Service	14,89,220	5,42,611
Total	15,12,163	5,44,959

18. OTHER INCOME

(Amount in `)

Particulars	As at	As at
	31st March 2022	31st March 2021
- Interest Income	-	7,516
- Net gain/(- loss) on sale of investments	-	13,347
- Other non-operating income	-	-
Total	-	20,863

19. EMPLOYEE BENEFIT EXPENSES

(Amount in `)

Particulars	As at	As at
	31st March 2022	31st March 2021
- Salaries and Wages	4,75,649	2,42,908
- Staff Welfare Expenses	-	2,270
Total	4,75,649	2,45,178

20. FINANCE COST

(Amount in `)

Particulars	As at	As at
	31st March 2022	31st March 2021
Interest Expenses (Refer Note No. 20.1)	17,79,910	17,19,156
Other borrowing costs (Refer Note No.20.2)	8,550	11,540
Total	17,88,460	17,30,696

20.1 Interest Expenses includes interest paid on unsecured loan to related party and Interest on Debentures.

20.2 Other borrowing costs includes bank charges, commission paid during the year.



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AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

21. DEPRECIATION AND AMORTISATION EXPENSES

(Amount in `)

Particulars	As at	As at
	31st March 2022	31st March 2021
Depreciation of tangible assets	6,61,853	9,04,653
Amortisation of intangible assets	-	-
Total	6,61,853	9,04,653

21.1 Refer note 10 for assets wise details of depreciation charge and note 1.6 for depreciation policy and rates of depreciation

22. OTHER EXPENSES

(Amount in `)

Particulars	As at	As at
	31st March 2022	31st March 2021
Administrative Expenses		
Audit fees	10,000	10,000
Rates & Taxes	-	25
Legal Expenses	50	-
Professional & Consultancy Charges	24,000	39,000
Printing & Stationery Expenses	3,160	2,368
Insurance Expenses	-	1,956
Office Expenses	10,864	30,405
Repair & Maintenance	33,829	19,757
Miscellaneous Administrative expenses	14,465	1,70,523
Total (A)	96,368	2,74,034
Incubation Centre Expenses		
Advertisement & Marketing Expenses	18,350	3,590
Consumables	2,34,236	99,879
Startup Support Expenses	-	12,078
Training, Exhibition, Workshop & Seminar Expenses	6,000	-
Travelling & Accommodation Expenses	4,951	1,890
Total (B)	2,63,537	1,17,437

Loss due to Foreign Currency Fluctuation (D)

Total Expenses (A+B+C)	3,59,905	3,91,471
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AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

23. 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:

23.1 Deferred tax impact of the timing difference in depreciation as per the Companies Act, 2013 and depreciation as per	
- Depreciation as per Income Tax Act, 1961	7,45,395
- Depreciation as per Companies Act, 2013	6,61,853
- Difference	83,542
- Deferred Tax Expense/(Income)	21,721
- Preliminary Expenses (1/5th) as per Income Tax Act, 1961	5,000
- Preliminary Expenses as per Books	-
- Difference	5,000
- Deferred Tax Expense/(Income)	1,300
23.2 Net deferred tax expense debited to statement of profit and loss for the period is	23,021



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AIC-AARTECH SOLONICS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2022

24. RELATED PARTY DISCLOSURE

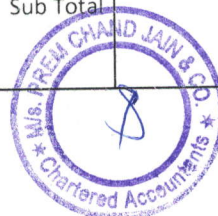
S.No.	Name of Related Party	Related Party Category	Nature of Transaction	Amount in `
1	Aartech Solonics Ltd	Holding Company	Unsecured Loan	10,12,042
2	Aartech Solonics Ltd	Holding Company	Interest paid on Loan	79,910
3	Aartech Solonics Ltd	Holding Company	8% Convertible Debentures	2,00,00,000
4	Aartech Solonics Ltd	Holding Company	Interest on Debentures	17,00,000
5	Aartech Solonics Ltd	Holding Company	Job Work Service (Revenue)	6,19,125



AIC-AARTECH SOLONICS PRIVATE LIMITED

Statement of Cash Flow for the year ended 31st March 2022

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
1. Cash Flows from Operating Activities		
Net Profit and Loss a/c (as per profit and loss account)	-17,96,725	-27,15,219
Add : (A) Apportionment of Fund :		
Provision for tax made during the year	-	-
Deferred Tax	23,021	9,043
Net Profit before taxation and extra ordinary items	-17,73,704	-27,06,176
Add : (B) Non operating Expenses :		
Depericiation during the year	6,61,853	9,04,653
Sub Total	6,61,853	9,04,653
Less : (C) Non operating Income :		
Interest Income (refer note 18)	-	7,516
Net gain/(- loss) on sale of investments (refer note 18)	-	13,347
Other non-operating income (refer note 18)	-	-
Sub Total	-	20,863
(D) Operating Profit Before Working Capital Changes (A+B-C)	-11,11,851	-18,22,386
Add : (E) Increase in current liabilities and decrease in current assets:		
Decrease in Trade Receivable	-	7,17,509
Decrease in Other Current Assets	1,20,699	1,18,699
Decrease in Short Term Loan and Advances	-	1,956
Increase in Trade Payable	3,178	-
Increase in Other Current Liabilities	15,47,368	9,37,248
Increase in Short Term Provision	80,049	14,030
Sub Total	17,51,294	17,89,442
Less : (F) Increase in current assets and decrease in current liabilities:		
Increase in Trade Receivables	6,86,336	-
Increase in Other current assets	-	-
Increase in Short Term Loan and Advances	5,388	-
Decrease in Trade Payable	-	1,05,984
Decrease in Other Current Liabilities	-	-
Decrease in Short Term Provision	-	-
Sub Total	6,91,724	1,05,984
(G) Cash generated from Operations (D+E-F)	-52,281	-1,38,928
(H) Income tax paid during the year:		
	-	-
(I) Net cash generated from operational activity (G-H)	-52,281	-1,38,928
2. Cash Flows from Investing Activities		
(A) Net cash inflow from investment activity		
Interest Income (refer note 18)	-	7,516
Net gain/(- loss) on sale of investments (refer note 18)	-	13,347
Other non-operating income (refer note 18)	-	-
Proceeds from marketable securities	-	8,01,204
Proceeds from sale of fixed assets	-	-
Realisation of security deposit	-	-
Sub Total	-	8,22,067
(B) Net cash outflow from investment activity		
Investment made in marketable securities during the year	-	11,14,526
Purchase of new assets (refer note no. 10)	54,426	-
Security deposit paid	-	-
Sub Total	54,426	11,14,526
(C) Net cash generated from Investment activity (a-b)	-54,426	-2,92,459



AIC-AARTECH SOLONICS PRIVATE LIMITED

Statement of Cash Flow for the year ended 31st March 2022

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
3. Cash Flows from Financing Activities		
(A) Net cash inflow from financing activity		
<i>Increase in Long term borrowing</i>	71,919	6,49,115
Sub Total	71,919	6,49,115
(B) Net cash outflow from investment activity		
<i>Payment of dividend and dividend distribution tax</i>	-	-
Sub Total	-	-
(C) Net cash generated from Financing activity (a-b)	71,919	6,49,115
4. Net Increase/(Decrease) in Cash (1+2+3)	-34,788	2,17,728
Cash and cash equivalents at the beginning of the year	2,47,034	29,306
5. Cash and cash equivalents at the end of the year	2,12,246	2,47,034

