

# AARTECH SOLONICS LIMITED

## CONSOLIDATED FINANCIAL STATEMENT

(FOR THE YEAR ENDING MARCH 31, 2022)

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Registered Office:

E-2/57, "Ashirvad"

Arera Colony

Bhopal – 462016

Madhya Pradesh

Tel. No. 91-755-4276335/2463693

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E-mail: [info@aartechsolonics.com](mailto:info@aartechsolonics.com)

Website: [www.aartechsolonics.com](http://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](mailto: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 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, 2022, 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.

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, 2022, its Consolidated Profit, and its Consolidated Cash Flows for the year ended on that date.

For **S. Ramanand Aiyer & Co.**

Chartered Accountants

FRN : 000990N



**CA Amit Singhvi**

Partner

(Membership No.: 129331)

Place: Bhopal

Date: May 12, 2022



UDIN: 22129331AIVITT6188

# AARTECH SOLONICS LIMITED

## Consolidated Balance Sheet as at 31st March 2022

Particulars	Notes	As at 31st March 2022	As at 31st March 2021
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	2	10,59,01,250	7,06,00,940
Reserves & Surplus	3	16,78,71,805	17,94,03,398
<b>Minority Interest</b>	4	19,025	-7,48,892
<b>Non Current Liabilities</b>			
Long term Borrowings	5	-	23,11,769
Deferred Tax Liabilities (Net)	6	16,30,330	12,88,847
<b>Government Grant</b>	7	47,75,688	26,28,239
<b>Current Liabilities</b>			
Short Term Borrowings	8	65,17,600	87,55,427
Trade Payables	9	2,20,47,905	1,40,40,738
Other Current Liabilities	10	9,00,541	8,95,980
Short Term Provisions	11	1,08,51,914	73,47,651
<b>TOTAL</b>		<b>32,05,16,058</b>	<b>28,65,24,097</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
- Tangible Assets	12	3,79,55,131	3,69,92,352
- Intangible Assets			
- Capital Work-in-Progress			
Non-Current Investments	13	1,59,77,029	1,59,77,029
Long Term Loans and Advances	14	6,49,72,478	5,95,75,688
Other Non Current Assets			
<b>Current Assets</b>			
Current Investments	15	7,83,44,751	6,32,80,821
Inventories	16	2,75,54,056	2,17,13,304
Trade Receivables	17	7,18,41,198	6,38,82,762
Cash and Cash Equivalent	18	1,20,34,340	1,04,77,816
Short Term Loans and Advances	19	62,76,478	88,86,971
Other Current Assets	20	55,60,597	57,37,354
		<b>32,05,16,058</b>	<b>28,65,24,097</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 **S. Ramanand Aiyer & Co.**

Chartered Accountants


**CA Amit Singhvi**


Partner

(Membership No. 129331)

For and on behalf of the Board of Directors

  
**Amit A. Raje**  
 Chairman & Managing  
 Director

  
**Arati Nath**  
 Chief Executive Officer

  
**Pradeep Narkhede**  
 Chief Financial Officer

  
**K.R. Tanuj Reddy**  
 Company Secretary

Place : Bhopal

Date : May 12, 2022

UDIN: 22129331AIVITT6188



# AARTECH SOLONICS LIMITED

## Consolidated 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
<b>REVENUES</b>			
Revenue from operations	21	16,33,63,679	10,95,85,424
Other income	22	1,45,17,398	58,35,764
<b>TOTAL REVENUE</b>		<b>17,78,81,077</b>	<b>11,54,21,188</b>
<b>EXPENDITURES</b>			
Cost of materials consumed	23	8,33,29,035	5,41,49,739
Change in inventories of finished goods and work in process	24	-1,85,145	31,62,112
Employee benefit expenses	25	2,77,32,916	2,74,59,773
Finance costs	26	17,78,785	20,07,203
Depreciation and amortization expenses	27	34,36,174	37,88,314
Other expenses	28	2,75,48,237	2,02,52,494
<b>TOTAL EXPENSES</b>		<b>14,36,40,002</b>	<b>11,08,19,635</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>3,42,41,075</b>	<b>46,01,553</b>
Exceptional Items			
<b>Profit before extraordinary items and tax</b>		<b>3,42,41,075</b>	<b>46,01,553</b>
Extraordinary Items			
<b>Profit before tax</b>		<b>3,42,41,075</b>	<b>46,01,553</b>
<b>Tax Expense</b>			
Current Tax	29	59,24,565	17,50,487
Deferred Tax	30	3,41,483	2,73,482
<b>Profit for the year</b>		<b>2,79,75,027</b>	<b>25,77,584</b>
<b>Earnings per equity share (Par value of ₹ 10 each)</b>			
Basic (₹)		2.59	0.71
Diluted (₹)		2.59	0.71

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

The accompanying notes are integral part of the Financial Statements

Signed in terms of our report of even date

For **S. Ramanand Aiyer & Co.**

Chartered Accountants

  
**CA Amit Singhvi**

Partner

(Membership No. 129331)



For and on behalf of the Board of Directors

  
**Amit A. Raje**

Chairman & Managing  
Director

  
**Arati Nath**

Chief Executive Officer

  
**Pradeep Narkhede**

Chief Financial Officer

  
**K.R. Tanuj Reddy**

Company Secretary

Place : Bhopal

Date : May 12, 2022

UDIN: 22129331AIVITT6188



# AARTECH SOLONICS LIMITED

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

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 CORPORATE INFORMATION

The Consolidated Financial Statements comprise financial statements of "Aartech Solonics Limited" ("the Holding Company") and its subsidiaries "AIC- Aartech Solonics Private Limited & Faradigm Ultracapacitors Private Limited (collectively referred to as "the Group") for the half year ended 30<sup>th</sup> September 2021. AIC-Aartech Solonics Private Limited & Faradigm Ultracapacitors Private Limited is wholly owned subsidiaries of Aartech Solonics Limited.

#### 1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

#### 1.3 PRINCIPLES OF CONSOLIDATION

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

#### 1.4 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

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



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# AARTECH SOLONICS LIMITED

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

### 1.5 USE OF ESTIMATES

The preparation of Consolidated Financial Statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Consolidated Financial Statements and the results of operations during the reporting period.

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

### 1.6 REVENUE RECOGNITION

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

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

#### Interest Income

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

#### Dividend Income

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

### 1.7 INVENTORIES

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



# AARTECH SOLONICS LIMITED

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

- e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### 1.8 INVESTMENTS

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

### 1.9 FIXED & INTANGIBLE ASSETS

#### *Tangible Fixed Assets*

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

#### *Intangible Fixed Assets*

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

### 1.10 EXPENSES INCURRED DURING CONSTRUCTION PERIOD

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

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

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

### 1.11 DEPRECIATION & AMORTISATION

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



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# AARTECH SOLONICS LIMITED

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

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.

### 1.12 IMPAIRMENT OF ASSETS

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

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

### 1.13 FOREIGN CURRENCY TRANSACTIONS

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

### 1.14 RESEARCH AND DEVELOPMENT

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



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# AARTECH SOLONICS LIMITED

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

### 1.15 EMPLOYEES BENEFITS

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

**i. Provident Fund & ESI**

The Holding Company makes contribution to statutory provident fund and Employee State Insurance in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

**ii. Gratuity**

Gratuity is a post-employment benefit. The Holding Company has formed a gratuity trust with Life Insurance Corporation of India during the year ending March 31<sup>st</sup> 2018. The annual provision is determined by the Life Insurance Corporation and the same is paid by the Company to be used as Gratuity Fund. Before April 1, 2012, the Holding Company did not make any provisions in the books of accounts for future liability on account of gratuity payable in the event of retirement of any of its employees or directors. The amount of gratuity due and payable was recorded as an expense in the year in which the liability to pay the same arises.

**iii. Leave Encashment**

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

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

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

### 1.16 LEASES

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

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

### 1.17 TAXES ON INCOME

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

In accordance with Accounting Standard AS-22 'Accounting for Taxes on Income' as notified by Companies Accounting Standard Rules, 2006, Deferred Tax Liability/ Asset arising from timing



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# AARTECH SOLONICS LIMITED

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

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.

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

### 1.18 GOVERNMENT GRANTS AND SUBSIDIES

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

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

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.

### 1.19 BORROWING COST

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

### 1.20 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

**A contingent liability** is recognized for:

- i. A present obligation that arises from past events but is not recognized as a provision because either the possibility that an outflow of resources embodying economic benefits will be required to settle the obligation is remote or a reliable estimate of the amount of the obligation cannot be made.
- ii. A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

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



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# AARTECH SOLONICS LIMITED

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

### 1.21 EARNINGS PER SHARE

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

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

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



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## AARTECH SOLONICS LIMITED

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

#### 2. SHARE CAPITAL

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
<b>Authorized Share Capital:</b>		
100,20,000 Equity shares of ₹10 each	15,02,00,000	10,02,00,000
<b>Total</b>	<b>15,02,00,000</b>	<b>10,02,00,000</b>
<b>Issued, subscribed and Paid up:</b>		
70,60,094 Equity shares of ₹10 each fully paid	10,59,01,250	7,06,00,940
<b>Total</b>	<b>10,59,01,250</b>	<b>7,06,00,940</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:

Particulars	(Number of equity shares)	
	As at 31st March 2022	As at 31st March 2021
Equity Shares at the beginning of the year	72,60,094	72,60,094
Add : Equity shares issued during the year		
- as fully paid up bonus shares	35,30,031	-
- as fully paid up shares for cash		-
Less : Shares cancelled on buy back of Equity Shares		
<b>Equity Shares at the end of the year</b>	<b>1,07,90,125</b>	<b>72,60,094</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.



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## **AARTECH SOLONICS LIMITED**

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

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

<b>Name of Share Holders</b>	<b>No. of Shares</b>	<b>% held</b>
<b>As at March 31, 2022</b>		
<b><u>Aartech Solonics Limited</u></b>		
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 <sup>1</sup>	15,31,600	14.46%
Ashtamangal Projects Limited	9,18,000	8.67%

#### **Faradigm Ultracapacitors Private Limited**

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

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

#### **AIC-Aartech Solonics Private Limited**

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

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

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



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# AARTECH SOLONICS LIMITED

## Notes on Consolidated 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
<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	-	-
Less : Bonus Shares Issued	-3,53,00,310	-
<b>Closing Balance</b>	<b>6,16,15,082</b>	<b>9,69,15,392</b>
<b>c) Securities Premium</b>		
Balance as per last Financial Statements	5,09,20,000	5,09,20,000
Add : Received during the year on issue on share	-	-
<b>Closing Balance</b>	<b>5,09,20,000</b>	<b>5,09,20,000</b>
<b>d) Surplus / (deficit) balance in statement of profit and loss during the year</b>		
Balance as per last Financial Statements	2,80,15,648	2,52,56,409
Add : Profit for the year	2,79,75,027	25,77,584
Add : Provision for Income Tax	91,654	-
Less: Appropriations:		
– Share of Minority Interest (Refer note 4)	7,67,917	-1,81,655
– Transferred to General Reserve	-	-
– Dividend paid on Equity Shares	35,30,047	-
<b>Closing Balance</b>	<b>5,17,84,365</b>	<b>2,80,15,648</b>
<b>Total</b>	<b>16,78,71,805</b>	<b>17,94,03,398</b>

### 4. MINORITY INTEREST

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
<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	-1,74,899	-1,56,932
	<b>-1,73,899</b>	<b>-1,55,932</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	1,87,924	-5,97,960
	<b>1,92,924</b>	<b>-5,92,960</b>
<b>Total</b>	<b>19,025</b>	<b>-7,48,892</b>



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## AARTECH SOLONICS LIMITED

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

#### 5. LONG TERM BORROWINGS

Particulars	As at	As at
	31st March 2022	31st March 2021
Secured Loan from HDFC Bank	-	23,11,769
<b>Total</b>	<b>-</b>	<b>23,11,769</b>

#### 6. DEFERRED TAX LIABILITIES (Net)

Particulars	As at	As at
	31st March 2022	31st March 2021
<b>Deferred tax liability as on March 31, 2021</b>	<b>12,88,847</b>	<b>10,15,365</b>
Add: Deferred tax Liability arising on account of difference in Depreciation as per Companies Act and as per Income Tax Act	2,41,458	2,70,881
Add: Deferred tax Liability arising on account of section 43B of Income Tax Act	97,424	-
Add: Deferred tax liability arising on account of section 35D of Income Tax Act	2,601	2,601
<b>Deferred tax liability as on March 31, 2022</b>	<b>16,30,330</b>	<b>12,88,847</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. GOVERNMENT GRANT

Particulars	As at	As at
	31st March 2022	31st March 2021
- Grant received from Niti Aayog	26,28,239	26,28,239
- Unspent Capital Grant for DST Project "Saur Stambh"	14,37,608	-
- Unspent Revenue Grant for DST Project "Saur Stambh"	7,09,841	-
<b>Total</b>	<b>47,75,688</b>	<b>26,28,239</b>

#### 8. SHORT TERM BORROWINGS

Particulars	As at	As at
	31st March 2022	31st March 2021
- HDFC Bank CC Account	65,17,600	87,55,427
- HDFC Bank (Bill Discounting)	-	-
<b>Total</b>	<b>65,17,600</b>	<b>87,55,427</b>



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## AARTECH SOLONICS LIMITED

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

#### 9. TRADE PAYABLES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Micro, Small and Medium Enterprises	15,88,224	1,56,402
Other	2,04,59,681	1,38,84,336
<b>Total</b>	<b>2,20,47,905</b>	<b>1,40,40,738</b>

#### 10. OTHER CURRENT LIABILITIES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Audit Fees Payable	1,10,000	1,12,500
Rent Payable	-	1,45,070
Electricity Expenses Payable	56,626	52,021
Telephone & Mobile Expenses	-	788
Water Charges Payable	-	6,875
Professional Fees Payable	81,000	90,000
Expenses Payable	3,23,485	2,93,287
Advance from Customers	3,29,430	1,95,439
Other Payables	-	-
<b>Total</b>	<b>9,00,541</b>	<b>8,95,980</b>

#### 11. SHORT TERM PROVISIONS

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
<b>Provision for Employee Benefits:</b>		
- Salary and Reimbursements	35,69,992	21,97,086
- Statutory Bonus	3,74,708	-
- Contribution to ESIC and Provident Fund	1,39,181	1,23,486
<b>Others:</b>		
- Tax Deducted ay source Payable	16,23,953	15,77,869
- GST Payable	-	22,58,739
- Professional Tax Payable	5,496	5,284
- Provision for Income Tax	51,38,584	11,85,187
<b>Total</b>	<b>1,08,51,914</b>	<b>73,47,651</b>



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## AARTECH SOLOINICS LIMITED

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

### 12. FIXED ASSETS

Particulars	Gross Block				Rate of Depreciation	Depreciation/Amortisation			Net Block	
	As at 01/04/2021	Additions	(Deductions)	As at 31/03/2022		As at 01/04/2021	For the year	Deduction	As at 01/04/2021	As at 31/03/2022
	(Amount in ₹)									
Land	17,90,732	-	-	17,90,732	0.00%	-	-	-	17,90,732	17,90,732
Building	2,34,17,612	-	-	2,34,17,612	3.17%	-	-	7,42,338	1,57,15,829	1,49,73,491
Plant & Machinery	1,74,49,208	18,45,157	-	1,92,94,365	6.33%	11,70,864	-	47,32,146	1,38,87,926	1,45,62,219
Electrification	29,16,159	3,21,354	-	32,37,513	9.50%	1,77,970	-	21,65,779	9,28,350	10,71,734
Office Equipment	32,42,016	3,61,925	-	36,03,941	19.00%	1,62,703	-	30,25,788	3,78,931	5,78,153
Computer & Accessories	36,21,533	5,63,677	-	41,85,210	31.67%	4,21,910	-	35,43,690	4,99,753	6,41,520
Testing Equipment	31,52,135	3,136	-23,36,361	8,18,910	6.33%	1,60,309	-15,98,851	6,54,643	10,58,950	1,64,267
Furniture & Fixtures	68,07,011	4,77,864	-	72,84,875	9.50%	2,84,441	-	58,37,391	12,54,061	14,47,484
Vehicles	33,82,304	-	-	33,82,304	11.88%	1,56,075	-	27,01,796	8,36,583	6,80,508
Tools	13,71,282	15,63,350	-	29,34,632	6.33%	1,59,564	-	8,89,609	6,41,237	20,45,023
<b>Total</b>	<b>6,71,49,992</b>	<b>51,36,463</b>		<b>6,99,50,094</b>		<b>34,36,174</b>	<b>-15,98,851</b>	<b>3,19,94,963</b>	<b>3,69,92,352</b>	<b>3,79,55,131</b>

10.2 Aartech Solonics Ltd had sold Plant & Machinery amounting to ₹ 1,01,78,098 to Faradigm Ultracapacitors Pvt Ltd the plant & machinery is recorded at cost i.e. ₹ 81,26,978.



## AARTECH SOLONICS LIMITED

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

#### 13. NON CURRENT INVESTMENT

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Investment in property	1,30,64,811	1,30,64,811
Other Investment	1,000	1,000
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
– Ansheo Nutraware Private Limited	25,000	25,000
– Investment In Bozobaka Labs Private Limited	31,578	31,578
<b>Total</b>	<b>1,59,77,029</b>	<b>1,59,77,029</b>

#### 14. LONG TERM LOANS & ADVANCES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Other Loans and Advances (Unsecured, considered good)	6,02,23,302	5,63,83,302
Security Deposits (Unsecured Considered Good)	47,49,176	31,92,386
<b>Total</b>	<b>6,49,72,478</b>	<b>5,95,75,688</b>

14.1 Security deposits represents amount of security deposits for Electricity, Rent, Telephone, Security Deposite against Orders and Earnest Money Deposits paid by the Company.



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# AARTECH SOLONICS LIMITED

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

### 15. CURRENT INVESTMENT

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
<b>Investments in mutual funds (Instrument wise):</b>		
- Aditya Birla Sunlife Equity Advantage Growth Fund	1,00,000	6,00,000
- Kotak Low Duration Fund Standard Growth	-	28,70,174
- Nippon India Ultra Short Duration Fund Growth Plan	3,94,48,685	46,75,319
- Aditya Birla Sunlife Low Duration Growth Plan	-	65,59,671
- Aditya Birla Sun Life Banking and Financial Services	5,38,082	5,38,082
- Aditya Birla Sun Life Dynamic Bund Fund Growth	-	5,00,000
- Aditya Birla Sun Life Flexi Cap Fund Growth Regular Plan	-	25,00,000
- Aditya Birla Sun Life India Gen Next Fund Growth	10,00,000	10,00,000
- Aditya Birla Sun Life MNC Fund Growth Plan	10,00,000	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	16,00,000
- HDFC Small Cap Fund Regular Plan	8,50,000	2,50,000
- HDFC Top 100 Fund Regular Growth Plan	9,48,129	3,48,129
- IDFC Bond Fund Medium Term Plan Growth	1,00,000	5,00,000
- IDFC Bond Fund Short Term Plan Growth	-	9,48,434
- IDFC Ultra Short Term Fund Regular Plan	1,00,000	-
- Invesco India Gilt Fund Growth Plan	1,00,000	1,00,000
- Kotak Balanced Advantage Fund Growth	9,29,592	9,29,592
- Kotak Emerging Equity Scheme Growth Regular Plan	8,50,000	3,00,000
- Kotak Equity Opportunities Fund Growth Regular Plan	3,00,000	9,50,000
- Kotak Pioneer Fund Growth Regular Plan	13,48,623	13,48,623
- Kotak Nifty Next 50 Index Fund Growth Regular Plan	1,75,162	20,00,000
- Kotak Global Innovation Fund Growth Regular Plan	10,000	-
- Nippon India Banking & Financial Services Fund Growth Plan	18,24,893	9,80,087
- Nippon India CPSE ETF Fund	1,75,004	1,75,004
- Nippon India Growth Fund Growth Plan	-	15,22,701
- Nippon India Large Cap Fund Growth Plan	58,21,097	24,62,792
- Nippon India Multi Cap Fund Growth Plan	14,24,848	17,91,657
- Nippon India Overnight Fund Growth Plan	5,024	-
- Nippon India Short Term Fund Growth Plan	9,706	33,22,351
- Nippon India Small Cap Fund-Growth Plan	3,18,721	4,99,975
- Nippon India Value Fund Growth Plan	8,00,000	1,39,995
- Tata Banking & PSU Debt Fund Regular Plan Growth	-	5,83,848
- Nippon India Gold Savings Fund Growth Plan	-	99,995
- Nippon India Multi Asset Fund Growth Plan (MFGPG)	-	9,99,950
- Tata Short Term Bond Fund Regular Plan Growth-I	-	5,00,000
- Aditya Birla Sun Life Floating Rate Fund Growth Regular Plan	-	5,00,000
- DSP Floater Fund Regular Growth	-	54,76,592
- IDFC Sterling Value Fund Growth Regular Plan	5,02,597	5,02,597
- IDFC Balanced Advantage Fund Regular Plan Growth	3,21,000	3,21,000
- Nippon India Nifty Samllcap 250 Index Fund Growth Plan	-	7,79,317
- Nippon India Pharma Fund Growth Plan	4,83,290	2,98,985
- Nippon India Passive Flexicap FOF Growth Plan	3,22,501	33,05,233
- Nippon India Asset Allocator FOF Growth Plan	-	14,99,925



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## AARTECH SOLONICS LIMITED

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

- Nippon India Nifty Midcap 150 Index Fund Growth Plan	-	39,99,800
- Nippon India Nifty 50 Value 20 Index Fund Growth Plan	-	39,99,800
- DSP Flexi Cap Fund Regular Plan Growth	15,64,210	-
- Tata Balances Advantage Fund Regular Plan Growth	5,95,783	-
- Nippon India Flexi Cap Fund Growth Plan	1,00,00,000	-
- Tata Resources & Energy Fund Regular Plan Growth	5,00,475	-
- Nippon India Multi Cap Fund Growth Plan (466218393367)	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	-
- Nippon India Power & Infra Fund Growth Plan	6,00,000	-
<b>Total</b>	<b>7,83,44,751</b>	<b>6,32,80,821</b>

#### 16. INVENTORIES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Raw Materials and components	2,64,98,023	2,08,42,416
Work-in-progress	10,25,325	8,60,280
Finished Goods	30,708	10,608
Stock in trade	-	-
<b>Total</b>	<b>2,75,54,056</b>	<b>2,17,13,304</b>

#### 17. TRADE RECEIVABLES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Outstanding for less than 6 months from the due date (Unsecured, considered good)	5,47,14,161	5,02,65,372
Outstanding for more than 6 months from the due date (Unsecured, considered good)	1,71,27,037	1,36,17,390
<b>Total</b>	<b>7,18,41,198</b>	<b>6,38,82,762</b>



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## AARTECH SOLONICS LIMITED

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

#### 18. CASH AND CASH EQUIVALENTS

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Balances with banks:		
– Earmarked Balances	-	2,25,000
– Guarantees (refer note no. 18.1)	56,68,938	52,62,419
– Other Commitments (refer note no. 18.2)	61,34,780	47,22,734
Cash on hand	27,130	27,426
Others (refer note no. 18.3)	2,03,492	2,40,237
<b>Total</b>	<b>1,20,34,340</b>	<b>1,04,77,816</b>

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

18.2 Other commitments represent balances with banks.

18.3 Others represent imprest given to employees for incurring expenses.

#### 19. SHORT TERM LOANS AND ADVANCES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
<b>Unsecured Loans and Advances: (Unsecured, considered good)</b>		
Advance to Suppliers	42,66,629	19,25,421
Advance to Employees	16,79,485	66,26,961
Prepaid Expenses	3,30,364	3,34,589
Other Loans and Advances	-	-
<b>Total</b>	<b>62,76,478</b>	<b>88,86,971</b>

#### 20. OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Income Tax Refund Receivable AY 2020-2021	2,22,279	3,04,218
TDS Receivable	1,21,011	22,015
TCS Receivable	-	7,228
Accrued Interest	74,510	2,69,986
GST Receivable	51,42,797	51,33,907
<b>Total</b>	<b>55,60,597</b>	<b>57,37,354</b>



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# AARTECH SOLONICS LIMITED

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

### 21. REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Sale of Products	15,10,92,618	10,19,21,705
Sale of Services	1,22,71,061	76,63,719
<b>Total</b>	<b>16,33,63,679</b>	<b>10,95,85,424</b>

### 22. OTHER INCOME

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
- Interest Income	2,13,320	11,84,692
- Rental Income	2,59,160	1,90,550
- Dividend Income	-	11,507
- Revenue Government Grant for DST Project - "Saur Stambh"	3,38,719	-
- Net gain/(- loss) on sale of investments	1,12,74,205	42,22,995
- Net gain on foreign currency transaction and translation	88,636	1,02,476
- Other non-operating income	86,995	1,23,543
- Profit on sale of Fixed Assets	22,56,363	-
<b>Total</b>	<b>1,45,17,398</b>	<b>58,35,764</b>

### 23. COST OF MATERIALS CONSUMED

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Purchase of Raw Materials	8,89,84,642	4,99,86,216
Opening Balance of Raw Materials	2,08,42,416	2,50,05,939
Less : Closing Balance of Raw Materials	2,64,98,023	2,08,42,416
<b>Total</b>	<b>8,33,29,035</b>	<b>5,41,49,739</b>

### 24. CHANGE IN INVENTORIES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Finished goods:		
Opening Balance	10,608	47,765
Less: Closing Balance	30,708	10,608
	<b>-20,100</b>	<b>37,157</b>
Work-in-Progress:		
Opening Balance	8,60,280	39,85,235
Less: Closing Balance	10,25,325	8,60,280
	<b>-1,65,045</b>	<b>31,24,955</b>
<b>Total</b>	<b>-1,85,145</b>	<b>31,62,112</b>



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## AARTECH SOLONICS LIMITED

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

#### 25. EMPLOYEE BENEFIT EXPENSES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Salaries and Wages:		
– Directors Remuneration	41,52,348	41,45,942
– Staff Salary	1,97,99,736	2,05,14,266
– Salary relates to Recognised Research & Development Facility	9,52,553	9,51,074
– Statutory Bonus	7,48,302	-
Contribution to Provident Fund and Other Funds	9,38,203	8,68,360
Staff Welfare Expenses	11,41,774	9,80,131
<b>Total</b>	<b>2,77,32,916</b>	<b>2,74,59,773</b>

#### 26. FINANCE COST

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Interest Expenses	12,81,818	15,28,348
Other borrowing costs	4,96,967	4,78,855
<b>Total</b>	<b>17,78,785</b>	<b>20,07,203</b>

#### 27. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
Depreciation of tangible assets	34,36,174	37,88,314
Amortisation of intangible assets	-	-
<b>Total</b>	<b>34,36,174</b>	<b>37,88,314</b>



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# AARTECH SOLONICS LIMITED

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

### 28. OTHER EXPENSES

Particulars	(Amount in ₹)	
	As at 31st March 2022	As at 31st March 2021
<b>Administrative Expenses</b>		
Audit fees	1,20,000	1,20,000
Director Sitting Fees	90,000	1,20,000
Membership & Registration Fees	1,72,986	1,77,768
Insurance Expenses	2,12,163	1,48,685
Internet Expenses	2,85,788	4,17,370
Legal Expenses	8,71,868	1,95,404
Professional & Consultancy Expenses	52,03,911	21,68,175
Electricity Expenses	74,146	85,143
Office Expenses	2,27,090	3,32,960
Petrol & Diesel	3,59,896	2,16,670
Postage & Courier Charges	24,423	70,977
Printing & Stationery Expenses	1,33,257	57,009
Rates and Taxes	61,208	12,92,854
Rent Office	18,00,000	18,00,000
Repairs & Maintenance	7,94,932	8,81,547
Vehicle Repairs & Maintenance	2,55,778	1,83,201
TCS ERP Solution	2,94,957	2,74,130
Security Expenses	1,28,135	1,48,031
Telephone & Mobile Expenses	1,67,070	1,74,512
Water Charges	1,34,451	1,24,721
Incubation Centre Expenses	2,63,537	1,17,437
Miscellaneous administrative expenses	12,80,494	8,91,669
<b>Total (A)</b>	<b>1,29,56,090</b>	<b>99,98,263</b>
<b>Manufacturing Expenses</b>		
Power and Fuel	9,19,581	7,17,374
Rent Factory	3,67,075	3,04,971
Job Work Expenses	28,89,085	17,51,436
Site Development expenses	8,82,874	14,38,037
Repairs to machinery	2,99,942	36,877
Testing & Calibration Charges	3,02,980	5,56,075
MPIDC Annual Maintenance Charges	87,607	87,424
Labour Charges	7,71,605	-
Drawing & Design Charges	-	10,04,500
Miscellaneous manufacturing expenses	2,75,709	4,98,665
<b>Total (B)</b>	<b>67,96,458</b>	<b>63,95,359</b>
<b>Selling and Marketing Expenses</b>		
Advertisement and business promotion expenses	4,13,480	2,94,379
Sales Commission	16,86,025	11,66,097
Travelling Expenses	19,08,051	8,06,772
Late Delivery	11,09,080	40,001
Transportation Outward	20,84,753	14,10,492
Tender Fees	1,41,901	57,929
Other Selling Expenses	3,56,051	50,801
<b>Total (C)</b>	<b>76,99,341</b>	<b>38,26,471</b>



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## AARTECH SOLONICS LIMITED

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

#### Research & Development Expenses

Material Consumed	72,534	31,961
Travelling Expenses	22,258	-
Other Expenses	1,556	440
<b>Total (D)</b>	<b>96,348</b>	<b>32,401</b>

#### Loss due to Foreign Currency Fluctuation (E)

<b>Total Other Expenses (A+B+C+D+E)</b>	<b>2,75,48,237</b>	<b>2,02,52,494</b>
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#### 29. CURRENT TAX

Provision for current tax is made in the statement of profit and loss for the year ending March 31, 2022 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, 2022 (assessment year 2022 -23), the income tax computed under the other provisions (provisions of the Income Tax Act other than Chapter XII-B) amounts to ₹ 46,35,659 and income tax computed under the provisions of chapter XII-B of Income Tax Act amounts to ₹ 58,06,079. The provision of ₹ 58,06,079 has been made after utilising MAT credit.

#### 30. 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:

##### 30.1 Deferred tax impact of the timing difference in depreciation as per the Companies Act, 2013 and depreciation as

- Depreciation as per Income Tax Act, 1961	:	₹	43,64,856
- Depreciation as per Companies Act, 2013	:	₹	34,36,174
- Difference	:	₹	9,28,682
- Deferred tax impact (Income)	:	₹	2,41,458

##### 30.2 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 (1/5th ) as per Income Tax Act, 1961	:	₹	10,004
- Preliminary Expenses as per Books	:	₹	-
- Timing difference between the Book Profit and Taxable Profit	:	₹	10,004
- Deferred Tax Liability/ (Asset)	:	₹	2,601

##### 30.3 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	:	₹	3,74,708
Unpaid bonus paid during the year	:	₹	-
Difference	:	₹	3,74,708
Deferred Tax Expense/(Income)	:	₹	97,424

##### 30.3 Net deferred tax expense debited to statement of profit and loss for the period is ₹ 3,41,483



# AARTECH SOLONICS LIMITED

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

Particulars	As at 31st March 2022	As at 31st March 2021
<b>1. Cash Flows from Operating Activities</b>		
<i>Net Profit and Loss a/c ( as per profit and loss account)</i>	2,79,75,027	25,77,584
<b>Add : (A) Apportionment of Fund :</b>		
<i>Provision for tax made during the year</i>	59,24,565	17,50,487
<i>Deferred Tax</i>	3,41,483	2,73,482
<b>Net Profit before taxation and extra ordinary items</b>	<b>3,42,41,075</b>	<b>46,01,553</b>
<b>Add : (B) Non operating Expenses :</b>		
<i>Depreciation during the year</i>	34,36,174	37,88,314
<b>Sub Total</b>	<b>34,36,174</b>	<b>37,88,314</b>
<b>Less : (C) Non operating Income :</b>		
<i>Interest Income</i>	2,13,320	11,84,692
<i>Rental Income</i>	2,59,160	1,90,550
<i>Dividend Income</i>	-	11,507
<i>Net gain/(- loss) on sale of investments</i>	1,12,74,205	42,22,995
<i>Other non-operating income</i>	86,995	1,23,543
<i>Revenue Government Grant</i>	3,38,719	-
<i>Profit on sale of fixed assets</i>	22,56,363	-
<b>Sub Total</b>	<b>1,44,28,762</b>	<b>57,33,287</b>
<b>(D) Operating Profit Before Working Capital Changes (A+B-C)</b>	<b>2,32,48,487</b>	<b>26,56,580</b>
<b>Add : (E) Increase in current liabilities and decrease in current assets:</b>		
<i>Decrease in Inventory</i>	-	73,25,635
<i>Decrease in Account Receivable</i>	-	-
<i>Decrease in Short term Loans and Advances</i>	26,10,493	5,32,894
<i>Decrease in Other Current Assets</i>	1,76,757	36,53,020
<i>Increase in Short term borrowings</i>	-	-
<i>Increase in Trade Payables</i>	80,07,167	-
<i>Increase in Short Term Provisions</i>	4,49,134	42,29,842
<i>Increase in Other Current Liabilities</i>	4,561	-
<b>Sub Total</b>	<b>1,12,48,112</b>	<b>1,57,41,391</b>
<b>Less : (F) Increase in current assets and decrease in current liabilities:</b>		
<i>Increase in Inventory</i>	58,40,752	-
<i>Increase in Account Receivable</i>	79,58,436	1,73,42,670
<i>Increase in Short Term Loans and Advances</i>	-	-
<i>Increase in Other Current Assets</i>	-	-
<i>Decrease in Short Term Borrowings</i>	22,37,827	86,03,028
<i>Decrease in Trade Payable</i>	-	36,93,112
<i>Decrease in Short Term Provisions</i>	-	-
<i>Decrease in Other Current Liabilities</i>	-	43,24,931
<b>Sub Total</b>	<b>1,60,37,015</b>	<b>3,39,63,741</b>
<b>(G) Cash generated from Operations (D+E-F))</b>	<b>1,84,59,584</b>	<b>-1,55,65,770</b>
<b>(H) Income tax paid during the year:</b>	<b>18,79,514</b>	<b>5,65,300</b>
<b>(I) Net cash generated from operational activity (G-H)</b>	<b>1,65,80,070</b>	<b>-1,61,31,070</b>



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## 2. Cash Flows from Investing Activities

### (A) Net cash inflow from investment activity

<i>Interest Income</i>	2,13,320	11,84,692
<i>Rental Income</i>	2,59,160	1,90,550
<i>Dividend Income</i>	-	11,507
<i>Net gain/(- loss) on sale of investments</i>	1,12,74,205	42,22,995
<i>Other non-operating income</i>	86,995	1,23,543
<i>Revenue Government Grant</i>	3,38,719	-
<i>Capital Grant</i>	21,47,449	-
<i>Proceeds from marketable securities</i>	4,06,30,169	6,31,96,065
<i>Proceeds from sale of fixed assets</i>	29,93,873	-
<i>Realisation of security deposit</i>	-	-

**Sub Total** 5,79,43,890 6,89,29,352

### (B) Net cash outflow from investment activity

<i>Investment made in marketable securities during the year</i>	6,01,22,415	4,46,53,539
<i>Investment made in Property</i>	-	-
<i>Investment made in Subsidiary Company</i>	-	-
<i>Long Term Loans &amp; Advances</i>	38,40,000	3,59,626
<i>Purchase of new assets</i>	51,36,463	11,15,254
<i>Security deposit paid</i>	15,56,790	-

**Sub Total** 7,06,55,667 4,61,28,419

### (C) Net cash generated from Investment activity (a-b)

-1,27,11,777 2,28,00,933

## 3. Cash Flows from Financing Activities

### (A) Net cash inflow from financing activity

<i>Proceeds from issue of equity shares</i>	-	-
<i>Increase in long term borrowings</i>	-	-

**Sub Total** - -

### (B) Net cash outflow from investment activity

<i>Decrease in long term borrowing</i>	23,11,769	38,89,745
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**Sub Total** 23,11,769 38,89,745

### (C) Net cash generated from Financing activity (a-b)

-23,11,769 -38,89,745

### Net Increase/(Decrease) in Cash (1+2+3)

15,56,524 27,80,118

## 4.

Cash and cash equivalents at the beginning of the year 1,04,77,816 76,97,698

**Cash and cash equivalents at the end of the year** 1,20,34,340 1,04,77,816



Year  
2022

