



**BANCERS & Co. LLP**  
Chartered Accountants

**Independent Auditor's Report on Audit of the Annual Consolidated Financial Results of Aartech Solonics Limited ("the Parent") pursuant to the requirements of Regulations 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, as amended**

**To the Board of Directors of Aartech Solonics Limited**

**Opinion**

We have audited the accompanying consolidated annual financial results of **Aartech Solonics Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries and Associates (Holding Company and its subsidiaries and associates together referred to as "the Group") for the year ended 31 March 2024, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the subsidiaries mentioned below, the consolidated financial results for the year ended 31 March 2024:

- a. include the annual financial results of the following entities

S. No	Name of the Entity	Relationship
1	Paradigm Ultracapacitors Private Limited	Subsidiary
2	AIC- Aartech Solonics Pvt Ltd	Subsidiary

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard;
- c. and give a true and fair view, are in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and total comprehensive income and other financial information for the year ended 31 March 2024.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics, We believe that the audit

evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated annual financial results.

### **Emphasis of Matter**

- a. We would like to draw your attention towards Note no. 4 of the Consolidated financial results of the Group (i.e. investment in Enerqual Technology Private Limited entity) ("Associate"). We have inquired with the management about the ongoing dispute between both the managements of the companies due to which the Company is unable to get any sufficient and appropriate information regarding the financial results of Enerqual Technologies Pvt. Ltd. Accordingly, the management has not included the impact in the consolidate financial results of the Group. Considering the probable impact of the same our opinion is not modified in respect to this matter.
- b. As mentioned in Note no. 5 of the Consolidated financial results of the Group, relating to the share of profit in foreign associate entity - Epsilon Ten Limited entity ("Associate"). Based on inquiry made from the management, it has been noted that the foreign associate financial statement is not audited due to which the management has not included the share of profit/(loss) in the financial results of the Group. Considering the probable impact of the same our opinion is not modified in respect to this matter.

### **Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These Consolidated annual financial results have been prepared on the basis of the Consolidated annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these Consolidated annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities: selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent: and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the Consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also;

- Identify and assess the risks of material misstatement of the Consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated annual financial results, including the disclosures, and whether the Consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



## Other Matters

- a. The Consolidated annual financial results include the results for the quarter ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
- b. The financial statements of the Company for the year ended 31 March 2023, included in consolidated financial statements, have been audited by predecessor auditor whose report dated 11 May 2023 expressed an unmodified opinion on those statements.

**For B A N C R S & Co. LLP (FRN: C400331)**  
**Chartered Accountants**

  
CA. Anmol Chhabra  
Partner

M. No. 434305

UDIN: 24434305BKEQOS4940



**Place:** Bhopal

**Date:** 30/05/2024

## AARTECH SOLONICS LIMITED

Registered Address: E-2/57, Ashirvad, Arera Colony, Bhopal - 462016 (MP)  
CIN: L31200MP1982PLC002030

### Audited Consolidated Financial Results for the Quarter and Year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Quarter Ended			Year Ended	
	31-Mar-24	31-Dec-23	31-Mar-23	31-Mar-24	31-Mar-23
<b>1. Income from operations</b>	997.58	734.44	1,000.65	3,274.41	2,168.80
<b>2. Other income</b>	27.71	143.32	54.67	314.71	212.54
<b>3. Total Income (1 + 2)</b>	<b>1,025.29</b>	<b>877.76</b>	<b>1,055.32</b>	<b>3,589.12</b>	<b>2,381.34</b>
<b>4. Expenses</b>					
Cost of materials consumed	682.17	508.84	668.78	2,189.30	1,410.56
Changes in Inventories	(65.29)	(32.06)	16.32	(45.09)	(139.88)
Employee benefits expense	155.41	94.92	149.67	442.67	394.39
Depreciation and amortisation expense	13.85	11.61	39.48	46.93	43.91
Finance costs	15.54	14.21	8.38	56.80	28.13
Other expenses	173.11	209.06	89.31	640.35	440.62
<b>Total Expenses</b>	<b>974.79</b>	<b>806.58</b>	<b>971.94</b>	<b>3,330.96</b>	<b>2,177.73</b>
<b>5. Profit before exceptional item and tax (3 - 4)</b>	<b>50.50</b>	<b>71.18</b>	<b>83.38</b>	<b>258.16</b>	<b>203.61</b>
<b>Share of Profit / (Loss) of Associates and Joint Ventures</b>	(0.58)	0.58	1.62	-	1.62
<b>6. Exceptional Item</b>	-	-	-	-	-
<b>7. Profit before tax (5-6)</b>	<b>49.92</b>	<b>71.76</b>	<b>85.00</b>	<b>258.16</b>	<b>205.23</b>
<b>8. Tax Expense</b>					
(1) Current Tax	76.56	14.29	31.30	117.29	62.48
(2) Earlier Tax	5.24	-	-	5.24	-
(3) Deferred Tax	6.31	(1.55)	3.44	4.10	0.58
<b>9. Profit for the period (7-8)</b>	<b>(38.19)</b>	<b>59.02</b>	<b>50.26</b>	<b>131.53</b>	<b>142.17</b>
<b>10. Other comprehensive income</b>					
A. Items that will not be reclassified to profit or loss					
-Remeasurement of net defined benefit obligation (net of taxes)	3.58	(1.65)	(1.61)	(1.29)	(6.44)
<b>Total comprehensive income</b>	<b>(34.61)</b>	<b>57.37</b>	<b>48.65</b>	<b>130.24</b>	<b>135.73</b>
<b>Net profit/(loss) attributable to:</b>					
Owners	69.98	59.91	53.46	129.89	144.20
Non-controlling interests	2.53	(0.89)	(3.20)	1.64	(2.03)
<b>Other comprehensive income/(loss) is attributable to:</b>					
Owners	0.36	(1.65)	(1.61)	(1.29)	(6.44)
Non-controlling interests	-	-	-	-	-
<b>Total comprehensive income/(loss) is attributable to:</b>					
Owners	70.34	58.26	51.85	128.60	137.76
Non-controlling interests	2.53	(0.89)	(3.20)	1.64	(2.03)
<b>11. Paid-up equity share capital (Face value per share of Re 10/- each)</b>	<b>1,059.01</b>	<b>1,059.01</b>	<b>1,059.01</b>	<b>1,059.01</b>	<b>1,059.01</b>
<b>12. Other Equity</b>	<b>1,894.47</b>	<b>1,929.09</b>	<b>1,828.29</b>	<b>1,894.47</b>	<b>1,828.29</b>
<b>13. Earnings per equity share (not annualised for quarter)</b>					
(1). Basic	-0.36	0.56	0.47	1.24	1.34
(2). Diluted	-0.36	0.56	0.47	1.24	1.34

#### Notes:

1. The above Consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 30th May 2024. The statutory auditors have expressed an unmodified opinion. The Consolidated financial results have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013, and other recognised accounting practices and policies and is in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The above Consolidated financial results of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

3. In accordance with Ind AS 108, the Board of directors, being the Chief operating decision maker of the Company, has determined that the Company's primary business segment is manufacturer of Electrical Items; Control & Relay Panel, Bus Transfer System, Ultracapacitors, Waste to Compost Machine etc and there are no separate reportable segments as per Ind AS 108. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the financial statements. The Company's operations are such that all activities are confined only to India.



4. The Company is currently involved in a ongoing dispute concerning its ownership of shares in Enerqual Technology Private Limited entity (Associate Entity). The nature of the litigation precludes us from disclosing specific details at this time. While the outcome remains uncertain, the dispute is not expected to have a material impact the Company's financial statements. Due to the ongoing nature of the litigation, it is not currently possible to determine the extent of this impact.

5. The Group has a 20% equity interest in Epsilon Ten Ltd, a company incorporated outside India. The Associate entity has not prepared the financial statement due to which we could not get the audited results of the Associate. Further the management is actively following up with the Associate to get the financial results so that the impact of the same can be included in the consolidated financial results of the Group.

6. As mentioned in Note 4 and 5 above regarding the ongoing dispute with the Associate company, the Company is not able to obtain sufficient and appropriate information due to which the impact of share of profit/(loss) in Associate is not included in the consolidated financial results of the Company.

7. The previous period figures have been regrouped/ reclassified, wherever necessary to conform to the current period presentation.

Place: Bhopal  
Date: 30 May 2024

For and on Behalf of Board of Directors of Aartech  
Solonics Limited.

CIN: L31200MP1982PLC002030

  
Amit Anil Raj  
Chairman and Managing Director  
DIN: 00282385



**AARTECH SOLONICS LIMITED**

CIN: L31200MP1982PLC002030

**Audited Consolidated Balance Sheet as at 31 March 2024**

(All amounts in ₹ lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
(a) Property Plant & Equipment & Intangible Assets	450.46	379.83
(b) Capital work-in-progress	-	-
(c) Right-of-use-assets	7.72	11.04
(d) Financial Assets		
(i) Investments	546.01	560.01
(ii) Loans & Advances	-	-
(iii) Other financial assets	69.52	55.18
(e) Deferred tax assets (net)	28.29	99.77
(f) Non-current tax assets (net)	0.29	9.16
<b>Current assets</b>		
(a) Inventories	774.14	512.89
(b) Financial assets		
(i) Investments	903.02	599.76
(ii) Trade receivables	948.32	1,056.02
(iii) Cash and cash equivalents	233.98	137.48
(iv) Other financial assets	2.77	0.40
(c) Other current assets	147.68	262.92
<b>TOTAL ASSETS</b>	<b>4,112.20</b>	<b>3,684.46</b>
<b>EQUITY &amp; LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	1,059.01	1,059.01
(b) Other equity	1,894.47	1,828.29
<b>Non Controlling Interest</b>	0.41	(1.23)
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	5.56	8.80
(b) Other non-current liabilities	15.85	17.26
(c) Provisions	24.28	23.07
(d) Deferred tax liabilities (net)	-	-
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	410.94	265.89
(ii) Lease liabilities	3.52	3.32
(iii) Trade payables		
- Total outstanding dues of MSME	36.40	126.13
- Total outstanding dues of creditors other than MSME	513.42	284.89
(iv) Other financial liabilities	66.78	42.54
(b) Other current liabilities	56.42	24.07
(c) Current tax liabilities (Net)	25.14	2.42
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>4,112.20</b>	<b>3,684.46</b>

For and on behalf of the Board of Directors

Amit Anil Katoe

Chairman &amp; Managing Director

DIN: 00282385



Place : Bhopal

Date : May 30, 2024

**AARTECH SOLONICS LIMITED**

CIN: L31200MP1982PLC002030

**Audited Consolidated Statement of Cash Flow for the year ended 31 March 2024**

(All amounts in ₹ lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
<b>1 Cash Flows from Operating Activities</b>		
<i>Net Profit and Loss a/c ( as per profit and loss account)</i>	131.53	142.17
<b>Adjustments for:</b>		
<i>Provision for tax made during the year</i>	122.53	62.48
<i>Deferred Tax</i>	4.10	0.58
<i>Depreciation for the year</i>	46.93	43.91
<i>Interest expense on bank overdraft</i>	27.35	14.37
<i>Interest expense on other loans</i>	20.45	4.00
<i>Interest on lease liabilities</i>	0.93	1.17
<i>Interest income on debentures</i>	(27.38)	(63.24)
<i>Interest Income on Bank Deposit</i>	(10.32)	(2.77)
<i>Interest Income Others</i>	(10.44)	8.59
<i>Interest Income on Security Deposit</i>	(0.06)	(0.06)
<i>Net Gain/Loss on Sale of Investment</i>	(158.57)	(23.84)
<i>Gain on investments measured at FVTPL</i>	(80.46)	51.72
<i>Reversal of expected credit loss</i>	(0.34)	(25.29)
<i>Grant Income</i>	(41.03)	(40.50)
<i>Loss on sale of property, plant and equipment</i>	0.09	14.15
<i>Other non-operating income</i>	(10.40)	-
<b>Operating Profit Before Working Capital Changes</b>	<b>14.92</b>	<b>187.45</b>
<b>Working Capital Changes</b>		
<i>Decrease/(Increase) in Trade Receivable</i>	158.96	(381.54)
<i>Decrease/(Increase) in Inventories</i>	(261.25)	(237.35)
<i>Decrease/(Increase) in Other Financial Assets</i>	95.84	(7.92)
<i>Decrease/(Increase) in Other Current Assets</i>	110.61	(146.67)
<i>Increase/(Decrease) in Provisions</i>	(1.21)	(3.16)
<i>Increase/(Decrease) in Trade Payable</i>	89.28	187.93
<i>Increase/(Decrease) in Other Financial Liabilities</i>	(74.20)	5.00
<i>Increase/(Decrease) in Other Current Liabilities</i>	32.23	3.09
<i>Income tax paid during the year</i>	(15.96)	(89.09)
<b>Net cash generated from operational activity</b>	<b>149.22</b>	<b>(482.26)</b>
<b>2 Cash Flows from Investing Activities</b>		
<i>Interest Income</i>	12.20	66.35
<i>Grant Received</i>	39.63	10.00
<i>Other non-operating income</i>	0.02	-
<i>Non Current Investment (Net)</i>	-	(431.14)
<i>Proceeds from disposal of property, plant and equipment (Net)</i>	-	189.44
<i>Purchase of property, plant and equipment (Net)</i>	(63.89)	(52.47)
<i>Purchase &amp; Realisation of marketable securities (Net)</i>	(288.17)	-
<i>Net Gain/Loss on Sale of Investment</i>	221.52	-
<i>Loans &amp; Advances</i>	-	602.24
<i>Security deposit paid</i>	(14.34)	-
<b>Net cash generated from Investment activity</b>	<b>(93.03)</b>	<b>384.41</b>
<b>3 Cash Flows from Financing Activities</b>		
<i>Proceeds from short-term borrowings (net)</i>	145.06	200.71
<i>Dividend paid</i>	(52.95)	(52.95)
<i>Interest paid</i>	(48.73)	(18.37)
<i>Payment of Lease Liabilities</i>	(3.04)	(12.37)
<b>Net cash generated from Financing activity</b>	<b>40.34</b>	<b>117.02</b>
<b>4 Net Increase/(Decrease) in Cash (1+2+3)</b>	<b>96.52</b>	<b>19.17</b>
Cash and cash equivalents at the beginning of the year	137.48	118.31
<b>5 Cash and cash equivalents at the end of the year</b>	<b>233.98</b>	<b>137.48</b>

For and on behalf of the Board of Directors

Amit Anil Rajje

Chairman &amp; Managing Director

DIN: 00282385

Place : Bhopal  
Date : May 30, 2024