

Date: 05th September, 2024

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G-Block
Bandra Kurla Complex,
Bandra (E)
Mumbai - 400 051

NSE Symbol: **AARTECH**

To,
BSE Limited
The Corporate Relationship Dept.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400 001

BSE Scrip Code: **542580****Sub: Submission of 42nd Annual Report for the financial year 2023-24 including Notice of 42nd Annual General Meeting of the Company**

Dear Sir/Ma'am,

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith a copy of the Annual Report for the financial year 2023-24 including the Notice convening the 42nd Annual General Meeting of the Company (AGM) to be held on Monday, September 30, 2024, at 11:00 A.M.

Further, copy of the Annual Report including AGM Notice shall also be available on the Company's website at www.aartechsolonics.com and on the weblink of Bigshare Services Private Limited (Registrar and Transfer Agent) at <https://ivote.bigshareonline.com>

We hereby request you to take the information on your records.

Thanks & Regards,

For Aartech Solonics Limited

K R Tanuj Reddy
Company Secretary & Compliance Officer

**Encl: Copy of 42nd Annual Report including Notice of Annual General Meeting****Address :**

Registered Office : 'Ashirwad', E-2/57, Arera Colony,
Bhopal, Madhya Pradesh, India - 462016

Unit # 1 : 35A/36, Sector-B, Industrial Area, Mandideep,
District Raisen, Madhya Pradesh, India - 462046

Unit # 2 : Near Him Cold Storage, Sector-1A, Parwanoo,
District Solan, Himachal Pradesh, India - 173209

Phone :

+91-99930 91167
+91-73899 24734

Fixed Line :

+91-755-2463593

Website:

www.aartechsolonics.com

Email :

info@artechsolonics.com
compliance@artechsolonics.com

CIN :

L31200MP1982PLC002030



AARTECH SOLOINICS LIMITED

**42nd ANNUAL REPORT
2023-2024**

CORPORATE INFORMATIONS

BOARD OF DIRECTORS			BANKERS
Mr. Amit Anil Raje	:	Chairman & Managing Director	HDFC Bank
Mr. Anil Anant Raje	:	Non-Executive Director	
Mrs. Arati Nath	:	Executive Director & CEO	STATUTORY AUDITOR
Mr. Prashant Dattatray Lowlekar	:	Non-Executive & Independent Director	M/s BANCERS & Co. LLP (FRN: C400331) Chartered Accountants
Mr. Kshitij Negi	:	Non-Executive & Independent Director	SECRETARIAL AUDITOR
Ms. Supriya Sunil Chitre	:	Non-Executive & Independent Director	M/s APVN & Associates Company Secretaries
KEY MANAGERIAL PERSONNEL			
Mr. Amit Anil Raje	:	Managing Director	
Mrs. Arati Nath	:	Chief Executive Officer	
Mr. Pradeep Vasant Narkhede	:	Chief Financial Officer	REGISTRAR AND TRANSFER AGENT
Mr. K R Tanuj Reddy	:	Company Secretary & Compliance Officer	Bigshare Services Pvt. Ltd. S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400 059 (MH)
BOARD COMMITTEES			
AUDIT COMMITTEE			
Mr. Prashant Dattatray Lowlekar	:	Chairman	Tel.: +91 22 6263 8200
Mr. Kshitij Negi	:	Member	Email: info@bigshareonline.com
Mr. Amit Anil Raje	:	Member	Website: www.bigshareonline.com
Ms. Supriya Sunil Chitre	:	Member (w.e.f 30.05.2024)	
NOMINATION AND REMUNERATION COMMITTEE			REGISTERED OFFICE
Mr. Kshitij Negi	:	Chairman	E-2/57, Ashirvad, Arera Colony, Bhopal – 462016 (MP)
Mr. Prashant Dattatray Lowlekar	:	Member	Tel.: +91 755 4276335
Mr. Anil Anant Raje	:	Member	Email : treddy@aartechsolonics.com
Ms. Supriya Sunil Chitre	:	Member (w.e.f 30.05.2024)	Website : www.aartechsolonics.com
STAKEHOLDERS RELATIONSHIP COMMITTEE			CIN : L31200MP1982PLC002030
Mr. Kshitij Negi	:	Chairman	ISIN : INE01C001026 w.e.f 09.08.2024
Mr. Anil Anant Raje	:	Member	BSE SCRIP ID/CODE: 542580
Mr. Amit Anil Raje	:	Member	NSE SYMBOL: AARTECH
Ms. Supriya Sunil Chitre	:	Member (w.e.f 30.05.2024)	

TABLE OF CONTENTS

SR. NO.	PARTICULARS	PAGE NO.
	Corporate Information	1
	Letter to the Shareholders by Chairman & Managing Director	3-4
	From the desk of CEO (Chief Executive Officer)	5-9
	Notice to Shareholders	10-29
	Board's Report	30-56
	Statement related to Associate Companies and Joint Ventures	57-58
	Form No. AOC-2	59-62
	Secretarial Audit Report	63-66
	Details of remuneration	67-68
	Management Discussion and Analysis Report	69-70
	Corporate Governance Report	71-103
	Certificate of non-disqualification of Directors	104
	CEO/CFO Certification	105
	Compliance with the Code of Conduct of Board of Directors and Senior Management	106
	Independent Auditors' Certificate on Compliance with the Corporate Governance requirements	107
	Standalone Independent Auditor's Report & Financial Statements	108-186
	Consolidated Independent Auditor's Report & Financial Statements	187-264

LETTER TO THE SHAREHOLDERS

Dear Members of the Aartech Family,

Namaskar! I hope you and your near and dear ones are all doing well.

It gives me great pleasure to connect to everyone here and share my perspectives on the ongoing developments in your company.

This is a very special occasion of course ! With our listing on the BSE and NSE stock exchanges in India – we are now truly open for engagement with the public at large. The vision of our founders has come together at this remarkable moment and sets the course for the next level of trajectory towards higher orbits for your company. This also brings in great responsibility to your company’s management as it braces to put in its best efforts to meet stakeholder expectations.

There could not have been a better way to usher in this development than a change in our brand identity. As we unwrap the old and bring out the new with fresh perspectives – the subtle aspects of our values and core beliefs only get reinforced.



(Aartech’s old logo)



(Aartech’s new logo)

Here’s a note from the design team that worked on this project:

- **Company Name:** *Aartech Solonics Limited*
- **Logo Wording:** *AARTECH SOLOINICS*

*Always Apply Right Technology
Dare to go SOLO and apply all technICS to solve the Problem*

- **Logo Tagline:** *Living Passion through Engineering.*

• Colours in Logo:

- The **RED** colour symbolizes the Passion all Aartechies have towards excellence, as well as towards solving challenges with new-age solutions & products.
- The **BLUE** colour symbolizes Strength and Trust. It's a versatile color that conveys a sense of authority and competence.

• Geometric Shape: The geometric shapes represent the entire range of engineering equipment. The logo showcases Aartech's clear & precise approach to solving customer challenges and the team's passionate commitment to innovative engineering solutions.

- The double-arrowed "A," symbolizes Aartech's unique blend of passion and engineering. The Arrow also represents Progress and Growth, Optimism, Positivity & Achievement.
- The "T" in TECH portrays a crane symbolizing a strong Engineering company with a varied technology base.

What do you think about our new logo? We would love to hear your feedback!

THE YEAR THAT WAS – A PANAROMIC VIEW

The year 2023-24 saw accelerated developments in several industrial scenarios that your company has been actively participating in. While power infrastructure has been aggressively growing, Aartech has leveraged its strengths to increase its breadth and depth of offerings to the power transmission and distribution industry including some key breaks in the exclusive 220kV and 400kV range. Aartech has established its presence in the Middle East as well as South East Asia with maiden orders from esteemed overseas clients. Aartech's value proposition for defence customers have found yet another validation with winning prestigious research and development projects. Aartech's focus on clean energy technologies were recognized by way of winning a project under an international decarbonization programme having institutional as well as government stakeholders. Aartech's customized offerings are attracting more and more private as well as public customers across various domains and variety of applications.

At a high level, these are very encouraging signs for your company and also recognizes the hard work being put in by team Aartech to attract, retain and develop its client base. The mix of opportunities and challenges that we are looking at are indeed very exciting and unnerving simultaneously. With various initiatives in play, we look forward to break into new orbits in the near future. Your company relies on your wholehearted blessings, backing and support to convert all our larger ambitions into realization.

Sd/-
Amit Anil Rajee
Chairman & Managing Director
Aartech Solonics Limited
DIN: 00282385

05th September, 2024.

FROM THE DESK OF CEO (CHIEF EXECUTIVE OFFICER)

Dear Aartech Shareholders

Jai Hind!

Saathiyon, it gives me great pleasure to write this note on the occasion of the Forty Second Annual Report. As we continue unlocking value in every business activity in India in which we presently are, we are scouting new opportunities and ecosystems outside India.

While the economic situation and geopolitical situation across the world reflects uncertainty, high interest rates, recession and wars, India is on a strong trajectory to be in line of being one of the super powers of the world with global acceptance. The successes of our players in Paris Olympics and Cricket World Cup in India are surely reflecting a resilient, confident India backed by 140 crore Indians.

The story of success continues in our company. We have migrated from a small pond of BSE- SME to a sea of BSE and NSE main board with listing in July 2023. While this is giving us a larger playing ground, it is also making us experience the bigger games in the market. Moreover, the company has given a record financial performance consecutively for a third time in a row, a proud moment for all of us.

Looking back at the last year and our relentless efforts for last many years, we consistently believe that our financial **discipline and constant endeavor to understand our customer’s pain point and giving solutions to them through suitable applications** which are **MADE IN AARTECH** is what enable us to persevere in our dedication to help our customers throughout the world.

Financial Performance

The financial performance depicts the company’s health over the last 5 years. It is reflected that the company is on strong trajectory to achieve higher top lines and consistent bottom lines derived from existing business and commercializing new products through innovation and R&D.

Kindly note that the numbers of the FY 22-23 have been reclassified due to IND-AS applicability after migrating to main board.

Operating Revenues

On a standalone basis, the operating revenues increased 51.02% Y/Y to a record figure of Rs.32.69 Cr primarily due to the orders executed for Bus Transfer System, Control and Relay Panel, BestCase and Waste To Compost segment along with steady business from other segments. Control and Relay panels contributed Rs. 21Cr in the topline with entry into advanced panels upto 220kv panels.



Bus Transfer System has forayed deeper into providing applications to Nuclear power, Refineries and Process industries through 3 breaker and 4 breaker schemes. Notable ones are JSW Raigarh which is one of the customized schemes for process plant with island-house load operations. Internationally we executed Jawa Power Indonesia - One of direct order for export, retrofit & customizing scheme.

Our Plastic enclosure segment has given a record turnover of Rs.1.28 Cr with notable entry into defence sector particularly providing customized tool boxes for maintenance in different Air Force bases.

Other income (apart from operating income) also increased 43% Y/Y to Rs. 3.27 Cr primarily due to disciplined and timely investment in markets.

Profit After Tax (PAT)

PAT increased by 4.47% Y/Y to Rs. 1.44 Cr with the backing of higher revenues despite the provisioning of bad debts of Rs. 98 Lacs under IND days applicability for migrating to main board. However, this was offset by consistent high margins maintained on our flagship product coupled with good pricing of panels in Control and Relay panel.



Shareholding Pattern and Capital Structure

The shareholding pattern remains consistent with promoters holding at 52.38% and public shareholding at 47.63%. The company firmly believes that the shareholding is appropriate and the promoters would be keen to increase the shareholding in the times to come as a positive sign for investor confidence. Total reserves were Rs. 20.60 Cr as of 31/03/2024.

Wholly Owned Subsidiaries

The company has two wholly owned subsidiaries mainly **Faradigm Ultracapacitors Pvt. Ltd (FUPL)** and **AIC-Aartech Solonics Pvt. Ltd.**

While Faradigm Ultracapacitors Pvt. Ltd is mainly looking into the energy storage applications, the latter subsidiary looks into the startup ecosystem. This year FUPL has recorded a loss of Rs. 5.45 lacs vis a vis profit of Rs. 6.40 lacs due to higher gestation in order booking in ultracapacitors.

AIC - Aartech Solonics Pvt Ltd has recorded a Loss of Rs. 7.31 lacs vis a vis Rs. 8.03 lacs loss Y/Y. The company has planned to invest into new business ideas to turnaround the company.

Key Ratios

EPS

EPS has increased Y/Y to 1.36x from 1.30x indicating positive returns Y/Y to the shareholders reflecting strong fundamentals.

Debt to Equity

D/E ratio increased from 0.09x to 0.11x primarily due to additional exposure in working capital limits for order executions and achieving higher revenues.

The company has only CC limits and non-fund based limits for order executions.

Return on Equity

The ROE has increased from 0.07x to 0.09x indicating stronger returns to the shareholders and consistent performance of the company in the diverse segments it has been operating. The company is effectively using the shareholder's funds for improving the profitability of the company.

Other Aspects

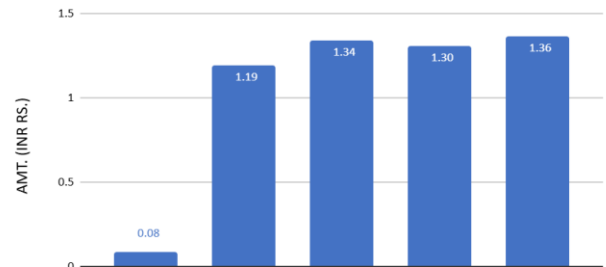
Strategic

Blueprint for Transformation

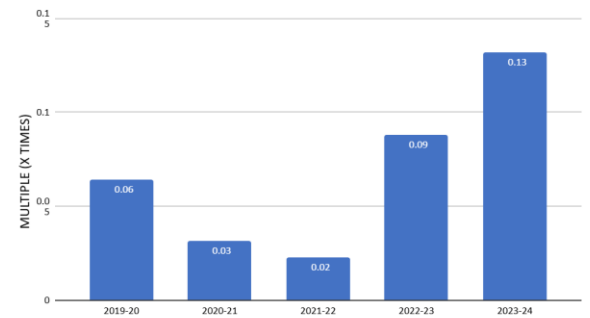
The company led by its leader and mentor Sh. Amit Anil Raje (AMR) is trying to meet the vision and mission set by the ex- CMD and promoter Sh. Anil Anant Raje (AAR). We have initiated a process to co-create a vision statement for the company and it is set to be the compass for the direction which the company would take by having a footprint globally.

The company has also changed its growth trajectory and its speed. We have tried to draw a strategic roadmap which ensures that we periodically re-examine our portfolio through the lens of market realities.

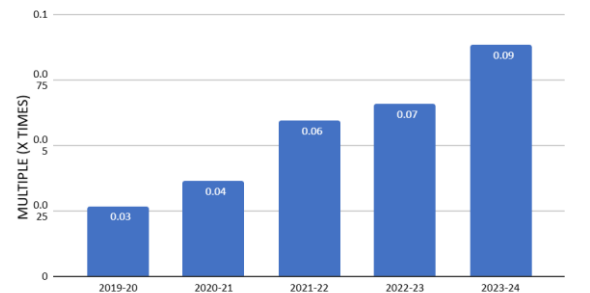
EARNINGS PER SHARE



DEBT TO EQUITY RATIO



RETURN ON EQUITY



Global Footprint

While our products are catering domestically to many customer pain points, we have realized two things - 1) We need to have inorganic growth by incorporating products that are in the technological competent domains that need entrepreneurial risk and ability to grow worldwide. We are scouting for various opportunities and getting them back to our land. 2) Make Aartech future ready by getting into those markets which are for tomorrow. Also, we have put 'Make in India' into practice much before it became so widely known.

Our efforts are towards progressing on our presence in UK and US for different applications and services.

Succession Planning

We believe sound succession planning is imperative for the sustainability of organizations. As leaders, we need to constantly focus on it to have the baton passed on. For this, we have created a senior executive management team and middle executive management team for a successful leadership team to be developed. I take this opportunity to thank all my senior leaders of the organization, all executives and operators and their respective families who are supporting to achieve the mission set by the CMD.

Operational

Deep Diving

Over the years we have tried to give solutions to some of the complex problems of our existing and new customers in primarily power and utilities, refineries, nuclear power, and defense (on sites and related establishments). We have also tried to enter other industrial solutions through our plastic enclosures products and achieving the mission of Swachh Bharat through Waste to Compost machines.

We continue to also deep dive into continuous new problem sets through our DSIR approved inhouse R&D with projects like Saur Stambh providing solar high mak lights in regions where electricity is a shortfall along with cleantech applications like FlyWheels.

Creating Value

At Aartech, we are constantly looking to understand what value are we offering to our stakeholders, be it in the form of shareholders, customers, or employees. Growth for the sake of growing can lead to cancer like situations and therefore the company strongly believes and maintains the philosophy of creating value together with technical collaborations or single handedly. The company believes in its logo "Dare to go Solo" to create change in the eco system it is sustaining.

Customer Experience

Aartech is known to provide prompt services to its customers at all levels. Service Escalations are carefully maintained and happy to share that there are no customer issues pending at this point and expect the same in future.

In today's times, customers are experiencing new and dynamic challenges everyday. We are still in our early stages, learning, improving our processes, and finding systemic solutions to every problem. We are quite confident that with

this constant process of introspecting, learning, rapid re-learning, willingness to scrap what we built and rebuild, and our willingness to build and collaborate with new technologies, we will improve our services going forward and fill our gaps.

Compliance

Main Board Listing

With immense pleasure, we are glad to announce that your company has now entered the main board of BSE and NSE bringing in greater liquidity and transparency to our shareholders. With this, we have inched one step closer to our promoters wishlist to help our shareholders enjoy their investments on the real time basis.

Split and Bonus Issue

While I am writing this note, I am glad to announce that we have successfully executed a Stock Split and Bonus issue of your shares to make a broader base of our capital structure along with giving a reward to our shareholders through bonus. In this process, the company has spent Rs. 5.3 Cr in using bonus in the ratio of 1:2.

Corporate Governance

Your Company views corporate governance as a key element in improving economic efficiency and growth, as well as for building confidence of its stakeholders. Being a Listed Company, the company complies with all applicable provisions within its ambit, relating to corporate governance as stipulated under the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations. The Company maintains the highest standards of transparency, accountability, and adequate disclosures.

We have an extremely strong Board of Directors with highly capable and reputed professionals. I thank every one of them for their thoughtfulness, wisdom, their active participation, and guidance at the Board. To each one of our employees, thank you for being with us and working so hard. I express my sincere thanks to our regulator who monitor us closely, guide us and support us particularly well.

Finally, I thank all of our shareholders for your continued trust and confidence on us.

Sd/-
Arati Nath
Chief Executive Officer
Aartech Solonics Limited

DIN: 08741034

05th September, 2024

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Forty-Second Annual General Meeting (“AGM”) of the members of **Aartech Solonics Limited** (CIN L31200MP1982PLC002030) will be held on Monday, the 30th Day of September, 2024 at 11:00 A.M through video conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company situated at E-2/57, Ashirwad, Arera Colony, Bhopal, 462016, Madhya Pradesh, India.

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Board of Directors and Auditors’ thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.
2. To declare final dividend on equity shares at the rate 5% [i.e., Re. 0.25/- per Equity Share of Rs. 5/- each] for the financial year ended 31 March, 2024.
3. To appoint a director in place of Mr. Amit Anil Raje (DIN: 00282385), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Amit Anil Raje (DIN: 00282385), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as the Director of the Company, liable to rotation.”

SPECIAL BUSINESS:

4. To consider and approve re-appointment of Mr, Amit Anil Raje as the Chairman & Managing Director of the Company for a period of 5 (Five) years.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) and the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 (including any amendment(s), variation(s), Statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of Article of Association of the Company as amended from time to time and based on the

recommendation of Nomination and Remuneration Committee and subject to such other consents and permissions, as may be required, approval of the Members of the Company be and are hereby accorded for re-appointment of Mr. Amit Anil Raje, as the Chairman and Managing Director ('MD') of the Company, liable to retire by rotation, for a further period of 5 (Five) years with effect from conclusion of his existing/ current term i.e. 12th May, 2025 till 11th May, 2030, on such terms and conditions as set out in this resolution and the explanatory Statement annexed hereto including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his tenure within the overall limits of Section 197 of the Act and as may be determined by the Board or a duly constituted committee thereof, from time to time, within the maximum limits of remuneration for Managing Director earlier approved by the members of the company on the Annual General Meeting held on 29th September, 2022 unless otherwise revised by the members of the company requisite majority in duly constituted general meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to revise the remuneration of MD from time to time to the extent it may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with schedule V thereto, and/or any guidelines prescribed by the Government from time to time and the said agreement between the Company and MD be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution."

5. To consider and approve re-appointment of Mrs. Arati Nath as the Chief Executive Officer ('CEO') of the Company for a period of 5 (Five) years

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in accordance with the provisions of Section 2(18) and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the 'Act') and the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 (including any amendment(s), variation(s), Statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of Article of Association of the Company as amended from time to time and based on the recommendation of Nomination and Remuneration Committee and subject to such other consents and permissions, as may be required, approval of the Members of the Company be and are hereby accorded for re-appointment of Mrs. Arati Nath, as the Chief Executive Officer ('CEO') of the Company for a further period of 5 (Five) years with effect from conclusion of her existing/ current term i.e. 12th May, 2025 till 11th May, 2030, on such terms and conditions as set out in this resolution and the explanatory Statement annexed hereto including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during her tenure within the overall limits of Section 197 of the Act and as may be determined by the Board or a duly constituted committee thereof, from time to time, within the maximum limits of remuneration for CEO earlier approved by

the members of the company in the Annual General Meeting held on 29th September, 2022 unless otherwise revised by the members of the company requisite majority in duly constituted general meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to revise the remuneration of CEO from time to time to the extent it may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with schedule V thereto, and/or any guidelines prescribed by the Government from time to time and the said agreement between the Company and CEO be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution.”

**By Order of the Board of Directors of
Aartech Solonics Limited**

**Sd/-
Amit Anil Raje
Chairman & Managing Director
DIN: 00282385**

**Place: Bhopal
Dated: 05/09/2024**

**Registered Office:
E-2/57, Ashirvad, Arera Colony,
Bhopal- 462016 (MP)**

NOTES:

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 20/2021 dated December 8, 2021, Circular No. 2/2022 dated 5th May, 2022 and Circular No, 10/2022 dated 28th December, 2022 and latest being Circular No. 09/2023 dated 25th September, 2023 (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May, 2022, SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities Exchange Board of India (“SEBI Circular”) prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 42nd Annual General Meeting

(“AGM”) of the members of the Company will be held through VC/ OAVM and permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the members at a common venue. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the AGM through VC/OAVM is set out in this notice of the AGM and available at the Company’s website at www.aartechsolonics.com.

2. **PURSUANT TO THE MCA AND SEBI CIRCULARS RELATED TO HOLD THE ANNUAL GENERAL MEETING OF THE COMPANY THROUGH VIDEO CONFERENCING (“VC”) OR OTHER AUDIO-VISUAL MEANS (“OAVM”), PHYSICAL ATTENDANCE OF THE MEMBERS HAS BEEN DISPENSED WITH AND HENCE THERE IS NO REQUIREMENT FOR THE APPOINTMENT OF PROXIES. THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM. THE ATTENDANCE SLIP/ROUTE MAP/PROXY FORM ARE NOT ANNEXED TO THIS NOTICE.**
3. The details of technology provider and helpline number regarding any query/assistance for participation/e-voting in the e-AGM through VC/OAVM are as under:

Name	Mr. Sujit Haldar
Address	Office No S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra, India
Phone no.	7045571837
Email	sujit@bigshareonline.com

4. The relevant Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 related to the Special Business under item no. 4 to 5 of the accompanying notice to be transacted at the AGM is annexed hereto and the relevant details of the directors seeking appointment/ re- appointment at this AGM as required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India (‘Secretarial Standards’) are annexed hereto. Requisite declarations have been received from the directors of the Company seeking appointment/ reappointment.
5. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives for attending the AGM through VC/OAVM, participating thereat, and cast their votes through e-voting.
6. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body resolution/authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the scrutinizer through its registered email address at apvnpcs@yahoo.com with a copy marked to Registrar and Transfer Agent i.e. Bigshare Services Private Limited, ivote@bigshareonline.com and to the company at compliance@artechsolonics.com.
7. In terms of the provisions of Section 152 of the Act, Mr. Amit Anil Raje (DIN: 00282385), Executive Director of the Company, liable to retire by rotation at the ensuing Annual General Meeting and being eligible and offers himself for the re-appointment. The information required to be provided under the SEBI (LODR) Regulations,

2015 and the Secretarial Standards on General Meetings, regarding the directors whose appointment/reappointment/variation in the terms of appointment are proposed and the relevant information in respect of the business under item No. 3 as set out below are annexed hereto.

8. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
9. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is Bigshare Services Private Limited having office at Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093.
10. Copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith), such statements shall therefore be sent only by email to the members and to all other persons so entitled. Further, the notice for AGM shall be given only through emails registered with the Company, RTA and email ids provided by the depositories.
11. In terms of the MCA Circulars and in the view of the Board of Directors, all matters included in this Notice are unavoidable and hence are proposed for seeking approval at this AGM. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members upto the date of the AGM. All documents referred to in the accompanying Notice and the explanatory statement have been uploaded on the website of the Company at **www.aartechsolonics.com**. All shareholders will be able to inspect all documents referred to in the Notice electronically without any fee from the date of circulation of this notice up to the date of AGM. Any member who seeks to inspect such documents can send an email to compliance@artechsolonics.com.
12. The Members can join the AGM, 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure as mentioned in the notice of AGM.
13. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on a first come first served basis as per the MCA Circulars. However, this restriction shall not apply to large shareholders (shareholders holding 2% or more shareholding), Promoter/Promoter Group, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
14. In line with aforesaid circulars of the MCA and the SEBI, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories/ RTA.
15. As per the MCA Circular, members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act. Hence, the members who log-in to the video conferencing platform using the remote e-voting credentials shall be considered for record of attendance of such member for the AGM and

such member attending the meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

16. **DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:** In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories/RTA. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.aartechsolonics.com, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and Company's Registrar and Transfer Agent, Bigshare Services Private Limited at [http:// ivote@bigshareonline.com](http://ivote@bigshareonline.com).
17. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations read with SEBI circular dated December 9, 2020 and aforesaid MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Member through Company's Registrar and Transfer Agent i.e. Bigshare Services Private Limited.
18. **Joining/Attending AGM through Cisco Webex:** Member will be provided with a facility to attend the AGM through video conferencing platform provided by Bigshare Services Private Limited. Members may access the shareholder's/ member's login by using the remote e-voting credentials.
19. **Voting during the AGM through Cisco Webex:** Members who are present at the AGM through VC/OAVM and have not cast their vote on resolutions through remote e-voting may cast their vote during the AGM through the e-voting system provided by the Bigshare Services Private Limited during the AGM. Facility to cast vote will be made available on the Video Conferencing screen and will be activated once the Poll is announced at the Meeting.
20. **To speak during the AGM through Cisco Webex:** Members will be provided with a facility to attend the AGM through video conferencing platform provided by Bigshare Services Private Limited.
21. **Submission of questions/queries prior to the AGM:**
 - a) Members desiring any additional information with regard to Accounts/Annual Reports or has any question or query are requested to write to the Company Secretary on the Company's email-id i.e. compliance@artechsolonics.com **at least 10 days before the date of the AGM**, so as to enable the Management to keep the information ready. Please note that, members questions will be answered only if they continue to hold the shares as of cut-off date.
 - b) In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") available at <https://ivote.bigshareonline.com>, under download section or send an email to ivote@bigshareonline.com or Call at :- Tel : 1800 22 54 22.
22. The Company has fixed Monday, September 23, 2024 **as cut-off date** for identifying the members who shall be eligible to vote through remote e-voting facility or for participation and voting at the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote at the AGM.

23. The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, September 24, 2024 to Monday, September 30, 2024 (**both day inclusive**) for the purpose of 42nd AGM and eligibility to participate in distribution of Dividend for the Financial Year 2023-24, if approved at this AGM.
24. The Board of Directors have recommended a final dividend of 0.25/- (Twenty-Five Paise) i.e. 5 % per equity share of ₹ 5/- each for the financial year 2023-24. The dividend on equity shares for the financial year 2023-24, if declared by the shareholder of the Company, will be paid within a period of 30 days from the date of the declaration at the Annual General Meeting.
25. If the final dividend is approved at the AGM, payment of such dividend will be paid to those members whose names appears in the company’s Register of Members and as beneficial owner as per the details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the close of business hours on Monday, September 23, 2024, after giving effect to all valid transmission in physical form lodged on or before Monday, September 23, 2024 with the Company and/or its Registrar and Share Transfer Agent.
26. Payment of dividend shall be made through electronic mode to the shareholders who have updated their bank account details. Dividend Warrants/Demand Drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details. To avoid delay in receiving dividend, shareholders are requested to update their bank details with their Depository Participants (where shares are held in dematerialised mode) and with Registrar and Transfer Agent i.e. Bigshare Services Private Limited (where the shares are registered in physical mode).
27. Pursuant to Finance Act, 2020 and press release of Central Board of Direct Taxes, if the company declared the dividend, the company is not required to pay the Dividend Distribution Tax but the dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/R&T Agent i.e. Bigshare Services Pvt. Ltd. (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). No communication on the tax determination/ deduction shall be considered after cut-off date i.e Monday, September 23, 2024. All communications/queries in this respect should be addressed to our RTA, Bigshare Services Private Limited.

For Resident Members, tax shall be deducted at source under Section 194 of the Income Tax Act, 1961.

Members having a valid PAN	10% or as notified by the Government of India
Members not having PAN/ valid PAN	20% or as notified by the Government of India

No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by the resident shareholders during the financial year 2024-25 does not exceed ₹ 5,000/-. In case where the shareholder provides Form 15G/Form 15H and provided that all the required eligibility conditions are met, no tax will be deducted at source.

Apart from above cases following categories of shareholders are exempt from tax deduction at source:

- a) Life Insurance Corporation of India [clause (a) to 2nd proviso to section 194]
- b) General Insurance Corporation of India/The New India Assurance Company Ltd/United India Insurance Company Ltd. / The Oriental Insurance Company Ltd./National Insurance Company Ltd. [clause (b) to 2nd proviso to section 194]
- c) any other insurer in respect of any shares owned by it or in which it has full beneficial interest [clause (c) to 2nd proviso to section 194].

The following payees are also not subject to TDS in view of the provisions of sections 196, 197A of the Income Tax Act, 1961 and CBDT notification:

- a) Government [section 196(i)];
- b) Reserve Bank of India [section 196(ii)];
- c) a corporation established by or under a Central Act which is, under any law for the time being in force, exempt from Income-tax on its income [section 196(iii)];
- d) Mutual Fund [section 196(iv)];
- e) any person for, or on behalf of, the New Pension System Trust referred to in Section 10(44) [sub section 1E to section 197A].
- f) Category I or a Category II Alternative Investment Fund (registered with SEBI as per section 115UB) as per Notification 51/2015 since their income, other than profits and gains of business and profession.

For Foreign Portfolio Investor (FPI) category Shareholders, taxes shall be deducted at source under Section 196D of the Income Tax Act, 1961 at 20% (plus applicable surcharge and cess) on the amount of dividend payable.

For other Non-resident Shareholders, taxes are required to be deducted in accordance with the provisions of Section 195 of the Income tax Act, 1961, at the rates in force. As per the relevant provisions of the Income tax Act, 1961, the tax shall be deducted at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. However, as per Section 90(2) of the Income tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. To avail benefit of rate of deduction of tax at source under DTAA, such non-resident shareholders will have to provide the following:

1. Self-attested copy of the PAN allotted by the Indian Income Tax authorities;
2. Tax residency certificate from the jurisdictional tax authorities confirming residential status [for the dividend declared in FY 2024-25] – TRC
3. Declaration by the non- resident in prescribed form 10F
4. Self-declaration by the non-resident shareholder as to:
 - Eligibility to claim tax treaty benefits based on the tax residential status of the shareholder, including having regard to the Principal Purpose Test (if any), introduced in the applicable tax treaty with India;
 - No Permanent Establishment/fixed base in India in accordance with the applicable tax treaty;
 - Shareholder being the beneficial owner of the dividend income to be received on the equity shares.

Further the Finance Act, 2021 has inserted the provisions of Section 206AB of the Act with effect from July 1, 2021. The provisions of Section 206AB of the Act require the Company to deduct tax at higher rates, as mentioned, from dividend amount paid/credited to Members who (a) have not filed return of income for two previous assessment years; and (b) are subjected to tax deduction/collection at source, in aggregate, amounting to ₹ 50,000 or more in each of such two years.

In order to enable us to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Income tax Act, 1961, we request you to upload the abovementioned details and documents in the format as provided by the Bigshare Services Private Limited on the email id compliance@aartechsolonics.com by 05.00 p.m. IST on or before Monday, September 23, 2024.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by Non-Resident shareholder.

Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder.

A Resident individual member having valid PAN, subject to fulfilment of conditions specified in the Income Tax Act, 1961 can provide Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Resident shareholders may also submit any other document(s) as prescribed under the Income Tax Act, 1961 to claim a lower/Nil withholding tax. Mentioning PAN is mandatory for Members who will be providing Form 15G/15H or any other documents to claim a lower/Nil withholding tax. No tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received by them during Financial Year 2024-25 does not exceed ₹ 5000/-.

For Non-Resident members, taxes are required to be withheld in accordance with the provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess). Certain nonresident members may be eligible to avail the benefit conferred by the Double Tax Avoidance Agreement (DTAA) between India and the Country of residence of shareholder, subject to fulfilment of conditions attached thereto. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident members. To avail beneficial rates under DTAA, the Non-Resident members will have to provide certain documents viz; Tax Residency Certificate for FY 2024-25 from the jurisdictional tax authorities confirming residential status, Form 10F as prescribed under Income tax rules, self-attested copy of Permanent Account Number ('PAN') card, self-declaration in the format prescribed by the Company. In order to enable the Company to determine the appropriate tax rate at which tax must be deducted at source under the respective provisions of the Income tax Act, 1961, members are requested to upload the above-mentioned details and documents in the format as provided by the Bigshare Services Private Limited on the email id compliance@aartechsolonics.com by 05.00 p.m. IST on or before Monday, September 23, 2024.

28. In terms of Section 72 of the Companies Act, 2013, Nomination facility is available to individual members holding shares in the physical form. The members who are desirous of availing this facility, may kindly write to the Company, R&T Agent i.e. Bigshare Services Pvt. Ltd. for nomination form by quoting their folio number.

29. Pursuant to Section 124 of the Companies Act, 2013, the Company has unpaid or unclaimed dividends declared for the financial year 2019-20, 2020-21, 2021-22 and 2022-23 dividends on the website of the Company and the same can be accessed through the link www.aartechsolonics.com
30. Further pursuant to Section 124(5) the amount in the unpaid dividend account if remains unclaimed or unpaid for a period of seven years, then such amount along with interest accrued be liable to be transferred to the Investors Education and Protection Fund, however there is no unpaid/unclaimed divided which is liable to the transferred to the IEPF.
31. **Investor Grievance Redressal:** The Company has designated an e-mail ID viz. compliance@artechsolonics.com to enable the Investors to register their complaints, if any.
32. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market.
33. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>)
34. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent/Company.
35. Pursuant to the amendment in Regulation 40 of SEBI (LODR) Regulations, 2015, vide Gazette notification dated June 8, 2018, effective from April 1, 2019, barred physical transfer of shares of listed companies and mandated transfer only through demat. However, the investors are not barred from holding shares in physical form.
- 36. PROCEDURE AND INSTRUCTION FOR REMOTE E-VOTING.**
- i. The voting period begins on Friday, September 27, 2024 (09.00 a.m. IST) and ends on Sunday, September 29, 2024 (05.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Monday, September 23, 2024 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
 - ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- iv. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- v. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi Tab and then user your existing my easi username & password..</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers’ website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able</p>

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.</p>
	<p>If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
	<p>If the user is not registered for IDEAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDEAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp.</p>
	<p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

1. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>.
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
 - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
 - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
 - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

***Note:** If you have not received any user id or password, please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘Forgot your password?’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

2. Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on **“VIEW EVENT DETAILS (CURRENT)”** under **‘EVENTS’** option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on **“VOTE NOW”** option which is appearing on the right-hand side top corner of the page.
- Cast your vote by selecting an appropriate option **“IN FAVOUR”**, **“NOT IN FAVOUR”** or **“ABSTAIN”** and click on **“SUBMIT VOTE”**. A confirmation box will be displayed. Click **“OK”** to confirm, else **“CANCEL”** to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can **“CHANGE PASSWORD”** or **“VIEW/UPDATE PROFILE”** under **“PROFILE”** option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **“REGISTER”** under **“CUSTODIAN LOGIN”**, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with **“User id and password will be sent via email on your registered email id”**.
- **NOTE:** If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on **‘LOGIN’** under **‘CUSTODIAN LOGIN’** tab and further Click on **‘Forgot your password?’**
- Enter **“User ID”** and **“Registered email ID”** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **‘RESET’**.
(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, Bigshare E-voting system page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under **“DOCUMENTS”** option on custodian portal.
 - Click on **“DOCUMENT TYPE”** dropdown option and select document type power of attorney (POA).
 - Click on upload document **“CHOOSE FILE”** and upload power of attorney (POA) or board resolution for respective investor and click on **“UPLOAD”**.

Note: The power of attorney (POA) or board resolution has to be named as the “InvestorID.pdf” (Mention Demat account number as Investor ID.)

- Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder’s other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions (‘FAQs’) and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

4. Procedure for joining the AGM/EGM through VC/ OAVM

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on “VC/OAVM” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-voting on the day of the AGM/EGM are as under:-

- The Members can join the AGM/EGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.

- Only those members/shareholders, who will be present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the AGM/EGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

37. OTHER INSTRUCTIONS RELATED TO REMOTE E-VOTING.

- i. Further in Compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and pursuant to the provisions of Section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically. The Company has engaged the services of **Bigshare Services Private Limited** for conducting of the e-AGM and providing e-voting facility to all its members.
- ii. Members who are present at the e-AGM through VC/ OAVM and have not cast their vote on resolutions through remote e-voting, may cast their vote during the e-AGM through e-voting system provided by **Bigshare Services Private Limited** during the e-AGM. The members who had cast their vote by remote e-voting prior to the meeting may also attend the e-AGM but shall not be entitled to cast their vote again during the e-AGM.
- iii. The e-voting period commences on Friday, September 27, 2024 (09.00 a.m. IST) and ends on Sunday, September 29, 2024 (05.00 p.m. IST). The e- voting module shall be disabled by Bigshare Services Private Limited for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast their vote again.
- iv. Voting rights of a member /beneficial owner (in case of electronic shareholding) shall be in proportion to his share in the paid-up equity share capital of the Company as on the cut-off date. As per the Secretarial Standard SS-2 on General Meetings 'cut-off date' means a date not earlier than 7 days before the date of general meeting.
- v. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Monday, September 23, 2024 may obtain the login ID and password by contacting Bigshare Services Private Limited.
- vi. CS Avadhesh Parashar, Practicing Company Secretary, Partner of M/s APVN & Associates, Company Secretaries (Membership No. FCS 11543; CP No. 9067) having office address at IInd Floor, Bakshi Complex, Plot no. 68,

Zone -II, M.P. Nagar, Bhopal - 462011 has been appointed as the Scrutinizer to scrutinize the Remote e- voting and e-voting process during e-AGM in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make a Consolidated Scrutinizer's Report and submit to the Chairman or a person authorized by him in writing who shall countersign the same. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.aartechsolonics.com and website of Bigshare Services Private Limited, ivote.bigshareonline.com. The result will simultaneously be communicated to the stock exchanges where the shares of the Company are listed within two working days of conclusion of the Annual General Meeting of the Company.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT, PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2:

Particulars	Mr. Amit Anil Raje	Mr. Arati Nath
DIN	00282385	08741034
Date of first appointment at the Board	01/04/2007	12/05/2020
Date of Birth	16/03/1974	31/12/1980
Qualification	B.Tech. (Electrical Engineering) from I.I.T Mumbai (1995) and M.S.E.E. (Power System and Power Electronics) from University of Minnesota, Minneapolis, USA	Post Graduate Diploma in Business Analytics- Finance, Bachelor of Commerce
Nature of expertise in specific functional areas	Management	Management
Directorship in the Boards of other Indian listed entities	Nil	Nil
Membership/ Chairmanship in Committees of other Indian listed entities	Nil	Nil
Number of shares held in the Company	4690800	411705
Disclosures of relationship between Directors inter-se	Son of Mr. Anil Anant Raje and Brother of Mrs. Arati Nath	Daughter of Mr. Anil Anant Raje and Sister of Mr. Amit Anil Raje
Number of Board Meetings attended during the year i.e. (April 01, 2023- March 31, 2024)	10 out of 10	10 out of 10
Skill & Capabilities	Kindly refer Corporate Governance Report	Kindly refer Corporate Governance Report

Annexure to the notice of Annual General Meeting

(Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013)

As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. IV to V of the accompanying Notice.

Item No. 4

The Members of the Company at the Annual General Meeting held on 24th September, 2020 approved change in designation of Mr. Amit Anil Raje (DIN: 00282385) from Whole-time Director to Managing Director of the Company for a period of five years with effect from May 12, 2020 to May 11, 2025 on the payment of remuneration for two years and perquisites and other terms and conditions as approved by the shareholders at the said 38th Annual General Meeting of the Company. Furthermore, the Company sought approval from the shareholders at the 40th Annual General Meeting held on September 09, 2022 with respect to the payment of remuneration for Mr. Amit Anil Raje not exceeding Rs. 36,00,000/- per annum (Rupees Thirty-Six Lakh only) along with other perquisites and allowances as per rule of the Company.

Mr. Amit Anil Raje, Managing Director of your Company, is a qualified engineer with B.Tech. (Electrical Engineering) from I.I.T Mumbai (1995) and M.S.E.E. (Power System and Power Electronics) from University of Minnesota, Minneapolis, USA. He has been a Director of your Company since 01st April 2007. He was further appointed as a Whole Time Director in the company. He has a remarkable professional career and holds more than 23 years of experience at Aartech. He now spearheads all the new activities and developments in line with the stated objectives of the company. His interests are in working on selected and specialized energy applications in the field of control, protection and Automation, process continuity with Fast Bus Transfer, Energy Storage and Pulse Power Application using Ultracapacitors, Fault Current Limiters, Power Quality Solution, Load Limiting and other such custom specific application. His exceptional governance skills have been instrumental in fostering a culture of integrity and accountability within our organization, while his insightful expertise consistently guides our strategic decision-making processes, offering invaluable direction to the management team. Under his exceptional leadership and vast visionary, the shares of the company migrated from SME platform of BSE to main Board of BSE and National Stock Exchange of India Limited w.e.f. 10th July, 2023.

As the existing tenure of Mr. Amit Anil Raje, Managing Director of the Company will expire on May 11, 2025 and considering his vast experience which he carries and valuable services rendered by him for the growth of the Company, the Board of Directors of the Company ("Board"), at its meeting held on Thursday, September 05, 2024 and based on the recommendation of Nomination and Remuneration Committee and subject to the approval of members in the ensuing Annual General Meeting, Mr. Amit Anil Raje (DIN: 00282385), be and is hereby re-appointed as Managing Director of the Company, for a further period of 5 (Five) years w.e.f. 12th May, 2025 to 11th May, 2030, liable to retire by rotation, on the payment of remuneration and perquisites and other terms and conditions as approved by the shareholders at the 40th Annual General Meeting of the Company held on September 09, 2022.

As per the proviso of Section 196 (1) of the Companies Act, 2023, no re-appointment shall be made earlier than one year before the expiry of his term. In the present case of the company the term of Mr. Amit Anil Raje is going to expire on May 11, 2025, so the approval accorded from the Members of the Company is well within the provisions of Section 196 of the Companies Act, 2023.

Mr. Amit Anil Raje (DIN: 00282385) is not disqualified from being appointed as a Managing Director of the Company in terms of Section 164 of the Act and has given his consent to act as the Managing Director of the Company.

Accordingly, consent of the members is sought for the re-appointment of Mr. Amit Anil Raje (DIN: 00282385) as the Managing Director of the Company, in terms of the provisions of Section 196, 197, 203 and read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under and the Articles of Association of the Company.

Except Mr. Anil Anant Raje and Mrs. Arati Nath (the relatives), none of the other directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

The Board of Directors therefore, recommend passing of the Special Resolution as set out in Item No. 4 of the accompanying Notice for the approval of the Members.

Item No. 5

The Members of the Company at the 38th Annual General Meeting held on 24th September, 2020 approved appointment of Mrs. Arati Nath as Chief Executive Officer ('CEO') of the Company for a period of five years with effect from May 12, 2020 to May 11, 2025 on the payment of remuneration, perquisites, allowances and other terms and conditions as approved by the shareholders at the said 38th Annual General Meeting of the Company. Furthermore, the Company sought approval from the shareholders at the 40th Annual General Meeting held on September 09, 2022 with respect to the payment of remuneration for Mrs. Arati Nath, as a CEO and Director, not exceeding Rs. 35,00,000/- per annum (Rupees Thirty-Five Lakh only) along with other perquisite and allowances as per rule of the Company.

Arati Nath, CEO and Director of your Company has overall more than 17 years of experience in the field of Finance. She is PGDBA-Finance (Welingkar Institute of Management, Mumbai), Bachelor in Commerce from Pune University. She held the position of a General Manager, Operations in Aartech Solonics Limited from April, 2015 and later held the position of Chief Financial Officer (CFO) from December, 2017. She is continuing to be a part of the Company as a Director & CEO of the company since May, 2020 onwards till date. Being a post graduate diploma in Business Analytics- Finance and bachelor in Commerce, she has made the Company's technical department more stable by incorporating new technologies and processes.

As the existing tenure of Mrs. Arati Nath, CEO of the Company will expire on May 11, 2025 and considering her vast experience which she carries and valuable services rendered by her for the growth of the Company, the Board of Directors of the Company ("Board"), at its meeting held on Thursday, September 05, 2024 and based on the recommendation of Nomination and Remuneration Committee and subject to the approval of members in the ensuing Annual General Meeting, re-appointed Mrs. Arati Nath as Chief Executive Officer (CEO) of the Company, for a further period of 5 (Five) years w.e.f. 12th May, 2025 to 11th May, 2030, on the payment of remuneration and perquisites and other terms and conditions as approved by the shareholders at the 40th Annual General Meeting of the Company held on September 09, 2022.

As per the proviso of Section 196 (1) of the Companies Act, 2023, no re-appointment shall be made earlier than one year before the expiry of their term. In the present case of the company, the term of Mrs. Arati Nath as the CEO of the Company is going to expire on May 11, 2025, so the approval accorded from the Members of the Company is well within the provisions of Section 196 of the Companies Act, 2023.

Mrs. Arati Nath is not disqualified from being appointed as a CEO of the Company and has given her consent to act as the Chief Executive Officer of the Company.

Accordingly, consent of the members is sought for the re-appointment of Mrs. Arati Nath as the CEO of the Company, in terms of the provisions Section 203 and read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under and the Articles of Association of the Company.

Except Mr. Anil Anant Raje and Mr. Amit Anil Raje (the relatives), none of the other directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

The Board of Directors therefore, recommend passing of the Special Resolution as set out in Item No. 5 of the accompanying Notice for the approval of the Members.

**By Order of the Board of Directors of
Aartech Solonics Limited**

**Sd/-
Amit Anil Raje
Managing Director
DIN: 00282385**

**Place: Bhopal
Dated: 05/09/2024**

**Registered Office:
E-2/57, Ashirvad, Arera Colony,
Bhopal- 462016 (MP)
CIN: L31200MP1982PLC002030
Tel No: 9993091168
Email Id: compliance@aartechsolonics.com
Website: www.aartechsolonics.com**

BOARD'S REPORT

To,
The Members,
Aartech Solonics Limited

Your directors are pleased in presenting their 42nd Annual Report on the business performance and operations along with the Audited Financial Statements with the Consolidated Financial Statements of the Company and the Auditor's Report for the financial year ended March 31, 2024.

1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY:

The summary of the Standalone and Consolidated performances are set out below: - **(Amount in ₹ Lakhs)**

PARTICULARS	Standalone		Consolidated	
	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2024	Year ended 31st March 2023
Income from Operations	3,269.25	2,164.67	3,274.41	2,168.80
Other Income	327.24	229.33	314.71	212.54
Total Revenue	3,596.49	2,394.00	3,589.12	2,381.35
Less: Expenses	(3,321.14)	(2,194.20)	(3,330.96)	(2,177.73)
Profit before Finance Cost, Depreciation/ Amortisation Expenses & Tax	275.36	199.80	258.16	203.61
Share of Profit/ (loss) of Associates & Joint ventures	-	-	-	(1.62)
Exceptional Items	-	-	-	-
Profit before Depreciation/ Amortisation Expenses & Tax	275.36	199.80	258.16	205.23
Less: Depreciation/ Amortisation Expenses	-	-	-	-
Profit/ (Loss) before tax	275.36	199.80	258.16	205.23
Current Tax	(117.29)	(60.74)	(117.29)	(62.48)
Deferred Tax	(13.77)	(0.95)	(9.34)	(0.58)
Net Profit/ (Loss) after tax	144.29	138.11	131.53	142.17

2. BRIEF DESCRIPTION OF THE COMPANY'S OPERATIONS DURING THE YEAR / STATE OF COMPANY'S AFFAIR

STANDALONE

At Standalone level, the Revenue from operations amounted to ₹ 3,269.25 Lakhs as against ₹ 2,164.67 Lakhs in the previous year. The Profit before Tax amounted to ₹ 275.36 Lakhs as against ₹ 199.80 Lakhs in the previous year. The Net Profit for the year amounted to ₹ 144.29 Lakhs as against Net Profit of ₹ 138.11 Lakhs reported in the previous year.

CONSOLIDATED

The Consolidated Revenue from Operations amounted to ₹ 3,274.41 Lakhs as against ₹ 2,168.80 Lakhs in the previous year. The Consolidated Profit before Tax amounted to ₹ 258.16 Lakhs as against Consolidated Profit before Tax amounted to ₹ 205.23 Lakhs in the previous year. The Consolidated Net Profit after Tax amounted to ₹ 131.53 Lakhs as against Consolidated Net Profit after Tax amounted to ₹ 142.17 Lakhs in previous year.

3. CHANGE IN NATURE OF BUSINESS

There was no change in business of the Company during the year under review.

4. DIVIDEND

Based on the Company's performance and considering the accumulated profit of the previous years, your directors have recommended a dividend of ₹ 0.25/- (Twenty-five Paise) i.e. 5% per equity share of Face Value ₹5.00 (Rupees Five only) each (previous year ₹ 0.50/- per equity share i.e. 5% on the equity share of ₹10/- each) for the financial year 2023-24 subject to the TDS as may be applicable. The dividend payment is subject to the approval of members at the ensuing Annual General Meeting and will be paid to those members whose names appear in the Company's Register of Members and are beneficial owners as per the details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited. (CDSL) as on the date of book closure date and shall be paid within the period of 30 days from the date of declaration at the Annual General Meeting.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the members w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the members at prescribed rates as per the Income-tax Act, 1961.

The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 24, 2023 to Monday, September 30, 2023 (both days inclusive) for the purpose of ascertainment for eligibility for participation in payment of dividend for the financial year ended March 31, 2024.

5. LISTING OF SHARES WITH STOCK EXCHANGES

The shares of the company were previously listed and actively traded on SME platform of BSE. During the year under review, the shares of the company migrated from SME platform of BSE to Main Board of BSE Limited and National Stock Exchange of India Limited with effect from 10th July, 2023.

6. SHARE CAPITAL

a) Change in Share Capital of the Company During the year:

During the period under review, there has been no change in the Authorized Share Capital of the Company which stand at ₹15,00,00,000/- (Rupees Fifteen Crores Only) divided into 15000000 (One Crore Fifty Lakh) equity shares of ₹10/- (Rupees Ten only) each. The paid-up equity share capital as at March 31, 2024 is Rs. 10,59,01,250/- (Rupees Ten Crore Fifty-Nine Lakh One Thousand Two Hundred Fifty only) divided into 10590125 (One Crore Five Lakh Ninety Thousand One Hundred and Twenty-Five) equity shares of ₹10/- (Rupees Ten only) each.

In order to improve the liquidity of the Company's equity shares and to make these equity shares more affordable/accessible for the small retail investors to invest in the Company's shares, the Board of Directors at its meeting held on June 20, 2024, decided some measures to facilitate the shareholders in the following manner.

- i) Increasing Company's Authorized Share Capital from Rs. ₹15,00,00,000/- (Rupees Fifteen Crores Only) to Rs. ₹25,00,00,000/- (Rupees Twenty Fives Crores Only).
- ii) Sub-division/ split of existing equity shares of the Company from 1 (One) equity share having face value of Rs. 10/- each, fully paid-up into 2 (Two) equity shares having face value of Rs. 5/- each fully paid-up; and
- iii) Issue of Bonus Equity Shares of the Company in the ratio of 1:2 [i.e. 1 (One) fully paid-up equity share for every 2 (Two) equity shares] having face value of Rs. 5/- each,

These proposals were presented before the members of the Company through postal ballot and was approved by the members with requisite majority, dated 26th July, 2024.

b) Status of Shares in D-mat Form:

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2024, the Company has 10590125 paid up equity shares of Rs. 10 each.

The details of the dematerialized and physical shares are as under:

Sr. No.	Capital Details	No. of shares	% of Total issued Capital
1	Held in dematerialized form in CDSL	4035792	38.11
2	Held in dematerialized form in NSDL	6523928	61.6
3	Physical	30405	0.29
Total		10590125	100

7. TRANSFER TO RESERVES

Your directors proposed to transfer ₹144.29 Lakhs to the general reserve out of the profits available with the Company for appropriations.

8. DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

9. CORPORATE GOVERNANCE

Our Corporate Governance is directed at the enhancement of shareholder value, keeping in mind the interests of other stakeholders such as clients, employees, investors, regulatory bodies, etc. The functions of our Board of Directors are well defined. Aartech's Board have taken various steps such as formulating and implementing various policies for strong and smooth functioning of company including setting up of sub-committees of the Board to oversee management functions. We are committed to good corporate governance and have benchmarked ourselves against global best practices also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

A certificate from the Chief Executive Officer and Chief Financial Officer of the Company in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter alia, confirming the correctness of the Financial Statements and Cash Flow Statements, adequacy of the internal control for financial reporting, and reporting of matters to the Audit Committee, is also forming part of this Annual Report.

10. ANNUAL RETURN

The copy of annual return is prepared in form MGT-7 as per the provisions of the Companies Act, 2013 and will be placed on the Company website at www.aartechsolonics.com.

11. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

Your Company has the following subsidiaries and associates as at March 31, 2024:

- a) Paradigm Ultracapacitors Private Limited: Wholly owned subsidiary
- b) AIC- Aartech Solonics Private Limited: Wholly owned subsidiary
- c) Enerqual Technology Private Limited: Associate Company
- d) Epsilon Ten Ltd : Associate Company (UK based Company)

As per the provisions of Section 129(3) read with Section 136 of the Companies Act, 2013, a statement containing brief financial details of the Subsidiaries and Associates for the Financial Year ended March 31, 2024 in Form AOC – 1 is included in the annual report and shall form part of this report as “Annexure- A”.

The annual accounts of the said Subsidiaries and Associates and other related information will be made available to any member of the Company seeking such information at any point of time and are also available for inspection by any member of the Company at the registered office of the Company.

Further, pursuant to provisions of Section 136 of the Act, the financial statements, including Consolidated Financial Statements of the Company along with relevant documents and separate audited accounts in respect of Subsidiaries and Associates, are available on the website of the Company at www.aartechsolonics.com.

12. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Companies Act, 2013 and rules made there under, following are the Board of Directors and Key Managerial Personnel of the Company as on March 31, 2024:

S. No	Name of Directors/ KMPs	Current Designation	Original date of appointment	Nature of changes	Date of Cessation	DIN/PAN
1	Mr. Amit Anil Raje	Chairman & Managing Director	01/04/2007	-	-	00282385
2	Mrs. Arati Nath	Woman Director & CEO	12/05/2020	-	-	08741034
3	Mr. Anil Anant Raje	Non-executive director	24/08/1982	* Refer Note 1	-	01658167
4	Mr. Prashant Dattatray Lowlekar	Independent Director	27/02/2018	-	-	08041377
5	Mr. Kshitij Negi	Independent Director	08/02/2021	-	-	09046425
6	Ms. Supriya Sunil Chitre	Independent Director	23/03/2023	* Refer Note 2	-	09237218
7	Mr. Pradeep Vasant Narkhede	Chief Financial Officer	12/05/2020	* Refer Note 3	-	A*****H
8	Mr. K R Tanuj Reddy	Company Secretary & Compliance Officer	08/06/2018	-	-	A*****Q

*** Note 1:**

Mr. Anil Anant Raje (DIN: 01658167), who has already attained the age of 75 years, to continue as Non-Executive Director on the Board of the Company, who is liable to retire by rotation, on the existing terms and conditions w.e.f. Special resolution passed through Postal Ballot on 19th June, 2023.

*** Note 2:**

Ms. Supriya Sunil Chitre (DIN: 09237218), who was earlier appointed as an Additional Director (Non-executive, Independent) of the company on a meeting of the Board of Directors held of 23rd March, 2023, confirmed as Non-executive Independent Director of the Company, not liable to retire by rotation and to hold office for a first term of five consecutive years [from 23rd March,2023 upto 22nd March,2028 (both Inclusive)], w.e.f Special resolution passed through postal ballot on 19th June, 2023.

*** Note 3:**

Mr. Pradeep Vasant Narkhede, who had been appointed as Chief Financial Officer ('CFO') of the Company on the meeting of Board of Directors held on 11th May, 2023, confirmed as CFO of the Company for a period of 5 (Five) years [from May 12th,2023 to May 11th, 2028(both days inclusive)] w.e.f. Special resolution passed through postal ballot on 19th June, 2023 and also designated as whole-time Key Managerial Personnel of the Company.

(a) Directors seeking appointment/ re-appointment

In terms of the provisions of the Companies Act, 2013, Mr. Amit Anil Raje (DIN: 00282385), Executive Director of the Company will retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

The Board recommends his re-appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.

In case of appointment/re-appointment of Directors, the details of respective Directors as stipulated under Regulation 36(3) of the Listing Regulations are included in the Notice of Annual General Meeting.

(b) Woman Director

Mrs. Arati Nath (DIN: 08741034) was appointed as a Woman Director & CEO and Ms. Supriya Sunil Chitre (DIN: 09237218) was appointed as a Woman Independent Director on the Board as required under the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

(c) Independent Directors and their Declaration

The Company is having 3 (Three) Independent Directors which are in accordance with the requirement of the SEBI (LODR) Regulations, 2015 as well as under the Companies Act, 2013. The terms and conditions of appointment of the Independent Directors are placed on the website of the Company viz www.aartechsolonics.com.

All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013. As per the SEBI (LODR) Regulations 25 (8) states that every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, or whenever there is any change in the circumstances which may affect his status as an independent director, submit a declaration that he meets the criteria of independence as provided in clause of sub-regulation (1) of regulation 16 and that he is not aware of any circumstance or situation, which exist or may be reasonably

anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence and the board of directors of the company shall take on record the declaration and confirmation submitted by the independent director under sub-regulation (8) after undertaking due assessment of the veracity of the same.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience (including the proficiency of the independent director as ascertained from the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs notified under sub-section (1) of Section 150 of the Companies Act, 2013 and are the persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and the Rules made thereunder and are independent of the management.

The Independent Directors have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs. As per the proviso to Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of the Company have passed or are exempted from undertaking the online proficiency self-assessment test. These confirmations have been placed before the Board. None of the Independent Directors hold office as an Independent Director in more than seven listed companies as stipulated under Regulation 17A of the Listing Regulations. The maximum tenure of Independent Directors is determined in accordance with the Act and rules made thereunder, in this regard, from time to time.

(d) Programme for familiarization of Directors

The Company conducts familiarization programme for all the directors at the time of their appointment and also at regular intervals to enlighten the directors regarding their roles, rights and responsibilities in the Company and the nature of the industry in which the Company operates, the business model of the Company etc. The details regarding the familiarization programme conducted during the year are put up on the website of the company viz www.aartechsolonics.com.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY UNDER SECTION 186

The Company has duly complied the provisions of Section 186 of the Companies Act, 2013 and rule made there under upon extending loan, guarantee, or making any investments during the year ended 31st March 2024. Pursuant to Section 186 (4) read with rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), disclosure on particulars relating to Loans, advances and investments are provided as part of the financial statements and also has been mentioned in AOC-2 as part of this Report.

14. CONSTITUTION OF THE BOARD OF DIRECTORS AND THEIR MEETINGS

(a) Constitution of the Board

The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013. The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. As on March 31, 2024, the Company has 6 (Six) Directors. Out of the 6 (Six) Directors, 2 (Two) are Executive Directors; 1 (One) Non-executive Director and 3 (Three) are Non-Executive, Independent Directors.

Mr. Amit Anil Raje, Chairman & Managing Director and Mr. Anil Anant Raje, Non-executive Director of the Company, are the Promoters of the Company and Mrs. Arati Nath, Director & CEO comes into the category of Promoter Group of the Company. The Members of the Board are highly qualified and having varied experience in their respective field and they assist the Board to discharge their functions from time to time.

(b) Meetings of the Board

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their program. The agenda of the meeting is circulated to the members of the Board well in advance along with necessary papers, reports, recommendations and supporting documents so that each Board member can actively participate on agenda items during the meeting.

The Board met **10 (Ten)** times during the Financial Year 2023-24. The maximum interval between any two meetings did not exceed 120 days. The details of Board meetings held during the financial year 2023-24 are as follows:

S. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1.	11.05.2023	6	4
2.	21.06.2023	6	6
3.	14.08.2023	6	6
4.	06.09.2023	6	6
5.	25.10.2023	6	6
6.	09.11.2023	6	6
7.	11.12.2023	6	6
8.	15.01.2024	6	6
9.	12.02.2024	6	5
10.	19.03.2024	6	6

Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM)

Name of the Directors	Number of board meetings during the year 2023-24		Whether attended last AGM
	Held	Attended	
Mr. Amit Anil Raje	10	10	Yes
Mrs. Arati Nath	10	10	Yes
Mr. Anil Anant Raje	10	10	Yes
Mr. Prashant Dattatray Lowlekar	10	10	Yes
Mr. Kshitij Negi	10	9	No
Ms. Supriya Sunil Chitre	10	8	Yes

(c) Information available for the members of the Board

The Board has complete access to any information within the Company. The Company has provided inter alia following information.

- Financial results of the Company, its Subsidiaries;
- Minutes of meetings of the Board, Committees, resolutions passed by circulations and minutes of the meetings of the Board of Subsidiary Companies;
- Periodic compliance/reports which includes non-compliance, if any;
- Disclosures received from Directors;
- Related party transactions;
- Regular business updates;
- Action Taken Report on decisions of previous Board Meetings;
- Various Policies of the Board;
- Code of Conduct for the members of the Board;
- Discussion with the Auditors and the audit committee members.

15. COMMITTEES OF THE BOARD

The Board of Directors has constituted various mandatory and non-mandatory committees to deal with specific areas and activities. The Committees are formed with approval of the Board and function under their respective Charters.

These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting. The Board currently has the following Committees:

(a) Audit Committee

The Audit Committee was constituted by our Board in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

As on March 31, 2024, the Audit Committee is headed by Mr. Prashant Dattatray Lowlekar and has Mr. Kshitij Negi and Mr. Amit Anil Raje as its members. All the members of the Committee have relevant experience in financial matters.

The Board assures that the members of the Committee are financially literate. In addition to the Audit Committee members, Statutory Auditors, the Chief Financial Officer, Head – Internal Auditors, are also

invited to the Audit Committee Meetings, on need basis. The Company Secretary of the Company is the Secretary of the Committee.

The Audit Committee member meets at least four times a year with maximum interval of four months between two meetings and reports to the Board if required. During the year 2023-24, **nine (9)** meeting of the Audit Committee were held i.e., 11.05.2023, 21.06.2023, 14.08.2023, 06.09.2023, 25.10.2023, 09.11.2023, 15.01.2024, 12.02.2024 and 19.03.2024.

The Composition of the Audit Committee and the details of the meetings attended by its members held during the financial year 2023-24 are stated below:

Sr. No.	Name of the Director(s)	Category	Position held	No. of Meeting	
				Held	Attended
1	Mr. Prashant Dattatray Lowlekar	Non-Executive & Independent Director	Chairperson	9	9
2	Mr. Kshitij Negi	Non-Executive & Independent Director	Member	9	8
3	Mr. Amit Anil Raje	Executive Director	Member	9	9

*After the closure of financial year 2023-24, Ms. Supriya Sunil Chitre (DIN: 09237218), non-executive Independent Director was introduced as a member of the Committee in the Board meeting held on 30th May, 2024, resulting in reconstitution of Audit Committee of the company with effect from 30th May, 2024.

The terms of reference of Audit Committee Inter-alia, includes the following:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.
- Recommending to the Board, the appointment, remuneration and terms of appointment of the Statutory Auditor of the Company.
- Approving payments to Statutory Auditors for any other services rendered by them.
- Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134 (3)(c) of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;

- Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft Audit Report.
- Reviewing, with the management, the quarterly, half-yearly and Annual Financial Statements before submission to the Board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (preferential issue, rights issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use or application of the funds raised through the proposed initial public offering by our Company;
 - Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - Approving of any subsequent modification of transactions of the Company with related parties;
 - Scrutinizing inter-corporate loans and investments;
 - Valuing undertakings or assets of the Company, wherever it is necessary;
 - Evaluating internal financial controls and risk management systems;
 - Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussing with internal auditors any significant findings and follow up thereon;
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - Discussing with statutory auditors, internal auditors, secretarial auditors, and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- To investigate the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Establishing a vigil mechanism policy for directors and employees to report their genuine concerns and grievances;
- Approval of appointment of the CFO (i.e., any person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;
- Review and monitor the process for compliance with laws, regulations and the code of conduct as per SEBI Insider Trading Regulations, 2015, and all other applicable Laws, rules and regulations, if any;
- Review all the provisions as per the Companies Act, 2013 and Securities and Exchange Board of India (LODR) Regulations, 2015 as amended from time to time; and
- Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of the provision and
- The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

The Audit Committee also mandatorily review the following information:

- i. Management discussion and analysis of financial condition and result of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters/ letters of internal control weaknesses issued by the Statutory Auditor;
- iv. Internal audit reports relating to internal control weaknesses;
- v. Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Securities and Exchange Board of India (LODR) Regulations, 2015; and

- Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of the Securities and Exchange Board of India (LODR) Regulations, 2015.

The Board considered and approved the same and instructed to forward the matter to the audit committee for its noting and record.

The powers of the Audit Committee include the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

▪ **Details of establishment of vigil mechanism for directors and employees**

The Company has formulated the Vigil Mechanism and Whistle Blower Policy. The policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity, and ethical behavior. All permanent employees of the Company are covered under the Vigil Mechanism Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. Further, during the financial year 2023-24, no whistle blower complaint has been received against any Promoter, Directors, and employees of the Company. The Policy is available on the website of the Company.

(b) Stakeholder's Relationship Committee

Stakeholder's Relationship Committee has been constituted by the Board in accordance with Section 178 of the Companies Act, 2013. The Committee specifically looks into the redressal of shareholders and investors complaints such as transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, payment of unclaimed dividends etc.

In addition, the Committee also investigated matters that can facilitate better investor services and relations. The Board was kept apprised of all the major developments on investors' issues through various reports and statements furnished to the Board from time to time throughout the year. As on March 31, 2024, the Company's Stakeholders Relationship Committee was headed by Mr. Kshitij Negi and other members of the Committee are –Mr. Anil Anant Raje and Mr. Amit Anil Raje.

In order to act in compliance with Regulation 13(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Stakeholders Relationship Committee reports to the Board as and when need arise, with respect to the status of redressal of complaints received from the shareholders of the Company.

During the year 2023-24, **Seven (7)** meeting of the committee were held on 11.05.2023, 21.06.2023, 14.08.2023, 06.09.2023, 09.11.2023, 11.12.2023 and 12.02.2024. The requisite quorum was present throughout the meeting.

The Composition of the Stakeholders Relationship Committee and the details of the meetings attended by its members held during the financial year 2023-24 is stated below:

Sr. No.	Name of the Director(s)	Category	Position held	No. of Meeting	
				Held	Attended
1	Mr. Kshitij Negi	Non-Executive & Independent Director	Chairperson	7	7
2	Mr. Anil Anant Raje	Non-Executive Director	Member	7	6
3	Mr. Amit Anil Raje	Executive Director	Member	7	7

* After the closure of financial year 2023-24, Ms. Supriya Sunil Chitre (DIN: 09237218), non-executive Independent Director was introduced as a member of the Committee in the Board meeting held on 30th May, 2024, resulting in reconstitution of Stakeholder Relationship Committee of the company with effect from 30th May, 2024.

The terms of reference of the Stakeholder's Relationship Committee of the Company includes the following:

- Consider and resolve grievances of the security holders of the Company, including complaints related to the transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends; and
- Carrying out any other function as prescribed under the SEBI (LODR) Regulations, 2015.

(c) Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy is applicable to all Directors, Key Managerial Personnel (KMP), Senior Management team and other employees of Aartech Solonics Limited (“Company”).

During the year 2023-24, **Eight (8)** meeting of the committee were held on 11.05.2023, 21.06.2023, 06.09.2023, 25.10.2023, 09.11.2023, 11.12.2023 and 15.01.2024. The requisite quorum was present throughout the meeting.

The Composition of the Nomination and Remuneration Committee and the details of the meetings attended by its members held during the financial year 2023-24 is stated below:

Sr. No.	Name of the Director(s)	Category	Position held	No. of Meeting	
				Held	Attended
1	Mr. Kshitij Negi	Non-Executive & Independent Director	Chairperson	8	7
2	Mr. Prashant Dattatray Lowlekar	Non-Executive & Independent Director	Member	8	8
3	Mr. Anil Anant Rajee	Non-Executive Director	Member	8	8

* After the closure of financial year 2023-24, Ms. Supriya Sunil Chitre (DIN: 09237218), non-executive Independent Director was introduced as member of the Committee in the Board meeting held on 30th May, 2024, resulting in reconstitution of Nomination and Remuneration Committee of the company with effect from 30th May, 2024.

The Nomination and Remuneration policy was adopted by the Board on the recommendation of Nomination & Remuneration Committee. The Policy is available on the website of the Company.

Brief description of terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the Directors, Key Managerial Personnel, and other employees;
- Formulation of criteria for evaluation of performance of independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal and evaluation of Director's performance;
- Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of report of performance evaluation of independent directors;
- Carrying out any other function as prescribed under the SEBI Listing Regulations;
- recommend to the board, all remuneration, in whatever form, payable to senior management; and
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended by the Nomination and Remuneration Committee.

16. MECHANISM FOR EVALUATION OF BOARD, COMMITTEES, CHAIRPERSON, AND INDIVIDUAL DIRECTORS

The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, Committees, Individual Directors, CEO & MD and the Chairman has to be made. Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. All Directors responded through a structured questionnaire giving feedback about the performance of the Board, its Committees, Individual Directors, CEO & MD and the Chairman.

As per Section 134(3) read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the evaluation is done by the Independent Directors of the Board for the performance of the executive directors with specific focus on the performance and effective functioning of the Board and Individual Directors, areas of improvement for the Directors and for the aforesaid purpose, Independent Directors of the Company have conducted their separate meeting on December 12, 2023. The Board of Directors expressed their satisfaction with the evaluation process.

Criteria for evaluation of Board as a whole

- i. Board Composition & Quality;
- ii. Board Meetings;
- iii. Committees;
- iv. Core Governance & Compliance; and
- v. Risk Management.

Criteria for evaluation of Committees

- i. Structure of committees;
- ii. Appropriateness of delegation of responsibilities by the Board to its committees;
- iii. Composition of the committees;
- iv. The meetings are conducted in a manner that ensures open communication and meaningful participation;
- v. The amount of information received is appropriate for discussion and decision-making purposes;
- vi. The reporting by each of the Committees to the Board is sufficient;
- vii. Committees takes effective and proactive measures to perform its functions; and
- viii. The frequency of the Committee meetings is adequate.

Criteria for evaluation of Chairperson

- i. Leadership; and
- ii. Managing Relationships.

Criteria for evaluation of the Executive Directors

- i. Strategy Formulation & Execution;
- ii. Board Meetings;
- iii. Interpersonal Skills;
- iv. Leadership;
- v. Diligence; and
- vi. Knowledge & Expertise.

Criteria for evaluation of the Independent Directors

- i. Knowledge & Expertise;
- ii. Participation in Board Meetings;
- iii. Interpersonal Skills;
- iv. Professional Conduct & Independence;
- v. Diligence;
- vi. Roles & Responsibilities; and Disclosure & Reporting.

17. VIGIL MECHANISM (WHISTLE BLOWER POLICY)

In terms of the Section 177(9) of Companies Act, 2013 and rules framed there under, your Company has established a 'Whistle Blower Policy and Vigil Mechanism' for directors and employees it provides a channel to the employees to report to the appropriate authorities concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. Protected disclosures can be made by whistle blower through an e-mail, or dedicated telephone line or a letter to the concerned authorities.

18. GOVERNANCE CODES**(a) Code of Business Conduct & Ethics**

The Company has adopted Code of Conduct for Board of Directors and Senior Management ("the Code") which is applicable to the Board of Directors and all Employees of the Company. The Board of Directors and the members of Senior Management Team of the Company are required to affirm Compliance of this Code. The Company has received the annual affirmation declaration from the Board of Directors and Senior Management. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous, and respectful manner. The Code is displayed on the Company's website.

(b) Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions they occupies in other Companies including Chairmanships and notify changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

(c) Insider Trading Code

The Company has adopted a Code of conduct for prevention of Insider Trading ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, amended time to time (the PIT Regulations). This Code is displayed on the Company's website.

The code shall be applicable to the insiders of the Company which includes all insiders, designated persons and their immediate relatives, connected persons, fiduciaries and intermediaries and shall come into effect from the date of listing of equity shares of the Company on a Stock Exchange in India subsequent to an initial public offering of the equity shares of the Company. The Chief Financial Officer of the Company is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Company has also formulated "The Code of conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015" in compliance with the PIT Regulations. This Code is displayed on the Company's website viz www.aartechsolonics.com.

Further that there have been no violations of Insider Trading Regulations for the year ended March 31, 2024 and our Company has diligently observed and adhered to all provisions stipulated in the SEBI (Prohibition of Insider Trading) Regulations, 2015.

19. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sec. 134 (3)(c) and Sec. 134 (5) of the Companies Act, 2013, the Board of Directors confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit of the company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. that the directors had prepared the annual accounts for the Financial Year ended March 31, 2024 on a going concern basis;
- v. that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

- vii. the Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES REFERRED TO SECTION 188(1)

All transactions entered with Related Parties for the year under review were entered on arm's length basis and in the ordinary course of business and that the provisions of Section 188(1) of the Companies Act, 2013 and the Rules made there under were not attracted. The particulars of contracts or arrangements with related parties referred to in Section 188(1) is prepared in Form AOC-2 pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 and the same is annexed to the Board's Report as **Annexure-B**.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. The Company has a process in place to periodically review and monitor Related Party Transactions. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. All the related party transactions were in the ordinary course of business and at arm's length.

21. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

22. RISK MANAGEMENT

For your Company, Risk Management is an integral and important component of Corporate Governance. Your Company believes that a robust Risk Management ensure adequate controls and monitoring mechanisms for a smooth and efficient running of the business. A risk-aware organization is better equipped to maximize the shareholder value. Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the Company. These levels form the strategic defense cover of the Company's risk management. The Company has a robust organizational structure for managing and reporting on risks. The Company follows well established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company's Business Risk Management Framework helps in identifying risks and opportunities that may have a bearing on the organization's objectives, assessing the terms of likelihood and magnitude of impact and determining response strategy.

23. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Account) Rules, 2014:

A. Conservation of Energy

While continuing to believe in philosophy of Energy saved is Energy produced, adequate measures commensurate with the business operations have been taken to reduce and conserve the energy consumption by utilizing energy efficient equipment whenever required.

B. Technology Absorption

The Company is doing its business by ensuring optimum utilization of its available resources. Your company has not taken any research & development activity so far.

C. Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings: ₹137.13 Lakhs
Outgo: ₹502.60 Lakhs.

24. POLICIES

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandated the formulation of certain policies for all listed companies. In compliance with the same, the Company has formulated the policies.

(a) POLICY ON NOMINATION AND REMUNERATION POLICY

The policy of the Company on director's appointment and remuneration, including criteria for determining qualification, positive attributes, independence of a director and other matters provided under sub - section (3) of Section 178 of the Companies Act, 2013 was framed on the recommendation of Nomination and Remuneration Committee and approved by the Board.

The key objective of this policy is selection, appointment of and remuneration to Key Managerial Personnel, Directors and Senior Management Personnel.

(b) RELATED PARTY TRANSACTIONS AND POLICY

The Company has developed a related party transactions framework through standard operating procedures for the purpose of identification and monitoring of transactions with the related parties.

None of the Directors has any pecuniary relationship or transactions vis-a-vis the Company.

(c) CODE OF CONDUCT

In Compliance with Regulation 26(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, The Company has laid down the Code of Conduct for all Board members and senior management of the Company.

All the Board members and senior management of the Company have affirmed compliance with their Code of Conduct for the financial year ended March 31, 2024. The Managing Director has also confirmed and certified the same. The certification is annexed at the end of this report.

(d) VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has implemented a vigil mechanism policy (Whistle blower policy), whereby the employees can raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, misrepresentation of any financial statements and reports. The policy safeguards the whistle blower and also provides a direct access to the Chairman of Audit Committee. During this year no complaints were received under this mechanism nor has any personnel been denied access to the Audit Committee.

25. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

26. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

Business Responsibility & Sustainability Report (BRSR) as stipulated under Regulation 34(2)(f) of the Listing Regulations is not applicable to the company.

27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

28. AFFIRMATION ON COMPLIANCE OF SECRETARIAL STANDARDS

The Company hereby affirms that during the year under review the Company has complied with all the applicable mandatory secretarial standards (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India.

29. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013 read with Rule 8(5)(viii)

of the Companies (Accounts) Rules, 2014, the Board is of the opinion that the Company has sound Internal Financial Control commensurate with the nature and size of its business operations and operating effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations. This process includes the design, implementation and maintenance of adequate Internal Financial Control that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

During the period under review, the Company has appointed independent audit firm as Internal Auditors to observe the Internal Control system.

The Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Vigil Mechanism Policy, Policy to determine Material Subsidiaries and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. The Company has robust management information system, which is an integral part of the control mechanism.

30. AUDIT REPORT AND AUDITORS

(a) Statutory Auditors & their Reports

M/s S. Ramanand Aiyar & Co., Chartered Accountants, Indore (ICAI Firm Registration No. 000990N) were appointed as Statutory Auditor of the Company for a term of three years (3) in the Annual General Meeting of the Company held on September 24, 2020.

The term of M/s S. Ramanand Aiyar & Co., Indore had culminated at the conclusion of the 41st Annual General Meeting of the Company. Due to the expiration of terms as mentioned above for Statutory provisions of the Companies Act, 2013 and other applicable provisions, if any, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Audit Committee and Board has recommended the appointment of M/s BANCERS & CO. LLP, Chartered Accountants, Bhopal (ICAI Firm Registration No. C400331), as the Statutory Auditors of the Company, to hold an office for a term of Five (5) years from the conclusion of 41st Annual General Meeting till the conclusion of 46th Annual General Meeting of the Company to be held in the year 2028, at a remuneration of ₹2.50 Lakhs (Rupees Two Lakh Fifty Thousand Only) which includes Audit Fee, Consolidation of Accounts, Limited Review Report plus applicable taxes and reimbursement of out-of-pocket expenses at actuals.

Further M/s BANCERS & CO. LLP, Chartered Accountants, Bhopal (ICAI Firm Registration No. C400331), have confirmed the compliance of the statutory requirements under the Companies Act, 2013 and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further pursuant to regulation 36(5) of SEBI (LODR) Regulations, 2015, the details and credentials of the statutory auditor are as under:

M/s BANCERS & CO. LLP is a firm of Chartered Accountants established in the year 2022. The firm is engaged in providing services in Audit, Accounting, Taxation and Advisory services. The firm is an empanelled Auditors having 5 Partners and 15 plus staff.

The firm has been awarded the Peer Review Certificate issued by the Institute of Chartered Accountants of India pursuant to the Statement on Peer Review. The firm has large team of professionals including Chartered Accountants, CWA's, DISA, CS, amongst others.

M/s BANCERS & CO. LLP, Chartered Accountants, Bhopal (ICAI Firm Registration No. C400331), has fulfilled and complied all the conditions as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has submitted their eligibility certificate to the Company and also meets the criteria as specified in section 141 of the Companies Act, 2013.

M/s BANCERS & CO. LLP, Chartered Accountants, Bhopal (ICAI Firm Registration No. C400331), have audited the books of accounts of the Company for the financial year ended March 31, 2024 and have issued the Auditor's Report there on. There are no qualifications or reservations or adverse remarks or disclaimers in the said report except "emphasis of matter" mentioned in Independent Auditor's Report. Further, no fraud has been reported by the Auditors to the Audit Committee or the Board during the period under review.

The Auditor's Report, read together with the notes on financial statements are self-explanatory and hence do not call for any further comments under section 134 of the Act.

(b) Secretarial Auditors & their Reports

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s APVN & Associates, Practicing Company Secretaries, Bhopal to undertake the Secretarial Audit of the Company for the financial year 2023-24.

Further, Secretarial Audit Report for the Financial Year 2023-24 issued by M/s APVN & Associates, Practicing Company Secretaries, Bhopal in Form MR-3 which is annexed to the Board's Report as **Annexure-C** which is self-explanatory and do not call for any further explanation of the Board.

(c) Internal Auditors

As per the provisions of Section 138 of the Companies Act, 2013, the Board of Directors had appointed M/s Prem Chand Jain & Co., Chartered Accountants, Bhopal (ICAI Firm Registration No. 000066C), as an Internal Auditor to conduct internal audit of the Company for the Financial Year 2023-24. However, due to pre-occupation in other assignments, M/s Prem Chand Jain & Co. had submitted their voluntary resignation to the company dated 28/12/2023 and the Board has accepted and taken record of the same in the Board meeting held dated 15/01/2024 in the presence of all the directors including independent directors of the company.

Due to the casual vacancy created due to resignation of Internal Auditor of the company during the year, the Audit Committee recommended and the Board has approved the appointment of M/s Simran Khanuja & Company, Chartered Accountants, Bhopal (ICAI Firm Registration No. 035454C), as the Internal Auditors of the Company at the Board meeting dated 15/01/2024 for conducting internal audit from 3rd quarter of financial year 2023-24 at remuneration as may be mutually agreed between Internal auditors and Board of directors of the company.

*After the end of the financial year the board has decided to continue the association of Internal auditor of the company and has appointed M/s Simran Khanuja & Company, Chartered Accountants, Bhopal (ICAI Firm Registration No. 035454C) as an Internal auditor of the company for the financial year 2024-25 in the board meeting held on 30/05/2024.

31. DISCLOSURE WITH RESPECT TO MAINTENANCE OF COST RECORDS

Your Company doesn't fall within the scope of Section 148(1) of the Companies Act, 2013 and hence does not require to maintain cost records as specified by the Central Government.

32. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATED AND THE DATE OF REPORT

After the closure of year under review and as on the date of report, there is no material change and commitments made which affect the financial position of the Company, Except the following:

- a) Increase in Authorized Share Capital of the Company from Rs. ₹15,00,00,000/- (Rupees Fifteen Crores Only) to Rs. ₹25,00,00,000/- (Rupees Twenty Fives Crores Only).
- b) Sub-division/ split of existing equity shares of the Company from 1 (One) equity share having face value of Rs. 10/- each, fully paid-up into 2 (Two) equity shares having face value of Rs. 5/- each fully paid-up; and
- c) Issue of Bonus Equity Shares of the Company in the ratio of 1:2 [i.e. 1 (One) fully paid-up equity share for every 2 (Two) equity shares] having face value of Rs. 5/- each,

These proposals were presented before the members of the Company through Postal Ballot and was approved by the members with requisite majority, dated 26th July, 2024.

33. PARTICULARS OF EMPLOYEES

Disclosures under section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 respectively, is annexed to the Board's report as **Annexure-D**.

34. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report on the financial condition and result of operations of the Company for the year under review is presented in a separate section forming part of the Annual Report.

35. CORPORATE GOVERNANCE REPORT

Earlier the shares of the company were listed on SME platform of BSE since March 26, 2019, hence the norms of Corporate Governance and reporting were not Applicable on the company.

During the year under review, the shares of the company migrated from the SME platform of BSE limited to Main Board of BSE Limited and National Stock Exchange of India Limited with effect from July 10, 2023. Hence the reporting under Corporate Governance got applicable on the company from July 10, 2023. Detailed Corporate Governance Report of the Company regarding Compliance of the Conditions of Corporate Governance pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as an **"Annexure-E"**.

The Report on Corporate Governance as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report. The requisite certificate from M/s. APVN & Associates, Practicing Company Secretaries, Bhopal confirming the compliance with the conditions of Corporate Governance has been included in the said Report.

36. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to provide a work environment that ensures everyone is treated with dignity and respect. The Company is also committed to promote equality at work and an environment that is conducive to the professional growth for all employees and encourages equal opportunity. Your Company does not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment including sexual harassment. The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. All employees (permanent, contractual,

temporary, trainees) are covered under this policy. During the Financial Year ended March 31, 2024, the Company has not received any Complaints pertaining to Sexual Harassment.

37. GENERAL DISCLOSURES

During the year under review, the Company has not entered into any transactions which covered under the following provisions and no disclosure or reporting is required:

- a) Details relating to deposits covered under Chapter V of the Act and rules made there under.
- b) As per rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- c) As per rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme.
- d) As per rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares under the scheme of employee stock option.
- e) As per rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, there are no voting rights exercised directly or indirectly by the employees in respect of shares held by them. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- f) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- g) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the Company's going concern status and operations in future.
- h) No fraud has been reported by the Auditors to the Audit Committee or the Board.
- i) There is no amount of unpaid/unclaimed dividend and shares which are required to be transferred in IEPF (Investor Education and Protection Fund) as per the provisions of the Companies Act, 2013.
- j) There is no Corporate Insolvency Resolution Process initiated by and against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC).
- k) There is no one time settlement of loans taken from banks and financial Institution.
- l) The details with respect to unpaid dividend for the financial year 2018-19, 2020-21, 2021-22 and 2022-23 can be accessed at www.aartechsolonics.com

38. REPORTING OF FRAUDS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in boards report.

39. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating, and building for growth, enhancing the productive asset and resource base, and nurturing overall corporate reputation.

40. CAUTIONARY STATEMENT

Statements in this Board's Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, tax regimes, economic developments in the Country and other ancillary factors.

41. APPRECIATIONS AND ACKNOWLEDGMENTS

Your Company's organizational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilization of the Company's resources for sustainable and profitable growth. Your directors acknowledge with gratitude and wishes to place on record its appreciation for the dedication and commitment of your Company's employees at all levels which has continued to be our major strength. Your directors also thank the shareholders, investors, customers, visitors to our websites, business partners, bankers and other stakeholders for their confidence in the Company and its management and look forward for their continuous support.

**For and on behalf of the Board
Aartech Solonics Limited**

**Place: Bhopal
Dated: 05/09/2024**

**Sd/-
Amit Anil Rajee
Managing Director
(DIN: 00282385)**

**Sd/-
Arati Nath
Director
(DIN: 08741034)**

ANNEXURE A
Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “B”: Subsidiaries Company

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	AIC-Aartech Solonics Private Limited	Paradigm Ultracapacitors Private Limited	Enerqual Technology Private Limited	Epsilon Ten Ltd. (UK Based Company)
Latest audited Balance Sheet Date	08/05/2023	08/05/2023	29/12/2023	31/08/2023 (Unaudited)
Shares of Associate/Joint Ventures held by the company on the year end				
No.	9900	9500	30000	400000
Amount of Investment in Associates/Joint Venture	Rs. 99,000.00/-	Rs. 95,000.00/-	Rs. 3,00,000.00	Rs. 39,310,000.00
Extend of Holding%	99.00%	95.00%	30.00%	20.00%
Description of how there is significant influence	The Company is holding 99.00% shares of AIC-Aartech Solonics Private Limited	The Company is holding 95.00% shares of Paradigm Ultracapacitors Private Limited	There is no significant influence in the company Except the company is holding 30% shares of Enerqual Technology Private Limited	The Company is holding 20.00% shares of Epsilon ten Ltd. Also, the Key managerial Personnel of our Company is sole Director in Epsilon Ten Ltd

Reason why the associate/joint venture is not consolidated	--	--	There is an 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 statements of Enerqual Technology Private Limited.	The financial statement of the company is not audited.
Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 0.00/-	Rs. 46.45 Lakh	NIL	NIL
Profit/Loss for the year				
Considered in Consolidation	Rs. (7.24 Lakh)	Rs. (5.18 Lakh)	NIL	NIL
Not Considered in Consolidation	--	--		

**For and on behalf of the Board
Aartech Solonics Limited**

**Place: Bhopal
Dated: 05/09/2024**

**Sd/-
Amit Anil Raje
Managing Director
(DIN: 00282385)**

**Sd/-
Arati Nath
Director
(DIN: 08741034)**

ANNEXURE B

Particulars of contracts/arrangements entered into by the company with related parties Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis: Nil

1	Name(s) of the related party and nature of relationship	N A
2	Nature of contract /arrangements/transaction	N A
3	Duration of contract /arrangements/transaction	N A
4	Salient terms of contract /arrangements/transaction including the value, if any,	N A
5	Justification for entering into such contract / arrangements/ transaction	N A
6	Date(s) of approval by the Board	N A
7	Amount paid as advances, if any	N A
8	Date on which special resolution was passed in general meeting as required under first proviso to Section 188	N A

Details of material contracts or arrangements or transactions at arm's length basis:

(Amount in ₹ Lakhs)

S. No	Name of Related Party	Nature of Transaction	As at 31 st March 2024	As at 31 st March, 2023
1	AIC- Aartech Solonics Private Limited	Interest income on Unsecured Loan	4.41	0.84
2	AIC- Aartech Solonics Private Limited	Interest on Debentures	12.94	17.00
3	AIC- Aartech Solonics Private Limited	Unsecured loan given	325.00	-
4	AIC- Aartech Solonics Private Limited	Repayment of Unsecured loan	66.68	10.87
5	AIC- Aartech Solonics Private Limited	Redemption of Debentures	200.00	-
6	AIC- Aartech Solonics Private Limited	Other Services (Revenue)	-	25.00
7	AIC- Aartech Solonics Private Limited	Job Work Service (Expenses)	13.13	8.43
8	Faradigm Ultracapacitors Private Limited	Interest income on Unsecured Loan	5.53	-
9	Faradigm Ultracapacitors Private Limited	Unsecured Loan	171.63	--
10	Faradigm Ultracapacitors Private Limited	Redemption of Debentures	220.00	--
11	Faradigm Ultracapacitors Private Limited	Interest income on Debentures	9.36	20.45
12	Faradigm Ultracapacitors Private Limited	Purchases	55.53	79.13
13	Epsilon Ten Ltd	Investment	-	393.00
14	Aartech Solonics UK Limited	Business Consulting Services	53.68	-
15	Anil Anant Raje	Rent for Head Office	18.00	18.00
16	Anil Anant Raje	Sitting Fees	0.45	0.45
17	Anil Anant Raje	Technical Consultancy	17.50	15.00
18	Prashant Dattatray Lowlekar	Sitting Fees	0.75	0.60

19	Kshitij Negi	Sitting Fees	0.30	0.30
20	Supriya Sunil Chitre	Sitting Fees	0.60	-
21	Amit Anil Raje	Directors Remuneration	32.87	32.67
22	Arati Nath	Directors Remuneration	31.07	31.02
23	Pradeep Vasant Narkhede	Salaries	14.47	12.51
24	K R Tanuj Reddy	Salaries	8.38	7.20

Disclosure as per provision of the Companies Act, 2013:

Sr. No	Name(s) of the related party and nature of relationship	Nature of contract /arrangements/transaction	Duration of contract /arrangement s/transaction	Salient terms of contract /arrangements/transaction including the value, if any,	Justification for entering into such contract / arrangement s/ transaction	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1	AIC- Aartech Solonics Private Limited (Wholly-owned subsidiary of the Company)	Unsecured loan given	5 Years	Rs. 3,50,00,000 (Rs. Three Crore Fifty Lakh Only) in one or more tranches from the disbursement of loan	To provide financial assistance to Wholly owned subsidiary of the Company.	06/09/2023	NIL	Not Required
		Interest income on Unsecured Loan	As may be decided by Board	-	Arm length basis and in the ordinary course of business	Not required as the transaction was entered in the ordinary course of business & arm length basis. Still the Company has taken approval on Audit Committee meeting & Board meeting held on 11/05/2023	NIL	Not required
		Interest on Debentures						
		Repayment of Unsecured loan						
		Redemption of Debentures						
		Other Services (Revenue)						
Job Work Service (Expenses)								
2	Faradigm Ultracapacitors Private Limited	Unsecured loan given	5 Years	Rs. 3,50,00,000 (Rs. Three Crore Fifty Lakh Only)	To provide financial assistance to Wholly owned	06/09/2023	NIL	Not Required

	(Wholly-owned subsidiary of the Company)			in one or more tranches from the disbursal of loan	subsidiary of the Company.			
		Interest income on Unsecured Loan	As may be decided by Board	-	Arm length basis and in the ordinary course of business	Not required as the transaction was entered in ordinary course of business & arm length basis. Still the Company has taken approval on Audit Committee meeting & Board meeting held on 11/05/2023	NIL	
		Redemption of Debentures						
		Interest income on Debentures						
		Purchases						
3	Aartech Solonics UK Limited (An entity in which the director of our company (Mr. Amit Anil Raje) has significant influence)	Business Consulting Services	One time transaction or as may be decided by board	Rs. 53.68 Lacs Only	Arm length basis and in the ordinary course of business	Not required as the transaction was entered in the ordinary course of business & arm length basis. Still the Company has taken approval on Audit Committee meeting & Board meeting held on 12/02/2024	NIL	Not required
4	Anil Anant Raje (Promoter and Non-Executive Director of the Company)	Rent for Head Office	As may be decided by Board	-	Arm length basis and in the ordinary course of business	Not required as the transaction was entered in the ordinary course of business & arm length basis. Still the Company has taken approval on Audit Committee meeting & Board meeting held on 11/05/2023	NIL	Not required
		Sitting Fees						
		Technical consultancy						
5	Prashant Dattatray Lowlekar	Sitting Fees	On the basis of meeting	As may be decided by board	Arm's length basis and in the ordinary	Not required as the transaction was entered in	NIL	Not required

	(Independent Director)		attended during the year		course of business	the ordinary course of business & arm's length basis. Still the Company has taken approval on Audit Committee meeting & Board meeting held on 11/05/2023		
6	Kshitij Negi (Independent Director)							
7	Supriya Sunil Chitre (Independent Director)							
8	Amit Anil Raje (Director)	Directors Remuneration	5 years from recommendation of Board and approved by members of the Company	Not exceeding Rs. 36,00,000/- per annum (Rupees Thirty-Six Lakh only)	Arm's length basis and in the ordinary course of business	Approved in the board meeting held on 12/05/2022	NIL	Approved by the members of the company in the Annual General Meeting held on 29th September, 2022
9	Arati Nath (Director)			Not exceeding Rs. 35,00,000/- per annum (Rupees Thirty-Five Lakh only)				
10	Pradeep Vasant Narkhede (CFO)	Salaries	Till the end of service on monthly basis	As may be decided by board and as per HR policy of the company.	Arm's length basis and in the ordinary course of business	Not required as the transaction was entered in the ordinary course of business & arm's length basis. Still the Company has taken approval in the Audit Committee meeting & Board meeting held on 11/05/2023	NIL	Not required
11	K R Tanuj Reddy (CS)							

**For and on behalf of the Board
Aartech Solonics Limited**

**Sd/-
Amit Anil Raje
Managing Director
(DIN: 00282385)**

**Sd/-
Arati Nath
Director
(DIN: 08741034)**

**Place: Bhopal
Dated: 05/09/2024**

ANNEXURE C

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the Companies (Appointment and remuneration of managerial personnel) Rule, 2014]

To,
The Members,
AARTECH SOLOINICS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AARTECH SOLOINICS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our Opinion thereon. Based on our verification of the AARTECH SOLOINICS LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **AARTECH SOLOINICS LIMITED** for the financial year ended on 31st March, 2024, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

6. Other Laws applicable to the Company;

- i. Factories Act, 1948 and Rules made there under
- ii. Payment of Bonus Act 1965, & Rules, 1965
- iii. Maternity Benefit Act 1961 & Rules
- iv. Employees Compensation Act, 1923 & Rules.
- v. Minimum Wages Act, 1948, Minimum Wages Act Central Rules 1950
- vi. Child Labour (P&R) Act 1986 & Rules.
- vii. Payment of Wages Act 1936
- viii. Employees State Insurance Act 1948
- ix. Employees PF & Miscellaneous Provisions Act 1952
- x. Contract Labour (Regulation & Abolition) Act 1970
- xi. Indian Contract Act, 1872
- xii. Payment of Gratuity Act, 1972
- xiii. Industrial Employment (Standing Orders) Act, 1946
- xiv. Equal Remuneration Act, 1976
- xv. Workmen's Compensation Act, 1923
- xvi. Apprentices Act 1961
- xvii. The Competition Act, 2002
- xviii. Consumer Protection Act, 2019
- xix. Transfer of Property Act 1882
- xx. Indian Stamp Act, 1899
- xxi. Registration Act, 1908
- xxii. Specific Relief Act, 1963
- xxiii. Negotiable Instruments Act, 1881
- xxiv. Trade Marks Act, 1999

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (j) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

For APVN & ASSOCIATES**Sd/-****CS AVADHESH PARASHAR****FCS No. 11543, C.P. No.: 9067****Date: 29/08/2024****Place: Bhopal****UDIN: F011543F001071899****Peer Review Cert. No.4202/2023**

To,
The Members,
AARTECH SOLOINICS LIMITED
E-2/57, ARERA COLONY BHOPAL MP 462016

Our Secretarial Audit Report of even date, for the financial year ended on 31st March, 2024 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper system to ensure compliance with the provision of all applicable laws and regulation and to ensure that the system are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affair of the company.
6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

For APVN & ASSOCIATES

Sd/-
CS AVADHESH PARASHAR
FCS NO. 11543, C.P. No.: 9067

Date: 29/08/2024

Place: Bhopal

UDIN: F011543F001071899

Peer Review Cert. No.4202/2023

ANNEXURE D
DETAILS OF REMUNERATION

{Details pertaining to remuneration as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24, are as under:

TABLE I

S. No.	Name of Directors/KMP	Designation	Remuneration of Directors/KMP for the Financial Year 2023-24 (in ₹)	% increase in Remuneration in the Financial Year 2023-24	Ratio of Remuneration of each Director to median remuneration
A	B	C	D	E	F
1.	Mr. Amit Anil Raje	Chairman & Managing Director	32,87,000	24.55	14.05
2.	Mrs. Arati Nath	Director & CEO	31,07,000	24.97	13.28
3.	Mr. Anil Anant Raje	Non-executive Director	45,000	Nil	Nil
4.	Mr. Prashant Dattatray Lowlekar	Independent Director	75,000	Nil	Nil
5.	Mr. Kshitij Negi	Independent Director	30,000	Nil	Nil
6.	Ms. Supriya Sunil Chitre	Independent Director	60,000	Nil	Nil
7.	Mr. Pradeep Vasant Narkhede	Chief Financial Officer	14,47,000	41.86	Nil
8.	Mr. K R Tanuj Reddy	Company Secretary	8,38,000	16.39	Nil

* Independent Directors and Non-Executive – Non-Independent Directors are paid only sitting fees. Hence, their ratio to Median Remuneration has been shown as NIL.

A. The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year:

The median remuneration of employees of the Company during the Financial Year was ₹ 2,33,897 per annum and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the column F of Table I given above.

B. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Details provided in the column E of table I given above.

C. The percentage increase in the median remuneration of Employees in the financial year 2023-24:

The median remuneration of employees of the Company during the Financial Year 2023-24 was ₹ 2,33,897 per annum as compare to previous year where the median remuneration of employee was ₹2,14,503.50 per annum.

Hence there is a increase by 9.04% in the median remuneration of employees as compared to previous financial year 2022-23.

D. The number of permanent Employees on the rolls of the Company as on March 31, 2024:

The number of permanent Employees on the rolls of the Company as on March 31, 2024 is 73.

E. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel, and other Employees.

**For and on behalf of the Board
Aartech Solonics Limited**

**Place: Bhopal
Dated: 05/09/2024**

**Sd/-
Amit Anil Raje
Managing Director
(DIN: 00282385)**

**Sd/-
Arati Nath
Director
(DIN: 08741034)**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Our Company was originally incorporated as “Aartech Solonics Private Limited” on August, 24th, 1982 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gwalior, Madhya Pradesh. Later on, the company got converted into public limited company and the name of the company was changed to – “Aartech Solonics Limited” and fresh certificate of incorporation dated April 23rd, 1992 was issued by the Registrar of the companies, Gwalior, Madhya Pradesh.

Aartech Solonics Limited is a system solution-oriented R&D enterprise in the field of specialized and selected energy appliances. The company is involved in the manufacturing of electricity distribution & control apparatus [electrical apparatus for switching or protecting electrical circuits (e.g. switches, fuses, voltage limiters, surge suppressors, junction boxes etc.) for a voltage exceeding 1000 volts; similar apparatus (including relays, sockets etc.) for a voltage not exceeding 1000 volts; boards, panels, consoles, cabinets and other bases equipped with two or more of the above apparatus for electricity control or distribution of electricity including power capacitors

Our history of being in the Energy sector goes back to 1982, and as a Limited company, it was registered in the year 1992. Since then, we have been providing technical expertise to all our customers in expanding energy market across the globe. The company is known for its rich credentials in the highly specialized field of fast bus transfer systems for medium voltage installations in power plant & process industries. Aartech BTS – 2000 Microprocessor based fast bus transfer system, sets the highest international benchmarks for providing critical process continuity solutions to the industry.

We aim to be a multi-product, multi-technologist company which provides a platform for technologists to step on and contribute effectively to technology development without having to inordinately deal with business setup issues. Also, to be an efficiently structured, IT enabled, delegated and organized outfit. To be optimally resourced for growth, and to use resources optimally for growth. To maintain an ethical corporate environment both within and without. To be a responsible corporate citizen and follow universally accepted ideals.

"Revised Vision & Mission Statement of Aartech Solonics Limited 2019"

VISION:

To be a leading Financially stable & strong group of enterprising companies operating in the field of either selected or specialized or Innovative Engineered products or services or solutions in a wide arena comprising of Technology based Multi Domain Business Activities.

MISSION:

To develop and run profitably a strong & resilient, multilevel, multi locational, multi structured, multi-cultural, multinational, Aartech promoted & Aartech inspired, group of companies, carrying Aartech values to achieve & excel the Aartech Vision.

The first leg of the Vision & Mission Statement will have a period of 6 years starting 1st April 2019 finishing at 31st March 2025 and shall comprise of following major Goal Posts.

1. Net Turnover of Group companies: Excess of Rs. 100 Cr.
2. Net profits of Group companies: Excess of 20 Cr growing @ an average rate of 15-25% year on year.
3. Aartech becomes an established Small / Medium level script on the Main stock exchanges in India and attempts to list at least on one of the exchanges abroad.
4. The listed average script price quotes around a multiple of 10 times the initial listed price of Rs. 34 per share.
5. Aartech establishes on its own or in partnership at least one manufacturing set up and at least two or more sales and services setups abroad.
6. Establishes a sound Board of Directors including Independent Directors, with at least 3 -5 eminent personalities from different facets of society comprising of Industry, Startups, Incubation, Social Innovation, Cultural, Finance, Economics, Advertising, Arts, Armed Forces, Judiciary etc.
7. Establish a practise of at least one Employee representation on a rotational basis based on the Best Employee of the year as selected by a committee consisting of a Director, CEO, CFO, COO & a Departmental head selected by the M.D. The committee shall be headed by an Independent Director of the company.

Tenure of the Vision & Mission Statement:

The tenure of this Vision & Mission statement shall remain unchanged till 31st March 2025, except for minor modifications additions etc.

**For and on behalf of the Board
Aartech Solonics Limited**

**Place: Bhopal
Dated: 05/09/2024**

**Sd/-
Amit Anil Raje
Managing Director
(DIN: 00282385)**

**Sd/-
Arati Nath
Director
(DIN: 08741034)**

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation-27 and Para-C of Schedule-V; report contains the details regarding Corporate Governance System and Mechanism of the AARTECH SOLOINICS LIMITED.

1. COMPANY'S DOCTRINE AND PHILOSOPHY ON CORPORATE GOVERNANCE;

The Company's Doctrine on Corporate Governance is based on Transparency, Accountability, Adaptability and Ethical corporate citizenship. The Company remains committed to uplift, develop, and add to the value of its stakeholders and believes that Stakeholders i.e. shareholders, suppliers, customers, employees, and society are the core and key part of the company and they contribute for development of the Company directly or indirectly. Corporate Governance contains a set of principles, process, and systems to be followed by directors, Management, and all Employees of the Company for increasing the shareholders' value, keeping in view the interest of other stakeholders. While adhering to the above, the Company is committed to integrity, transparency, accountability, and compliance with laws in all its dealings with shareholders, employees, the Government, customers, suppliers, and other stakeholders.

The Company has established and developed such policy and taken such action so, that it becomes good and standard model of Corporate Governance. In this behalf company follows each and every Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and other applicable Laws with its letter and spirit.

Appropriate Governance Structure with defined Roles and Responsibilities

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Board has established Three (3) Committees to discharge its responsibilities in an effective manner. Aartech's Company Secretary and Compliance Officer acts as the Secretary to all the Committees of the Board. The Chairman and Managing Director and Whole-time Executive Director of the Company provide overall direction and guidance to the Board.

Post migration of share of the company from BSE SME platform to Main Board of BSE Limited and National Stock Exchange of India Limited effective from 10th July, 2023, Regulation 27 of SEBI (LODR), 2015 has been applicable on the Company. In accordance with the requirement of Regulation 27(2) of SEBI (LODR) Regulations, 2015, the Company submits to the stock exchanges a quarterly compliance report on Corporate Governance within the specified timeline as prescribed in the said regulations. The said report is either signed by the Compliance Officer or the Chief Executive Officer of the Company.

Board Leadership

It is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. The Company has defined guidelines and an established framework for the meetings of the Board and Committees. These guidelines seek to systematize the decision-making process at the meeting of the Board and Committees in an informed and efficient manner. The Board critically evaluates the Company's strategic direction management policies and its effectiveness.

Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth

Ethics/Governance Policies

We strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence, and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies which are also available on the Company's website at www.aartechsolonics.com are as under:

- Code of Conduct for Board of Directors and Senior Management Personnel;
- Code of Conduct for Prohibition of Insider Trading under SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Policy on Terms and Condition of appointment of Independent Directors
- Vigil Mechanism/Whistle Blower Policy;
- Policy on dealing with Related Party Transactions;
- Policy on determining Material Subsidiaries
- Policy on Dividend Distribution
- Nomination and Remuneration Policy for Directors, KMP and other employees;
- Policy for determination of materiality of events or information for disclosure;
- Policy for preservation of documents and archival of documents;
- Policy for Directors' Familiarization Programme;
- Criteria of making payments to Non-Executive Directors;

Audits, Internal checks, and Balances

M/s BANCERS & Co. LLP, Chartered Accountants, Bhopal (ICAI Firm Registration No. C400331) are the Statutory Auditors of the Company. Due to casual vacancy of Internal Auditor's office during the financial year, the Company has appointed M/s Simran Khanuja & Co., Chartered Accountants, Bhopal (ICAI Firm Registration No. 035454C) to act as an Internal Auditor of the Company that reviews internal controls, operating systems and procedures. The Board and various committees of the Board ensures that the Company conducts its businesses with high standards of legal, statutory, and regulatory compliances.

Best Corporate Governance Practices

The Company maintains the highest standards of Corporate Governance. It is the Company's constant endeavor to adopt the best Corporate Governance Practices. For best Corporate Governance, the Company has constituted Board Committees for the matters related to Audit, Stakeholder's interface, and Nomination of Board members. The Company's internal audit is also conducted by Independent Practicing Chartered Accountant Firm. The Company also undergoes Secretarial Audit conducted by an Independent Practicing Company Secretary firm which is in whole-time practice at Bhopal. The Secretarial Audit Report for the financial year 2023-24 was placed before the Board, is included as “**Annexure – C**” which forms a part of annexures of the Board’s Report.

Shareholders Communications

The Board recognizes the importance of two-way communication by giving a balanced report of results & progress and responding to questions & issues raised by shareholders in a timely and consistent manner. Company corporate website (www.aartechsolonics.com) contains adequate information for its Shareholders.

Shareholders seeking information related to their shareholding may contact the Company directly or through Company's Registrar and Transfer Agent (Bigshare Services Private Limited), details of which are available on the Company's website. The Company ensures that complaints and suggestions of its shareholders are responded in a timely manner.

Role of the Company Secretary in overall Governance Process

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors for effective decision making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide assistance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

2. BOARD OF DIRECTORS (“BOARD”);

A quality Board, being at the core of its Corporate Governance Practice, plays the most pivotal role in overseeing how the management serves and protects the long-term interests of all stakeholders. Aartech firmly believes that an active, well informed, and independent Board is necessary to ensure the highest standards of Corporate Governance to bring objectivity and transparency in the Management.

Your Company has an optimum mix of Directors which is constituted in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes Executive, Non-Executive, and Independent Directors to ensure proper governance and management.

A. Board Composition and Category of Directors;

- 1) The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulations, 2015, as amended thereof from time to time, read with Section 149 of the Companies Act, 2013. Your Company has an optimum combination of Directors on its Board and is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2024. The Board comprises of 6 (Six) Directors out of which 3 (Three) are Non-Executive Independent Directors, 1 (One) is Non-Executive Non-Independent Director and remaining 2 (Two) are Executive Directors.

Composition of the Board (including categories) of directors as on March 31, 2024:

Sr. No	Name of Director	DIN	Designation	Category
1	Mr. Amit Anil Raje	00282385	Chairman & Managing Director	Promoter cum Executive director
2	Mr. Anil Anant Raje	01658167	Non-Executive Director	Promoter cum Non-Executive Director
3	Mrs. Arati Nath	08741034	CEO & Director	Executive Director (Promoter Group)
4	Mr. Prashant Dattatray Lowlekar	08041377	Director	Non-executive Independent Director
5	Mr. Kshitij Negi	09046425	Director	Non-executive Independent Director
6	Ms. Supriya Sunil Chitre	09237218	Director	Non-executive Independent Director

- 2) None of the directors has received any loans and advances from the Company during the year
- 3) None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or act as a chairperson of more than five committees across all the public companies in which they are director. All necessary disclosures regarding position in committees of other Public Companies as on March 31, 2024 have been made by the Directors.
- 4) None of the Directors including Independent Director on the Board hold directorships in more than seven listed entities.
- 5) None of the Directors hold any convertible instruments in the Company.
- 6) The names and categories of the Directors on the Board and the number of Directorships and Committees, Chairmanships/ Memberships held by them in other Public Companies as on March 31, 2024 are given herein below. Directorship in other Companies does not include Foreign Companies. Chairmanships/Memberships of Board Committees shall only include Audit Committee and Stakeholder's Relationship Committee.

Name of Director(s)	Category	No. of Directorship in other Companies (other	No. of Committee positions held in the other Companies	Name of Indian Listed entities where
---------------------	----------	---	--	--------------------------------------

		than Aartech Solonics Limited)		(other than Aartech Solonics Limited)		the Director is a director and category of directorship (other than Aartech Solonics Limited)
		Public Limited Companies	Private Companies	Member	Chairman	
Mr. Amit Anil Raje	Promoter cum Executive director	Nil	2	Nil	Nil	Nil
Mr. Anil Anant Raje	Promoter cum Non-Executive Director	Nil	2	Nil	Nil	Nil
Mrs. Arati Nath	Executive Director (Promoter Group)	Nil	4	Nil	Nil	Nil
Mr. Prashant Dattatray Lowlekar	Non-executive Independent Director	Nil	Nil	Nil	Nil	Nil
Mr. Kshitij Negi	Non-executive Independent Director	Nil	Nil	Nil	Nil	Nil
Ms. Supriya Sunil Chitre	Non-executive Independent Director	Nil	Nil	Nil	Nil	Nil

B. Relationship between Directors Inter-se;

Directors are related to each other within the meaning of the term “relative” as per Section 2(77) of the Companies Act, 2013 in following manner.

Sr. no.	Name of Director	Designation	Relation with Directors
1	Mr. Amit Anil Raje	Chairman & Managing Director	Son of Mr. Anil Anant Raje and Brother of Mrs. Arati Nath
2	Mr. Anil Anant Raje	Non-Executive Director	Father of Mr. Amit Anil Raje and Mrs. Arati Nath
3	Mrs. Arati Nath	Director & CEO	Daughter of Mr. Anil Anant Raje and Sister of Mr. Amit Anil Raje
4	Mr. Prashant Dattatray Lowlekar	Independent Director	Not related to any Director
5	Mr. Kshitij Negi	Independent Director	Not related to any Director
6	Ms. Supriya Sunil Chitre	Independent Director	Not related to any Director

C. Training to Board Members - Familiarization Programme:

The Board is equipped to perform its role through inputs from various sources from time to time. Directors are fully briefed on all matters concerning the business and operation of the Company, risk assessment and minimization procedures and new initiatives proposed by the Company. The Board members regularly interact with the management in order to obtain any information that they may require. The company has adopted the Familiarization Programme which is placed on the website of the company at www.aartechsolonics.com.

D. Core skill, Expertise and Competencies required of Board:

Aartech Solonics Limited has qualified Directors having Required Skill, Competence, Expertise and Experience which is required to discharge their duties properly;

Currently, Directors of Board take part pro- actively in each and every matter of the Company and submit their valuable inputs before the board every time. The Company has a mix of Directors in the board who are experts in different fields and area;

In the opinion of the Board and Nomination and Remuneration Committee, the following is a list of core skills/ expertise/ competencies required in the context of the company’s business and which are available with the board.

Sr. No.	Core Skill	Description
1.	Technical Knowledge	Highly technical efficiency required to deal and resolve various technical issues arises in these types of Industries frequently;
2.	Industry Knowledge and Experience;	Knowledge of industry, sector and changes in industry specific policy required.
3.	Knowledge of Company	Company’s business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities).
4.	Professional Skill	Various Professional Skill and Knowledge Required like Finance, Banking, and Technical, Legal, Corporate Social Responsibility, Accounting, Strategic Development, Human Resource Management, and allied fields.
5.	Marketing Skill	Marketing is very important now day and especially Marketing in Positive way is very important.
6.	Behavioral Competencies	Behavioral Competencies attributes and skills to use their knowledge and experience to function well as team members and to interact with key stakeholders
7.	Personal values	Personal characteristics matching the Company’s values, such as integrity, accountability, and high-performance standards.
8.	Strategy and Planning	Appreciation of long-term trends, strategic choices, and experience in guiding and leading management teams to make decisions in uncertain environments

Skills/expertise/competencies	Mr. Amit Anil Raje	Mr. Anil Anant Raje	Mrs. Arati Nath	Mr. Prashant Dattatray Lowlekar	Mr. Kshitij Negi	Ms. Supriya Sunil Chitre
Technical Knowledge	✓	✓	✓	✓	✓	✓
Industry Knowledge and Experience;	✓	✓	✓		✓	

Knowledge of Company	✓	✓	✓	✓	✓	✓
Professional Skill	✓	✓	✓	✓	✓	✓
Marketing Skill	✓	✓	✓	✓	✓	
Behavioural Competencies	✓	✓	✓	✓	✓	✓
Personal values	✓	✓	✓	✓	✓	✓
Strategy and Planning	✓	✓	✓			

E. Confirmation by Board

In terms of Section 149 of the Companies Act, 2013 (“The Act”) and rules made there under, as on March 31, 2024 the Company has three Non-Promoter Independent Directors namely Mr. Prashant Dattatray Lowlekar (DIN: 08041377), Mr. Kshitij Negi (DIN: 09046425) and Ms. Supriya Sunil Chitre (DIN:- 09237218)) in line with the act. In the opinion of the Board of Directors, all the Independent Directors of the Company meet all the criteria mandated by Section 149 of the Companies Act, 2013 and rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are Independent of Management.

F. Certification from Company Secretary in Practice

M/s APVN & Associates, Practicing Company Secretaries, have issued a certificate as required under the SEBI (LODR) Regulations, 2015, confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority. This certificate is enclosed as part of this Annual Report.

G. Declaration by Independent Director:

The Company has received a declaration from the Independent Directors of the Company under Section 149(7) of Companies Act, 2013 confirming that they meet criteria of Independence as per relevant provisions of Companies Act, 2013 for financial year 2023- 24. The Board of Directors of the Company has taken on record the said declarations and confirmation as submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, they fulfil the conditions for re-appointment and/or continue to hold the position of Independent Director and are independent of the Management.

H. Resignation of Independent Director:

During the period under review, no independent Director has tendered his/her resignation.

I. Separate meeting of Independent Directors for evaluating the performance:

Pursuant to the provisions of the Companies Act, 2013 and rules made there under, a separate meeting of the Independent Directors of the Company was held on December 12, 2023 to review the performance of non-independent directors (including the Chairman) and the Board as a whole. The Independent directors also reviewed the quality, content, and timeliness of the flow of information between the Management and the Board and its committees which is necessary to effectively and reasonably perform and discharge their duties.

The terms and conditions of appointment of Independent Directors and Code for Independent Director are hosted on the website of the Company at www.aartechsolonics.com.

J. Evaluation of Board's performance:

During the year under review, the Board of Directors has adopted a mechanism for evaluating its performance as well as that of its committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, attendance at the meetings, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

Further, Nomination and Remuneration Committee has also carried out the performance evaluation of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings. In addition, the Chairman was also evaluated on the key aspects of his role.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors was satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

K. Code of Conduct:

Pursuant to provisions of the Companies Act, 2013 and applicable regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formed a Code of Conduct which is extended over Directors and Key Managerial Personnel of the Company.

The Company believes in conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules, and regulations in letter as well as spirit. The "Code of Conduct" is available on the Company's website www.aartechsolonics.com.

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and management personnel in their business dealings and in particular on the matters relating to integrity in the work place, in business practices and complying with applicable laws etc. All the directors and management personnel have submitted declaration confirming compliance with the code.

L. Code of Conduct for Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. During the year under reviewed, the company has formulated and adopted set of policy on 'Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015". The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. All the Board of Directors and designated employees have confirmed compliance with the Code.

The “Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015” is available on the Company’s website www.aartechsolonics.com.

M. Board Meetings

The Board meets at regular intervals to discuss and decide on various business decisions, strategies, policies and review the performance of the Company and its subsidiaries. The Board has also constituted Committees to deal with specific areas and activities which concern the Company and require a closer review. The Board periodically reviews the compliance reports pertaining to all laws applicable to the Company, prepared by the Company as well as steps taken by Company to rectify instances of non-compliances, if any.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board.

N. Number of Board Meetings during the Financial Year 2023-24, Attendance of the Directors at Board Meetings and Annual General Meeting

During the financial year 2023-24, the Board met **Ten (10)** times; on 11/05/2023, 21/06/2023, 14/08/2023, 06/09/2023, 25/10/2023, 09/11/2023, 11/12/2023, 15/01/2024, 12/02/2024 and 19/03/2024.

The gap between two meetings did not exceed 120 days in accordance with the Companies Act, 2013, and SEBI (LODR) Regulations, 2015. Pursuant to the SEBI (LODR) Regulations, 2015, and the Companies Act, 2013, the necessary quorum was present for all the meetings.

The details of number of Board meetings held during the financial year 2023-24 and attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM) is given herein below:

Name of the Director as on end of the year	Designation	Attendance of Board Meetings during FY 2023-24		No of Director ship in other Companies as on 31.03.2024	No. of Membership(s) / Chairmanship (s) of Board Committees in other company as on 31.03.2024		Attendance in last AGM Held on 30.09.2023
		Total Board Meetings	Meetings Attended		Member	Chairperson	
Mr. Amit Anil Raje	Chairman & Managing Director	10	10	4	Nil	Nil	Yes
Mr. Anil Anant Raje	Non-Executive Director	10	10	3	Nil	Nil	Yes

Mrs. Arati Nath	CEO & Director	10	10	5	Nil	Nil	Yes
Mr. Prashant Dattatray Lowlekar	Independent Director	10	10	1	Nil	Nil	Yes
Mr. Kshitij Negi	Independent Director	10	9	1	Nil	Nil	No
Ms. Supriya Sunil Chitre	Independent Director	10	8	1	Nil	Nil	Yes

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the SEBI (LODR) Regulations, 2015, to the Board and its Committees to the extent it is applicable and relevant. Such information is submitted either as part of the detailed agenda with its supporting papers in advance of the respective meetings or by way of presentations and discussions during the meetings.

O. Recording Minutes of Proceedings of the Board and Committee Meetings

The Company Secretary records the minutes of proceedings of each Board and Committee meetings. As per the applicable Secretarial Standards, the draft minutes are circulated to Board/ Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

P. Compliance

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, and applicable Secretarial Standards-issued by the Institute of Company Secretaries of India.

Q. Brief change in Board of Directors and KMP

During the period under review there was no change in the Board of Directors and KMPs in the Company except the following.

- a) Mr. Anil Anant Raje (DIN: 01658167), who has already attained the age of 75 years, to continue as Non-Executive Director on the Board of the Company, who is liable to retire by rotation, on the existing terms and conditions w.e.f. Special resolution passed through postal ballot on 19th June, 2023.
- b) Ms. Supriya Sunil Chitre (DIN: 09237218), who was earlier appointed as an Additional Director (Non-executive, Independent) of the company on meeting of the Board of Directors held of 23rd March, 2023, confirmed and Non-executive Independent Director of the Company, not liable to retire by rotation and to hold office for a first term of five consecutive years [from 23rd March,2023 upto 22nd March,2028 (both Inclusive)], w.e.f Special resolution passed through postal ballot on 19th June, 2023.
- c) Mr. Pradeep Vasant Narkhede, who had been appointed as Chief Financial Officer ('CFO') of the Company on the meeting of Board of Directors held on 11th May, 2023, confirmed as CFO of the Company for a period of

5 (Five) years [from May 12th,2023 to May 11th, 2028 (both days inclusive)] w.e.f. Special resolution passed through postal ballot on 19th June, 2023 and also designated as whole-time Key Managerial Personnel of the Company.

R. Number of Equity Shares held by Executive and Non -Executive Directors as on March 31, 2024 are given below

Sr. No	Name of Director	DIN	No. of shares held as on 31st March, 2024	Percentage of shareholding (%)
1	Mr. Amit Anil Raje	00282385	15,63,600	14.76
2	Mr. Anil Anant Raje	01658167	23,38,000	22.08
3	Mrs. Arati Nath	08741034	1,37,235	1.30
4	Mr. Prashant Dattatray Lowlekar	08041377	No shares held	Nil
5	Mr. Kshitij Negi	09046425	No shares held	Nil
6	Ms. Supriya Sunil Chitre	09237218	No shares held	Nil

***Event occurred after the end of Financial Year but before the date of Annual General Meeting.**

After the end of Financial Year, the company has declared certain corporate action which have affected the shareholding of above-mentioned directors. Corporate actions happened before the date of AGM are as follows:

- d) Increase in the Authorised Share Capital of the Company from Rs. 15 Crores (Rupees Fifteen Crores Only) to Rs. 25 Crores (Rupees Twenty-Five Crore Only)
- e) Sub-division/ split of existing equity shares of the Company from 1 (One) equity share having face value of Rs. 10/- each, fully paid-up into 2 (Two) equity shares having face value of Rs. 5/- each fully paid-up; and
- f) Issue of Bonus Equity Shares of the Company in the ratio of 1:2 [i.e. 1 (One) fully paid-up equity share for every 2 (Two) equity shares] having face value of Rs. 5/- each.

Consent of shareholders has been obtained through postal ballot dated 26th July, 2024 and the same was approved with requisite majority.

Revised share-holding of the above-mentioned directors after effect of corporate actions are as follows:

Sr. No	Name of Director	No. of shares held as on 31st March, 2024	No. of shares held as on date of AGM
1	Mr. Amit Anil Raje	15,63,600	46,90,800
2	Mr. Anil Anant Raje	23,38,000	70,14,000
3	Mrs. Arati Nath	1,37,235	4,11,705

4	Mr. Prashant Dattatray Lowlekar	No shares held	No shares held
5	Mr. Kshitij Negi	No shares held	No shares held
6	Ms. Supriya Sunil Chitre	No shares held	No shares held

3. COMMITTEES OF BOARD;

There are Three Committees constituted as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, which are as follow;

- a) Audit Committee;
- b) Stakeholder's Relationship Committee;
- c) Nomination and Remuneration Committee;

A. AUDIT COMMITTEE;

The Board had constituted qualified Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013 as well as Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee confirms to extant SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in all respects concerning its constitution, meetings, functioning, role and powers, mandatory review of required information, approved related party transaction & accounting treatment for major items. It also fulfils the requirements as set out in the Companies Act, 2013.

During the year, the Committee carried out its functions as per the powers and roles given under Regulation 18 read with Part C of Schedule II of SEBI LODR Regulations, 2015 and the Companies Act, 2013. The terms of reference of Audit Committee have been revised as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

Role of Committee and review of information by the Audit Committee;

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.

- c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - 7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - 8) Approval or any subsequent modification of transactions of the Company with related parties;
 - 9) Scrutiny of inter-corporate loans and investments;
 - 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
 - 11) Evaluation of internal financial controls and risk management systems;
 - 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - 14) Discussion with internal auditors of any significant findings and follow up there on;
 - 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
-

- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- 19) Approval of appointment of CFO (i.e., the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;
- 20) Reviewing the Management letters/ letters of Internal Control weaknesses issued by Statutory Auditor;
- 21) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- 22) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of the provision and
- 23) The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

The Audit Committee shall mandatorily review the following information:

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) Internal audit reports relating to internal control weaknesses; and
- 5) The appointment, removal, and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 6) Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of in terms of the Securities and Exchange Board of India (LODR) Regulations, 2015; and

- b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Composition of Audit Committee

The Audit Committee comprises of Three Directors, out of which, 2 are Non-Executive Independent Directors and 1 is Non-independent Executive Director. All these Directors possess knowledge by corporate finance, accounts, and company law.

The constitution of the Audit Committee as on 31st March 2024 is as follows:

Sr. no.	Name of the Members as on the end of the year	DIN	Designation	Executive/Non-Executive Independent/ Non-Independent
1.	Prashant Dattatray Lowlekar	08041377	Chairman	Non-Executive Independent Director
2.	Kshitij Negi	09046425	Member	Non-Executive Independent Director
3.	Amit Anil Raje	00282385	Member	Executive Non-Independent Director

**After the closure of financial year 2023-24, Ms. Supriya Sunil Chitre (DIN: 09237218), non-executive Independent Director was introduced as a member of the Committee in the Board meeting held on 30th May, 2024, resulting in reconstitution of Audit Committee of the company with effect from 30th May, 2024.*

Meetings and Attendance

During the financial year ended March 31, 2024, **9 (Nine)** Audit Committee Meetings were held on 11.05.2023, 21.06.2023, 14.08.2023, 06.09.2023, 25.10.2023, 09.11.2023, 15.01.2024, 12.02.2024 and 19.03.2024.

The attendance at the Audit Committee Meetings is as under:

Sr. No.	Name of Directors/ Members	Categories	No. of Meetings attended
1.	Prashant Dattatray Lowlekar	Chairman	9
2.	Kshitij Negi	Member	8
3.	Amit Anil Raje	Member	9

The Chairman of the Committee was present at the previous Annual General Meeting of the Company held on 30th September, 2023 to attend to the shareholders' queries.

Details of Establishment of Vigil Mechanism for Directors and Employees

The Company has formulated the Vigil Mechanism and Whistle Blower Policy. The policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All permanent employees of the Company are covered under the Vigil Mechanism Policy.

A mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the

victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases.

Further, no whistle blower complaint has been received during the financial year 2023-24. The Policy is available on the website of the Company www.aartechsolonics.com

B. STAKEHOLDERS RELATIONSHIP COMMITTEE;

Pursuant to provisions of the Companies Act, 2013 and rules made there under and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015; the Company had constituted Shareholders Relationship Committee and had decided the role of said Committee.

Terms of Reference:

- 1) To allot equity shares of the Company,
- 2) Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- 3) Redressal of shareholder's and investor's complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc;
- 4) Issue of duplicate / split / consolidated share certificates;
- 5) Allotment and listing of shares;
- 6) Review of cases for refusal of transfer / transmission of shares and debentures;
- 7) Reference to statutory and regulatory authorities regarding investor grievances;
- 8) And to otherwise ensure proper and timely attendance and Redressal of investor queries and grievances.
- 9) Review of measures taken for effective exercise of voting rights by the shareholder.
- 10) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 11) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / Annual Reports / statutory notices by the shareholders of the company.

The chairperson of Stakeholder Relationship Committee is required be present at the AGM to answer the queries of the entire securities holder.

Composition of Stakeholder Relationship Committee

The Stakeholder Relationship Committee comprises of Three Directors, out of which 1 is non-executive Independent Director, 1 is Non-independent Executive Director and other 1 is Non-Independent Non-executive Director.

The constitution of the Stakeholder Relationship Committee as on 31st March 2024 is as follows:

Sr. no.	Name of the Members as on the end of the year	DIN	Designation	Executive/Non-Executive Independent/ Non-Independent
1.	Prashant Dattatray Lowlekar	08041377	Chairman	Non-Executive Independent Director
2.	Kshitij Negi	09046425	Member	Non-Executive Independent Director
3.	Amit Anil Raje	00282385	Member	Executive Non-Independent Director

**After the closure of financial year 2023-24, Ms. Supriya Sunil Chitre (DIN: 09237218), non-executive Independent Director was introduced as a member of the Committee in the Board meeting held on 30th May, 2024, resulting in reconstitution of Stakeholder Relationship Committee of the company with effect from 30th May, 2024.*

Meetings and Attendance

During the financial year ended March 31, 2024, **7 (Seven)** Stakeholder Relationship Committee Meetings were held on 11/05/2023, 21/06/2023, 14/08/2023, 06/09/2023, 09/11/2023, 11/12/2023 and 12/02/2024.

The attendance at the Stakeholder Relationship Committee Meetings is as under:

Sr. No.	Name of Directors/ Members	Categories	No. of Meetings attended
1.	Kshitij Negi	Chairman	7
2.	Amit Anil Raje	Member	7
3.	Anil Anant Raje	Member	6

Details of Investor's requests/complaints Report for the period April 01, 2023 to March 31, 2024:

The details of complaints received /solved/pending during the year 2023-24 are as under:

Sr. No.	Particulars	Complaints
1.	No. of Shareholders' Complaints received during the year	Nil
2.	No. of Complaints not solved to the satisfaction of shareholder	Nil
3.	No. of pending complaints	Nil

The members may contact the Company Secretary of the Company for their queries, if any, at the contact details provided hereinbelow:

Compliance Officer:

Name	K R Tanuj Reddy
Address	E-2/57, "Ashirvad" Arera Colony, Bhopal (M.P.) 4562016
Tele. No.	+917389924734
Fax No.	-
E-mail ID	compliance@aartechsolonics.com

C. NOMINATION AND REMUNERATION COMMITTEE;

The nomination and remuneration policy is being formulated in compliance with Section 178 of the Companies Act, 2013 and rules made there under and Regulations 19 of SEBI (Listing Obligation and Disclosure Requirements) regulations 2015. The terms reference of Nomination and Remuneration committee has been revised as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which was applicable from April 1, 2019 briefed hereunder;

Terms of reference:

- 1) To formulate criteria for determining qualifications, positive attributes, and independence of a director.
- 2) Recommend to board directors a policy relating to, the remuneration of directors, key managerial personnel, and other employees;
- 3) Evaluation of the balance of skills, knowledge, and experience on the Board for every appointment of an independent director and based on such evaluation, to prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified.
- 4) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- 5) To carry out evaluation of Director’s performance.
- 6) To recommend to the Board the appointment and removal of Directors and Senior Management.
- 7) To devise a policy on Board diversity, composition, size.
- 8) Succession planning for replacing Key Executives and overseeing.
- 9) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment, or modification, as may be applicable.
- 10) To perform such other functions as may be necessary or appropriate for the performance of its duties.

- 11) Whether to extend or continue the terms of appointment of the independent director, based on the report of performance evaluation of independent directors;
- 12) To recommend to the board, all remuneration, in whatever form, payable to senior management.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-Tax Act, 1961;

“Key Managerial Personnel” means:

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Pursuant to Listing Regulations following personnel are senior management of the Company of the Company as on 31st March, 2024:

Name	Designation
Mr. Amit Anil Raje	Chairman & Managing Director
Mrs. Arati Nath	Chief Executive Officer
Mr. Pradeep Vasant Narkhede	Chief Financial Officer
CS K R Tanuj Reddy	Company Secretary & Compliance Officer

Composition of Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises of Three Directors, out of which, 2 are Non-Executive Independent Directors and 1 is Non-independent Non-executive Director.

The constitution of the Nomination & Remuneration Committee as on 31st March 2024 is as follows:

Sr. no.	Name of the Members as on the end of the year	DIN	Designation	Executive/Non-Executive Independent/ Non-Independent
1	Kshitij Negi	09046425	Chairman	Non-Executive Independent Director
2	Prashant Dattatray Lowlekar	08041377	Member	Non-Executive Independent Director
3	Anil Anant Raje	01658167	Member	Non-Executive Non-Independent Director

**After the closure of financial year 2023-24, Ms. Supriya Sunil Chitre (DIN: 09237218), non-executive Independent Director was introduced as a member of the Committee in the Board meeting held on 30th May, 2024, resulting in reconstitution of Nomination & Remuneration Committee of the company with effect from 30th May, 2024.*

Meetings and Attendance

During the financial year ended March 31, 2024, 8 **(Eight)** Nomination & Remuneration Committee Meetings were held on 11/05/2023, 21/06/2023, 14/08/2023, 06/09/2023, 25/10/2023, 09/11/2023, 11/12/2023 and 15/01/2024.

The attendance at the Nomination & Remuneration Committee Meetings is as under:

Sr. No.	Name of Directors/ Members	Categories	No. of Meetings attended
1.	Kshitij Negi	Chairman	7
2.	Prashant Dattatray Lowlekar	Member	8
3.	Anil Anant Raje	Member	8

Performance Evaluation:

Criteria on which the performance of the Independent Directors shall be evaluated are placed on the website of the Company viz www.aartechsolonics.com

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

D. RISK MANAGEMENT COMMITTEE;

Provisions w.r.t. Risk Management is not applicable to the Company.

E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Provisions w.r.t. Corporate Social Responsibility is not applicable to the Company.

4. REMUNERATION OF DIRECTORS;

a) Pecuniary relationship or transactions of the non-executive directors vis-a-vis the Company

The Company has no pecuniary relationship or transaction with its Non-Executive Directors and Independent Directors other than payment of sitting fees paid to the Non-Executive Directors and Independent Directors for attending Board and Committee meetings as approved by the Board for their invaluable services given to the Company. The sitting fees paid to Non-Executive Directors and Independent Directors are within the limits prescribed under the Companies Act.

The details of sitting fees paid to the Non-Executive Director and Independent Directors during the Financial Year 2023-24 are given below:

Sr No.	Name of Director	Designation	Sitting Fees
1	Anil Anant Raje*	Non-Executive Director	45,000
2	Prashant Dattatray Lowlekar	Non-executive Independent Director	75,000
3	Kshitij Negi	Non-executive Independent Director	30,000
4	Supriya Sunil Chitre	Non-executive Independent Director	60,000

*During the year, the Company has paid Rs. 17.50 Lakhs to Mr. Anil Anant Raje (Promoter) of the company for his technical services in the normal course of business.

b) Criteria of making payments to Non-Executive Directors

Criteria for making payment to non-executive directors are provided under the Nomination and Remuneration Policy of the Company which is hosted on the website of the Company viz. www.aartechsolonics.com

c) Disclosure with respect to remuneration paid to the Executive Directors of the Company during the Financial Year 2023-24:

During the year under review, the Company has paid remuneration to Executive Directors and KMP's of the Company, details of which are as under;

Sr No.	Name of Director	Designation	Remuneration Paid (In Lakhs)
1	Amit Anil Raje	Chairman & Managing Director	32.87
2	Arati Nath	CEO & Director	31.07
3	Pradeep Vasant Narkhede	Chief Financial Officer	14.47
4	CS K R Tanuj Reddy	Company Secretary	8.38

The remuneration of the Directors is decided by the Nomination and Remuneration Committee based on the performance of the Company in accordance with the Nomination and Remuneration Policy within the limit approved by the Board or Members.

d) The Company has not granted any stock option to any of its Directors.

5. GENERAL SHAREHOLDER'S MEETING;

A. Annual General Meeting

All Annual General Meetings of the Company have been held within the stipulated time mentioned in the Companies Act, 2013 and the detail of last three years Annual General Meetings held is as under:

Sr. no.	Financial Year	Date	Mode and location of the meeting	Time	Special Resolution(s) Passed
1	2022-23	30/09/2023	Video Conferencing / Other Audio Visual Means (VC)	12:00 Noon	2
2	2021-22	09/09/2022	Physical: At Registered office of the Company	04:00 P.M.	2

3	2020-21	29/09/2021	Physical: At Registered office of the Company	04:00 P.M.	3
---	---------	------------	---	------------	---

a) Special Resolutions passed in previous three Annual General Meetings:

Date of Annual General Meeting	Particulars of Special Resolutions passed
30.09.2023	<ul style="list-style-type: none"> To authorize the board of directors of the Company to enhance the limit for creation of mortgage/charge on all or any of the movable or immovable properties of the company up to the limit of ₹ 40 crores. To Authorize board of directors of the Company to borrow money in excess of the paid-up capital and free reserves of the company upto the limit of ₹ 40 crores.
09.09.2022	<ul style="list-style-type: none"> Fixation of remuneration of Mr. Amit Anil Raje, Managing Director of the Company Fixation of remuneration of Mrs. Arati Nath, CEO & Director of the Company
29.09.2021	<ul style="list-style-type: none"> Re-Appointment of Mr. Prashant Dattatray Lowlekar (DIN: 08041377) as an Independent Director of the Company for another term of 5 (Five) years Increase the Authorized Share Capital of the Company and amend the Capital clause in the Memorandum of Association Increase in paid-up share capital of the company by issuance of Bonus Shares

B. Details of Extra Ordinary General Meeting/ Postal Ballot held during the year under review;

During the year under review, no Extra Ordinary General Meetings were held by the Company.

a) Details of Postal Ballot are as under:

Date of Meeting	Details of postal ballot
19.06.2023	<ul style="list-style-type: none"> Continuation of directorship of Mr. Anil Anant Raje (DIN: 01658167), as Non-executive Director of the Company. Appointment of Ms. Supriya Sunil Chitre (DIN: 09237218), as Non-executive, Independent Director of the Company Re-appointment of Mr. Pradeep Vasant Narkhede as the Chief Financial Officer (CFO) of the Company for a period of 5 (Five) years.

b) Proceeding of Postal Ballot are as under:

Summary of the Result of Postal Ballot/ E-voting as per Scrutinizer's Report prepared and signed by M/s APVN & Associates dated June 20, 2023:

Sr. No.	Resolutions	No. of Votes Polled	No. of Votes in Favour	% of Votes in Favour	No. of Votes Against	% of Votes Against	No. of Invalid Votes
1	Continuation of directorship of Mr. Anil Anant Raje (DIN:	5578833	5578833	100%	0	0.00%	0

	01658167), as Non-executive Director of the Company.						
2	Appointment of Ms. Supriya Sunil Chitre (DIN: 09237218), as Non-executive, Independent Director of the Company.	5578833	5578833	100%	0	0.00%	0
3	Re-appointment of Mr. Pradeep Vasant Narkhede as the Chief Financial Officer (CFO) of the Company for a period of 5 (Five) years.	5578833	5578833	100%	0	0.00%	0

6. MEANS OF COMMUNICATION;

a) Financial Results;

The quarterly, half-yearly and annual results were published in widely circulating national and local daily News Paper such as “The Pioneer” in English and “Dainik Bhawani Darpan” in Hindi language.

b) Website;

The Company's website www.aartechsolonics.com contains a separate dedicated section namely “Investors Relations” where shareholders information is available. The Annual Report of the Company is also available on the website of the Company www.aartechsolonics.com in downloadable form.

c) Investor Meet/ Presentation and Press Release;

During the financial year under review, there has been no investor meet/ presentation and press release in the company.

d) Email communications

As permitted under Section 20 and 136 of the Act read with Companies (Accounts) Rules, 2014, during the year under review, the Company sent various communications, such as notice calling the general meeting, audited financial statements including Board’s Report etc. in electronic form at the email IDs provided by the Members and made available by them to the Company through the depository participants/Registrar & Transfer Agent/Depository.

e) Exclusive Email Id for Investors

The Company has compliance@artechsolonics.com as the designated email ID exclusively for Investors / Members servicing.

7. GENERAL SHAREHOLDERS INFORMATIONS

A. Information on Annual General Meeting for the Financial Year 2023-24:

Matter of AGM	Time Lines	Day	Time
AGM Date	September 30, 2024	Monday	11:00 A.M
Venue	Meeting be conducted through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”)	-	-
Financial year	April 01, 2023 – March 31, 2024	-	-
Date of Book closure for Dividend purpose	September 24, 2024 – September 30, 2024	-	-
Close of business hour for dividend	September 23, 2024	Monday	-
Payment of Dividend to the shareholders	Between September 30, 2024 to October 29, 2024	-	-
E-voting period commence on	September 27, 2024	Friday	-
E-voting period end on	September 29, 2024	Sunday	-
Cut-off/ Record date	September 23, 2024	Monday	-
Benpos date for sending Notice of AGM	August 30, 2024	Friday	-
Date of dispatch of notice	September 05, 2024	Thursday	-

B. Dividend

The Board of Directors at their Meeting held on September 05, 2024, has recommended dividend at the rate 5% [i.e., Re. 0.25/- per Equity Share of Rs. 5/- each] on the equity shares of the Company for the financial year 2023-24, subject to the approval of shareholders at the ensuing Annual General Meeting and subject to the TDS as may be applicable. The dividend will be paid to those members whose names appear in the Company's register of members and to those persons whose names appear as beneficial owners as per the details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as on the date of book closure dates /cut off date i.e. Monday, September 23, 2024 and shall be paid within the period of 30 days from the date of declaration at the Annual General Meeting.

C. Dividend history

Financial Year of Declaration of Dividend	Date of Declaration of Dividend	Amount declared per equity share* (In Rs.)	Amount of Unpaid/ unclaimed Dividend
2019-20	24/09/2020	0.50 paise	2,0785.50
2020-21	29/09/2021	0.50 paise	7,214.00
2021-22	09/09/2022	0.50 paise	5,999.00

2022-23	30/09/2023	0.50 paise	1,70,674.00
---------	------------	------------	-------------

* Paid-up value of Rs. 10/- per share

D. Due dates for Transfer of Unclaimed/Unpaid Dividends to IEPF

Pursuant to Section 124(5) & (6) of the Companies Act, 2013, except as mentioned below, the Company do not have any unclaimed or unpaid dividends as well as resulting shares there on for a period exceeding 7 years, liable to be transferred to the Investors Education and Protection Fund:

Financial year ended	Declaration Date	Due Date
2019-20	24 th September, 2020	23 rd September, 2027
2020-21	29 th September, 2021	28 th September, 2028
2021-22	09 th September, 2022	08 th September, 2029
2022-23	30 th September, 2023	29 th September, 2030

E. Listing on Stock Exchanges and Stock Code/Symbol

Name of Stock Exchanges	BSE Limited	National Stock Exchange of India Limited (* listed w.e.f 10/07/2023)
Address	P.J. Towers, Dalal Street, Fort, Mumbai – 400 001	Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
Equity Share/ Debenture	Equity Shares	
Scrip Code	542580	AARTECH
ISIN	INE01C001026 w.e.f. 09/08/2024	INE01C001026 w.e.f. 09/08/2024

F. Annual listing fees for the Financial Year 2023-24

The Company has paid the annual Listing fees for the financial year 2023-24 to BSE Limited and National Stock Exchange of India Limited.

G. During the year under review, there has been no securities suspended from trading, hence no report and explanation required from Directors.

H. Market Price Data

Monthly Market price data of the Company for Financial Year 2023-24 are as below:

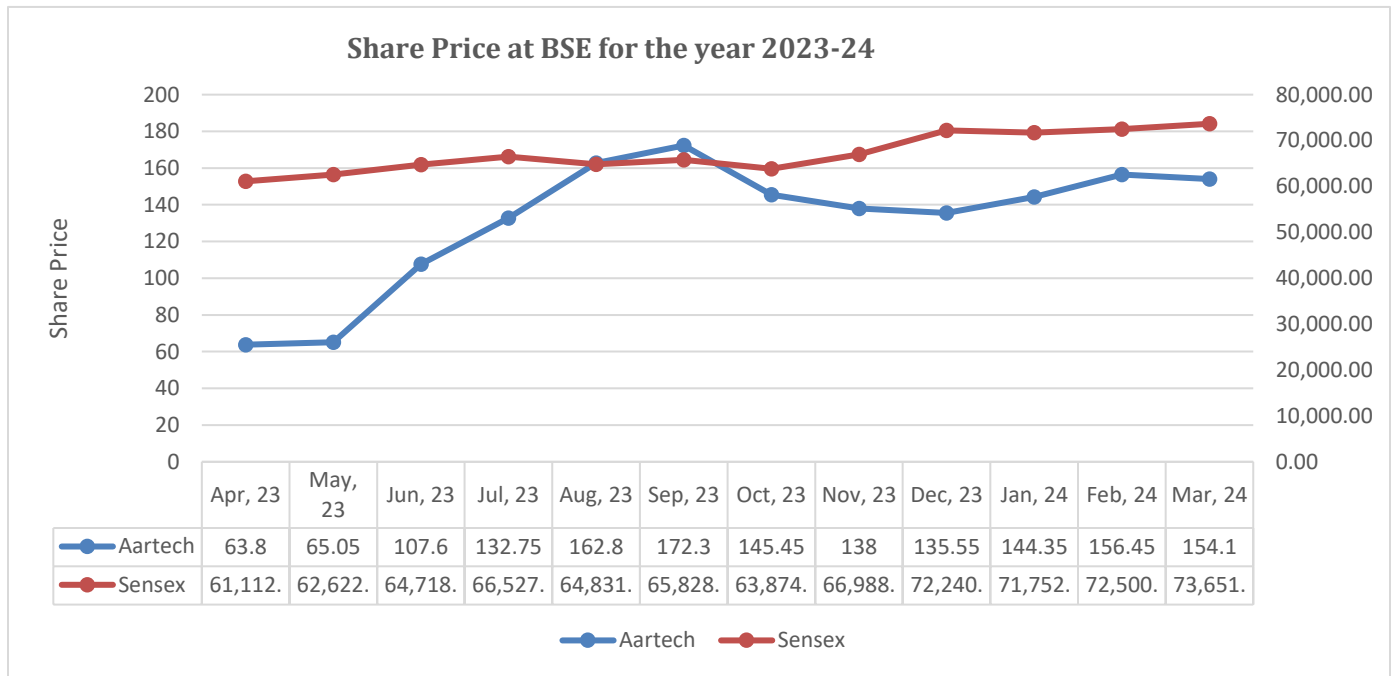
Month	BSE				NSE			
	High	Low	Monthly Volume	SENSEX	High	Low	Monthly Volume	NIFTY
	(in Rs.)	(in Rs.)	(in Nos.)	Closing Price (Rs.)	(in Rs.)	(in Rs.)	(in Nos.)	Closing Price (Rs.)
April, 2023	64.10	57.69	40,000	61,112.44	-	-	-	18,065.00
May, 2023	75.70	64.28	3,66,000	62,622.24	-	-	-	18,534.40
June, 2023	115.00	65.00	15,86,000	64,718.56	-	-	-	19,189.05

July, 2023	140.05	95.70	13,47,906	66,527.67	139.90	95.05	2168000	19,753.80
August, 2023	164.10	111.20	3,96,282	64,831.41	164.00	110.25	1929000	19,253.80
September, 2023	185.90	151.05	1,16,741	65,828.41	189.50	150.00	969000	19,638.30
October, 2023	179.50	136.45	76,385	63,874.93	174.10	136.55	746000	19,079.60
November, 2023	163.80	138.00	31,990	66,988.44	164.80	136.50	157000	20,133.15
December, 2023	155.00	125.95	1,17,904	72,240.26	151.90	127.25	425000	21,731.40
January, 2024	153.70	134.00	88,426	71,752.11	154.00	134.30	580000	21,725.70
February, 2024	190.85	130.30	5,60,600	72,500.30	191.10	131.80	2837000	21,982.80
March, 2024	174.75	145.05	1,70,646	73,651.35	175.95	145.00	935000	22,326.90

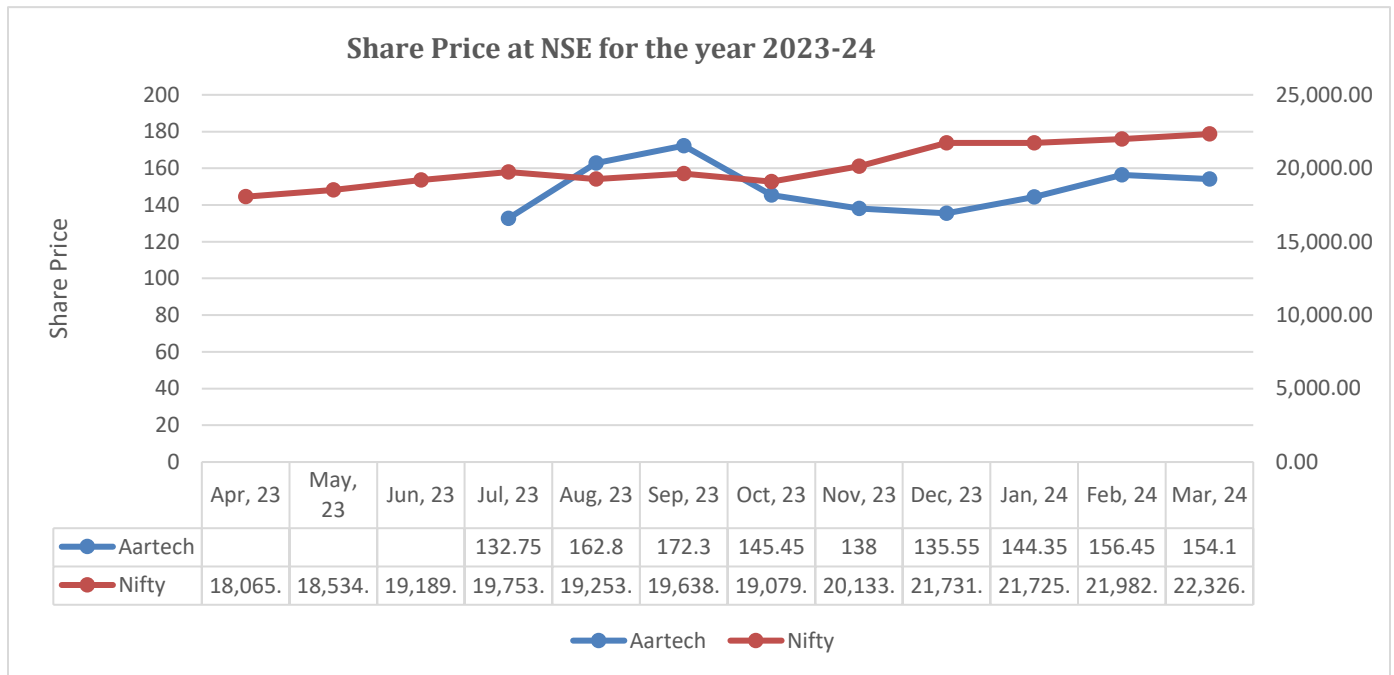
* The shares of the Company migrated from BSE SME platform to Main Board of BSE and directly listed on NSE w.e.f 10th July, 2023. Hence the data for NSE platform is available from July, 2023 onwards till March, 2024

I. Performance of Company's Shares

a) Performance of Company's shares at BSE



b) Performance of Company's shares at NSE



* The share price mentioned in both the charts hereinabove are based on closing price.

J. Share transfer system;

During the financial year 2023-24, the transfer of shares in physical form has not been processed by Registrar & Transfer Agent. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository Participants.

The Company has obtained the certificate from a Practicing Company Secretary confirming the compliance of Regulation 40(9) of the SEBI (LODR) Regulations, 2015 and submitted to the stock exchanges.

The Company has also submitted to the stock exchanges duly signed by both the Compliance officer of the Company and the Authorized Representative of the Registrar and Transfer Agent (RTA) in accordance with Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Share transactions are simpler and faster in electronic form. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by uploading the account. There is no need for a separate communication to the company to register the transfer.

All communication regarding share certificates, change of address, dividend etc. should be addressed to R & T agent i.e. Bigshare Services Private Limited.

Pursuant to the amendment in Regulation 40 of SEBI (LODR) Regulations, 2015, vide Gazette notification dated June 8, 2018, the SEBI, effective from April 1, 2019, barred physical transfer of shares of listed companies and

mandated transfer only through demat. However, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Further, Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

Nomination

Individual shareholders holdings are singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder. Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent

Electronic Clearing Service (ECS)

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the Bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the member's bank account through ECS wherever complete core banking details are available with the Company. In case, where the core banking details are not available, dividend warrants/demand drafts will be issued to the members with bank details printed there on as available in the Company's records. This ensures that the dividend warrants/demand drafts, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants/ demand drafts and ensures safety for the investors and the Company complies with the SEBI requirement relating to Electronic Clearing Services.

K. Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report there on is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

L. Registrar and Share Transfer Agent:

Name	Bigshare Services Private Limited
Address	Office No S6-2 6th Floor Pinnacle Business Park, Mahakali Caves Rd next to Ahura Centre Andheri East Mumbai- 400093
Email	info@bigshareonline.com

Note:- Shareholder can lodge their complaints, Request and Suggestions to Registrar and Share Transfer Agent at above mentioned address.

M. Distribution of Shareholding as on March 31, 2024

Shareholding of Nominal (in Rs.)	Number of Shareholders	% of Total Shareholders	Share Amount (in Rs.)	% of Total Share Capital held
1 to 5000	4325	91.488	3561760	3.36
50001 to 10000	176	3.66	1390120	1.31
10001 to 20000	90	1.87	1383360	1.31
20001 to 30000	26	0.54	660140	0.62
30001 to 40000	25	0.52	886340	0.84
40001-50000	8	0.17	376810	0.35
50001- 100000	40	0.83	2738580	2.59
100001- *****	44	0.92	94904140	89.62
Total	4734	100	105901250	100

N. Categories of Shareholding as on March 31, 2024

	Category of Shareholders	Nos. Of shareholders	Total nos. shares held	Shareholding %	Number of equity shares held in dematerialized
Promoter & Promoter Group	Individuals/Hindu undivided Family	3	5301599	50.06	5301599
	Any Other	2	277234	2.62	277234
Public	Alternate Investment Funds	1	147169	1.39	147169
	Foreign Portfolio Investors Category I	2	1152	0.01	1152
	Key Managerial Personnel	1	10680	0.1	10680
	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	4555	1129623	10.67	1111586
	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	21	2914625	27.52	2914625
	Non Resident Indians (NRIs)	51	11429	1.05	11249
	Bodies Corporate	15	478583	4.52	478583
	Any Other	83	218211	2.06	205843
Total		4734	10590125	100%	10459720 (98.77%)

O. Outstanding GDRS / ADRS / Warrants / any Other Convertible Instruments

The Company has not issued any outstanding GDRs / ADRs /Warrants / Any other Convertible Instruments as on March 31, 2024.

P. Commodity Price Risk and Commodity Hedging Activities

The Company is not dealing in commodities and commodity hedging activities.

Q. Plant Locations

The Company has two manufacturing plant, the addresses of which are as follows.

- a) **Mandideep manufacturing unit:** 5-A/36 Sector-B, Industrial Area, Mandideep, District Raisen - 462046, Madhya Pradesh (M.P.) India
- b) **Parwanoo manufacturing unit:** Khasra No. 290- 291- 292- 297- 300- 3 01- 901/ 287/ 2-288/ 2- 903/ 202/ 2, Near Him Cold Storage, Sector-01, Parwanoo, Distt. Solan, Himachal Pradesh (H.P.) 173220, India

R. Address for Correspondence

Company	Registrar and Transfer Agent
Aartech Solonics Limited E-2/57 Ashirwad, Arera Colony Bhopal, Madhya Pradesh 462016 Email-ID:- compliance@aartechsolonics.com Contact no. 7389924734	Bigshare Services Private Limited Office No S6-2 6th Floor Pinnacle Business Park, Mahakali Caves Rd next to Ahura Centre Andheri East Mumbai- 400093 info@bigshareonline.com

S. Service of documents through physical mode

As a part of Green Initiatives, the company is sending all the relevant documents and information to the shareholders through our RTA via electronic mode. However, the members who wish to receive the notices/documents in physical mode, may kindly submit their requests at the Company's e-mail id i.e. compliance@aartechsolonics.com.

8. OTHER RELEVANT INFORMATIONS
A. Details of Non-Compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during last three Financial Years

The Company has complied with all the requirements of the Stock Exchanges, SEBI and Statutory Authorities related to the capital markets and there has been no instance of noncompliance and that no penalties, strictures were imposed on the Company by Stock Exchanges or SEBI during the last 3 (three) financial years

B. Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has formulated Vigil Mechanism Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud, or violation of Company's code of

conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

The Vigil Mechanism Policy is displayed on the Company’s website www.aartechsolonics.com

C. During the Financial Year 2023-24, the Board has accepted all the Recommendations of its Committees.

D. Details of total fees paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiaries to the statutory auditor are as follows:

Name of Statutory Auditor	Entity Name	Type of Service	Amount (Rs. in Lakhs)	
BANCRS & Co. LLP (FRN: C400331)	Aartech Solonics Limited (The Company)	Statutory Audit Fee (including Tax Audit Fees)	1.50	
		Limited Review and other services including certification	1.00	
		Reimbursement of expenses -	Nil	
		Sub-Total	2.50	
	AIC- Aartech Solonics Private Limited (Wholly owned Subsidiary of the company)	Statutory Audit Fee (including Tax Audit Fees)	0.20	
		Limited Review and other services including certification	NA	
		Reimbursement of expenses -	Nil	
		Sub-Total	0.20	
	Faradigm Ultracapacitors Private Limited (Wholly owned Subsidiary of the company)	Statutory Audit Fee (including Tax Audit Fees)	0.20	
		Limited Review and other services including certification	NA	
		Reimbursement of expenses -	Nil	
		Sub-Total	0.20	
		Grand Total	2.90	

E. Details of the Credit Rating Movement during the year: Not Applicable

F. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to provide a work environment that ensures everyone is treated with dignity and respect. The Company is also committed to promote equality at work and an environment that is conducive to the professional growth for all employees and encourages equal opportunity. Your Company does not tolerate

any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment including sexual harassment. The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. All employees (permanent, contractual, temporary, trainees) are covered under this policy. **Details are as follows:**

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

G. Prevention of Insider Trading

The company has formulated code of conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015 and the same is accessible on the website of the company at www.aartechsolonics.com

H. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

During the year under review, the Company does not have any shares in the demat suspense account/unclaimed suspense account.

However, after the closure of financial year and upto the date of this report, the Company has allotted Bonus shares to the Shareholders on 12th August, 2024. The share of Physical shareholders has been credited to unclaimed suspense account by the depositories. Details of which are as follows:

Type of Account	Type of Issue	No. of Records	No. of Shares Credited
Unclaimed Suspense Account	Bonus Issue Date of credit: 21/08/2024)	37	28605
Total		37	28605

I. Subsidiary Companies

The Company has two wholly-owned subsidiary, which are as follows:

- a) Paradigm Ultracapacitors Private Limited
- b) AIC- Aartech Solonics Private Limited.

J. Loans and advances to the companies in which directors of the company are interested.

During the year, the Company has duly complied the provisions of Section 186 of the Companies Act, 2013 and rules made there under upon extending loan, guarantee, or making any investments during the year ended 31st March, 2024. Upon recommendation of the Audit Committee and approval of Board of directors in their meeting held on 06th September, 2023, the company has granted Unsecured loan, aggregating to Rs. 496.63 Lakhs to its wholly owned subsidiaries at the interest rate of 8 % per annum. Necessary disclosures have been included in AOC-2 of this Annual Report.

K. Annual Secretarial Compliance Report

Pursuant to Regulation 24A read with SEBI Circular CIR/ CFD/CMD1/27/2019 dated February 8, 2019, M/s APVN & Associates, Practicing Company Secretaries, carried out the Secretarial audit for the FY 2023-24 for all applicable compliances as per SEBI Regulations and Circulars / Guidelines issued thereunder. There are no observations or qualifications under the said Report.

L. Report on Corporate Governance

This section, read together with the information given in the Board's Report, constitute the compliance report on Corporate Governance during the FY 2023- 24. The Company, in compliance with the provisions of Regulation 27(2) of the Listing Regulations submits the quarterly compliance report to the Stock Exchanges as required thereunder and uploads the same on its website

9. CEO AND CFO CERTIFICATION

The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have issued a certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs, which has been reviewed by the Audit Committee and taken on record by the Board. This certificate is enclosed with this section as **Annexure - F** of this Annual Report.

10. DECLARATION BY CEO

A declaration by CEO stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management is enclosed as **Annexure G** of this Annual Report.

11. COMPLIANCE CERTIFICATE

A compliance certificate from practicing company secretary regarding compliance of conditions of corporate governance is enclosed as **Annexure H** of this Annual Report.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To
The Members
AARTECH SOLOINICS LIMITED**

We have examined the relevant disclosures provided the by the Directors (as mentioned in below table) to AARTECH SOLOINICS LIMITED (CIN: L3200MP1982PLC002030) having its Registered Office at E-2/57, “Ashirvad”, Arera Colony, Bhopal, 462016 (M.P.) (“hereinafter referred to as the **“Company”**) for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including verification of Director Identification Number status at the portal (www.mca.gov.in) and the relevant disclosures provided the by the Directors (as mentioned in below table) to the Company, we hereby certify that none of the Directors on the Board of the Company as stated below as on March 31,2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs (MCA) or any such other statutory authority.

S No	Name of Directors	Director Identification Number (DIN)	Date of Appointment in the Company
1	Amit Anil Raje	00282385	01/04/2007
2	Arati Nath	08741034	12/05/2020
3	Anil Anant Raje	01658167	24/08/1982
4	Prashant Dattatray Lowlekar	08041377	27/02/2018
5	Kshitij Negi	09046425	08/02/2021
6	Supriya Sunil Chitre	09237218	23/03/2023

*The date of appointment is as per the MCA Portal.

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For APVN & ASSOCIATES
Company Secretaries**

**Date: 29/08/2024
Place: Bhopal
UDIN: F011543F001072900
Peer Review Cert. No. 4202/2023**

**Sd/-
CS Avadhesh Parashar
FCS No. 11543
C.P. No.: 9067**

ANNEXURE F**CEO/CFO CERTIFICATION TO THE BOARD**

[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

**To,
The Board of Directors
AARTECH SOLOINICS LIMITED**

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of the Company, to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief, we state that:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
- Significant changes, if any, in internal control over financial reporting during the year.
 - Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of
Aartech Solonics Limited

Sd/-
Arati Nath
Director & CEO
DIN: 08741034

Sd/-
Pradeep Vasant Narkhede
CFO

Place: Bhopal
Date: September 05, 2024

ANNEXURE G**COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

As provided under Regulation 26(3) of the SEBI (LODR) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed the compliances to the Code of conduct of Board of Directors and Senior Management for the year ended March 31, 2024.

For Aartech Solonics Limited

Arati Nath
Chief Executive Officer

Place: Bhopal
Dated: 05/09/2024
Registered Office:
E-2/57, Ashirvad, Arera Colony, Bhopal, 462016, Madhya Pradesh

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements
under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)
Regulations 2015, as amended to the Members of Aartech Solonics Limited

To

The Members

AARTECH SOLOINICS LIMITED

We have examined the compliance of conditions of Corporate Governance by Aartech Solonics Limited ("the Company"), for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of the conditions of Corporate Governance is a responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended on March 31, 2024.

We further state that compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For APVN & ASSOCIATES
Company Secretaries

Date: 29/08/2024

Place: Bhopal

UDIN: F011543F001072801

Peer Review Cert. No. 4202/2023

Sd/-

CS Avadhesh Parashar

FCS No. 11543

C.P. No.: 9067

INDEPENDENT AUDITORS' REPORT

To the Members of Aartech Solonics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Aartech Solonics Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We do not have anything to report under Key Audit Matters for the Company relating to financial year ended March 31, 2024.

Emphasis of Matter

We would like to draw your attention towards Note No.03 relating to investment in Enerqual Technology Private Limited entity ("Associate"). We have noted that there has been an ongoing dispute between both the management of the companies due to which the company doesn't get any sufficient and appropriate information regarding the financial statements of Enerqual Technology Private Limited on a timely manner, due to which the investment in Associate is valued at cost and no impairment testing has been performed. Considering the probable impact of the same our opinion is not modified in respect to this matter.

Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board of Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements, 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 standalone financial statements.

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 standalone financial statements, 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 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 made by management.
- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. 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 financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements 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 Matter

The financial statements of the Company for the year ended March 31, 2023, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 11, 2023.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities

("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For B A N C R S & CO. LLP

Chartered Accountants

Firm's Registration No: **0C400331**

Sd/-

CA Anmol Chhabra

Partner

Membership Number: **434305**

UDIN: 24434305BKEQ0R3339

Place of Signature: Bhopal

Date: 30th May 2024

Annexure A to the Independent Auditors' Report (referred to in our report of even date to the members of Aartech Solonics Limited as at and for the year ended 31st March, 2024)

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - b) Property, plant and equipment were physically verified by the management during the year in accordance with a planned program of verifying all of them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment or Intangible assets or both during the year.
 - e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- II.
- a) The inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.
- III.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security to companies, firms, limited liability partnership or any other parties during the year. The company has not made any investments in or provided any guarantees to firms, LLP's or other parties and has not granted any loans and any advances in nature of loans to companies, firms or LLP's. The Company has granted loans to other parties in respect of which the requisite information is as below:
- a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans and provided guarantee on behalf of others as below:

(in Lakhs)

Particulars	Loans
Aggregate amount during the year	
Subsidiaries	496.63
Balance outstanding as at balance sheet date	
Subsidiaries	438.90

- b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of loans provided during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantees or security or granted any advances in the nature of loans during the year.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to same parties.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans without specifying any terms or period of repayment. The Company has granted loans which are repayable on demand and the details of those loans are mentioned below:

(in Lakhs)

Particulars	Loans
Aggregate amount during the year	
Subsidiaries	496.63
Balance outstanding as at balance sheet date	
Subsidiaries	438.90

- IV. In our opinion and according to the information and explanations given to us, there are no guarantees and securities granted in respect of which provisions of section 185 and 186 of the

Companies Act, 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of section 186 of the Act in respect of loans granted and investments made.

- V. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- VI. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- VII. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income tax, goods and service tax, tax deducted at source, tax collected at source and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities;
- According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, goods and service tax, tax deducted at source, tax collected at source and other material statutory dues were in arrears as at 31st March 2024 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanations given to us, there are no dues of GST, tax deducted at source, tax collected at source, Income Tax or other statutory dues which have not been deposited by the Company on account of disputes
- VIII. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- IX. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender; hence this clause is not applicable;
- b) The company has not declared willful defaulter by any bank or financial institution or other lender, hence this clause is not applicable;
- c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, reporting under this clause is not applicable.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company;

- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures; hence this clause is not applicable;
 - f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies; hence this clause is not applicable.
- X.
- a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- XI.
- a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
 - b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c) According to the information and explanations given to us, no whistle-blower complaints have been received during the year.
- XII.
- In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- XIII.
- According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- XIV.
- According to the information and explanations given to us and after considering the Internal auditor's report of the company, the company has an internal audit system commensurate with the size and nature of its business.
- XV.
- According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

- XVI. a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.
- b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable
- c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.
- XVII. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- XVIII. There has been a change of the statutory auditors during the year as the term of previous auditors have completed. we had communicated with the previous auditor and have taken into consideration views expressed by them.
- XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX. a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B A N C R S & CO. LLP

Chartered Accountants

Firm's Registration No: **0C400331****Sd/-**

CA Anmol Chhabra

Partner

Membership Number: **434305**

UDIN: 24434305BKEQ0R3339

Place of Signature: Bhopal

Date: 30th May 2024

Annexure B to the Independent Auditor's Report on the standalone financial statements of Aartech Solonics Limited for the year ended 31 March 2024**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act****Opinion**

We have audited the internal financial controls with reference to financial statements of Aartech Solonics Limited ("the Company") as on 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). Management's Responsibility for Internal Financial Controls

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B A N C R S & CO. LLP

Chartered Accountants

Firm's Registration No: **0C400331**

Sd/-

CA Anmol Chhabra

Partner

Membership Number: **434305**

UDIN: 24434305BKEQ0R3339

Place of Signature: Bhopal

Date: 30th May 2024

BALANCE SHEET AS AT 31st MARCH, 2024

(Amount in ₹ Lakhs)

Particulars	Notes	As at 31st March 2024	As at 31st March 2023 (Restated)	As at 31st March 2022 (Restated)
ASSETS				
Non-Current Assets				
(a) Property Plant & Equipment & Intangible Assets	2	337.98	306.25	296.40
(b) Capital work-in-progress				
(c) Right-of-use-assets	2	7.72	11.04	14.35
(d) Financial assets				
(i) Investments	3	545.77	929.33	529.81
(ii) Loans & Advances	4	438.90	-	612.35
(iii) Other Financial Assets	5	69.52	55.18	47.20
(e) Deferred Tax Assets (Net)	6	14.11	93.42	112.54
(f) Non-current Tax Assets (Net)				
Current Assets				
(a) Inventories	7	682.10	447.64	244.78
(b) Financial assets				
(i) Investments	8	873.16	511.28	812.49
(ii) Trade Receivables	9	943.26	1,059.68	650.74
(iii) Cash & Cash Equivalents	10	226.19	131.82	121.72
(iv) Other Financial Assets	11	2.75	98.61	65.25
(c) Other Current Assets	12	122.30	218.19	54.68
TOTAL ASSETS		4,263.46	3,862.44	3,562.31
EQUITY & LIABILITIES				
Equity				
(a) Equity Share Capital	13	1,059.01	1,059.01	1,059.01
(b) Other Equity	14	2,060.03	1,969.98	1,891.26
Non-current liabilities				
(a) Financial liabilities				
(i) Lease Liabilities	15	5.56	8.80	11.41
(b) Deferred Tax Liabilities (Net)				
(c) Provisions	16	24.28	25.49	19.73
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	410.94	265.89	65.18
(ii) Lease Liabilities	15	3.52	3.32	3.31
(iii) Trade Payables				
- Total outstanding dues of MSME	18	43.87	114.14	15.88
- Total outstanding dues of creditors other than MSME		512.31	349.10	401.37
(iv) Other Financial Liabilities	19	64.33	42.28	56.49
(b) Other current liabilities	20	54.76	23.53	20.05
(c) Current tax liabilities (Net)	21	25.14	0.91	18.62
TOTAL EQUITY & LIABILITIES		4,263.46	3,862.44	3,562.31

Significant accounting policies and notes to accounts are integral part of the Financial Statements.

Signed in terms of our report of even date

For **BANCERS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra
Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/-
Amit A. Raje
*Chairman &
Managing
Director*

Sd/-
Arati Nath
*Chief Executive
Officer*

Sd/-
Pradeep V. Narkhede
Chief Financial Officer

Sd/-
K.R. Tanuj Reddy
*Company
Secretary*

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note	(Amount in ₹ Lakhs)	
		For the year ended 31 st March 2024	For the year ended 31 st March 2023 (Restated)
INCOME			
Income from operations	22	3269.25	2,164.67
Other Income	23	327.24	229.33
TOTAL INCOME		3596.49	2394.00
EXPENDITURES			
Cost of materials consumed	24	2194.77	1466.25
Change in inventories of finished goods and work in process	25	-24.82	-139.88
Employee benefit expenses	26	415.86	370.01
Finance costs	27	56.19	27.96
Depreciation and amortization expenses	28	35.24	31.78
Other expenses	29	643.89	438.07
TOTAL EXPENSES		3321.14	2194.20
Profit/ (Loss) before exceptional items and tax		275.36	199.80
Exceptional Items		-	-
Profit before tax		275.36	199.80
Tax Expense			
Current Tax		117.29	60.74
Earlier Tax	30	5.76	-
Deferred Tax		8.01	0.95
Profit for the year		144.29	138.11
Other Comprehensive Income (items that will not be subsequently reclassified to profit or loss)			
Remeasurements of defined benefit obligations		-1.79	-8.92
Income tax relating to above mentioned item		0.50	2.48
Other comprehensive income for the year, net of Income tax		-1.29	-6.44
Total comprehensive profit/(loss) for the year, net of income tax		143.00	131.67
Earnings per equity share (Par value of Rs. 10 each)	31		
Basic (₹)		1.36	1.30
Diluted (₹)		1.36	1.30

Significant accounting policies and notes to accounts are integral part of the Financial Statements.

Signed in terms of our report of even date

For **BANCERS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra
Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/-
Amit A. Raje
*Chairman &
Managing
Director*

Sd/-
Arati Nath
*Chief Executive
Officer*

Sd/-
Pradeep V. Narkhede
Chief Financial Officer

Sd/-
K.R. Tanuj Reddy
*Company
Secretary*

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

Particulars	(Amount in ₹ Lakhs)	
	For the year ended 31 st March 2024	For the year ended 31 st March 2023 (Restated)
1. Cash Flows from Operating Activities		
<i>Net Profit and Loss A/c (as per profit and loss account)</i>	144.29	138.11
Adjustments for		
<i>Provision for tax made during the year</i>	123.05	60.74
<i>Deferred Tax</i>	8.01	0.95
<i>Depreciation for the year</i>	35.24	31.78
<i>Interest expenses on bank overdraft</i>	27.35	14.37
<i>Interest expenses on other loans</i>	3.10	4.00
<i>Interest on lease liabilities</i>	0.93	1.17
<i>Interest income on debentures</i>	-27.38	-37.90
<i>Interest income on bank deposits</i>	-10.05	-2.77
<i>Interest income others</i>	-10.31	-63.56
<i>Interest income on security deposits</i>	-0.06	-0.06
<i>Net gain/loss on sale of investments</i>	-149.13	-72.55
<i>Gain on investment measured on FVTPL</i>	-72.39	51.01
<i>Reversal of expected credit loss</i>	-	-15.88
<i>Grant Income</i>	-39.63	-31.47
<i>Loss on sale of property, plant & Equipment</i>	0.09	14.15
<i>Other non-operating income</i>	-12.01	-0.06
Operating Profit Before Working Capital Changes	21.10	92.04
Capital Changes		
<i>Decrease/(Increase) in Trade Receivable</i>	116.43	-393.06
<i>Decrease/(Increase) in Inventories</i>	-234.46	-202.86
<i>Decrease/(Increase) in Other Financial Assets</i>	95.86	-7.92
<i>Decrease/(Increase) in Other Current Assets</i>	95.88	-163.51
<i>Increase/(Decrease) in Provisions</i>	-1.21	-3.16
<i>Increase/(Decrease) in Trade Payables</i>	92.94	45.98
<i>Increase/(Decrease) in Other Financial Liabilities</i>	22.05	7.27
<i>Increase/(Decrease) in Other Current Liabilities</i>	29.29	3.48
<i>Income tax paid during the year</i>	-14.86	-57.74
Net cash generated from operational activity	223.02	-679.48
2. Cash Flows from Investing Activities		
<i>Interest Income</i>	47.81	70.87
<i>Grant Income</i>	39.63	10.00
<i>Non-Current Investment (Net)</i>	383.56	-399.52
<i>Proceeds from disposal of Property, plant & Equipment</i>	-	-

<i>Purchase of Property, plant & Equipment (Net)</i>	-63.73	-52.47
<i>Purchase and realization of marketable securities (Net)</i>	-361.87	322.74
<i>Net gain/loss on sale of Investment</i>	221.52	-
<i>Loan & advances</i>	-438.90	612.35
<i>Security deposit paid</i>	-14.34	-
Net cash generated from Investment activity	186.33	563.97
3. Cash Flows from Financing Activities		
<i>Proceeds from Short term borrowings (Net)</i>	145.06	200.71
<i>Dividend Paid</i>	-52.95	-52.95
<i>Interest Paid</i>	-31.38	-18.37
<i>Payment of lease Liabilities</i>	-3.24	-3.78
Net cash generated from Financing activity	57.48	125.61
4. Net Increase/ (Decrease) in Cash (1+2+3)	94.17	10.10
Cash and cash equivalents at the beginning of the year	131.82	121.72
5. Cash and cash equivalents at the end of the year	225.99	131.82

Signed in terms of our report of even date

For **BANCRS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra
Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/-
Amit A. Raje
Chairman &
Managing
Director

Sd/-
Arati Nath
Chief Executive
Officer

Sd/-
Pradeep V. Narkhede
Chief Financial Officer

Sd/-
K.R. Tanuj Reddy
Company Secretary

Statement of Change in Equity for the Year ended 31st March, 2024

(Amount in ₹ Lakhs)

Particulars	Notes	Equity Capital	Share Capital
A. Share Capital:			
As at 1st April, 2022		1,059.01	
Changes in equity share capital during the year	13	-	
As at 31st March, 2023		1,059.01	
Changes in equity share capital during the year		-	
As at 31st March, 2024	1,059.01	1,059.01	

(Amount in ₹ Lakhs)

Particulars	Notes	Retained Earnings	General Reserves	Capital Reserves	Securities Premium	Total
B. Other Equity:						
As at 1st April, 2022		730.39	616.15	35.52	509.20	1891.26
Profit for the year		138.11	-	-	-	138.11
Dividend paid on equity shares during the period		-52.95	-	-	-	-52.95
Other comprehensive income for the year (Net)	14	-6.44	-	-	-	-6.44
Changes during the period		-	-	-	-	-
As at 31st March, 2023		809.11	616.15	35.52	509.20	1969.98
Profit for the year		144.29	-	-	-	144.29
Dividend paid on equity shares during the period		-52.95	-	-	-	-52.95
Other comprehensive income for the year (Net)		-1.29	-	-	-	-1.29
Changes during the period		-	-	-	-	-
As at 31st March, 2024		899.16	616.15	35.52	509.20	2060.03

As per our report of even date

 For **BANCRS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra
Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/-
Amit A. Raje
Chairman &
Managing
Director

Sd/-
Arati Nath
Chief Executive
Officer

Sd/-
Pradeep V. Narkhede
Chief Financial Officer

Sd/-
K.R. Tanuj Reddy
Company
Secretary

Notes on Financial Statements for the Year ended 31st March, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (IND AS). The financial statements have been prepared to comply in all material respects with the Indian accounting standards notified under the Companies (Indian Accounting Standards) Rules, 2015, (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 adopted in the preparation of financial statements are consistent for all the periods presented. The financial statements are presented in INR which is the functional currency, and all values are rounded to the nearest lakh (₹ 1,00,000) except when otherwise indicated. The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 30, 2024.

1.2 CURRENT VERSUS NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle. Based on the nature of the business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.3 PROPERTY, PLANT & EQUIPMENT

property, plant, and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost includes taxes, duties, freight, and other incidental expenses related to the acquisition and installation of the respective assets. Subsequent expenditure related to an item of property, plant, and equipment is added to its book value only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance.

Depreciation on property, plant, and equipment is provided on a straight-line basis over the useful lives of assets estimated by the management, taking into account the nature of the asset on technical evaluation of the useful life which may not necessarily be in alignment with the indicative useful lives prescribed by Schedule II to the Companies Act 2013. The following useful lives are considered:

Asset Name:	Useful Life
Land	-
Building	30 Years
Plant & Machinery	15 Years
Electrification	10 Years
Office Equipment	5 Years
Computer & Accessories	3 Years
Testing Equipment	15 Years
Furniture & Fixtures	10 Years
Vehicles	8 Years
Tools	15 Years

If significant parts of property, plant, and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant, and equipment. Items of property, plant, and equipment that have been retired from active use and are held for disposal are stated at the lower of their carrying value and estimated net realizable value and are disclosed separately in the financial statements. Any gain or loss on disposal of an item of property, plant, and equipment is recognized in the Statement of Profit and Loss. Capital work-in-progress includes the cost of property, plant, and equipment that are not ready for intended use at the balance sheet date. Advances paid towards the acquisition of property, plant, and equipment outstanding at each balance sheet date are classified as capital advances under "Other Non-Current Assets".

1.4 INTANGIBLE ASSETS:

Intangible assets comprise software and technical know-how. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. These intangible assets are amortized on a straight-line basis based on the basis of their useful lives which, in management's estimate, represent the period during which economic benefits will be derived from their use. Currently the entity holds no intangible assets.

1.5 INVESTMENT PROPERTY:

Investments in land or buildings (including property under construction) which are held to earn rentals and/or for capital appreciation are classified as investment property. Investment properties are initially measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met, and directly attributable cost of bringing the investment property to its working condition for the intended use.

Depreciation on investment property is provided on a straight-line basis over the useful lives of assets estimated by the management. Such classes of investment properties and their estimated useful lives are as under:

Asset Name:	Useful Life
Land	Nil

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is recognized in the Statement of Profit and Loss.

1.6 REVENUE RECOGNITION:

Revenue is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is stated exclusive of Goods and Services Tax and net of trade and quantity discount.

Revenue from the sale of products is recognized on transfer of control of products to the customers, which is usually on dispatch or delivery of goods. When the outcome of a project contract can be estimated reliably, revenue from project contracts is recognized under the percentage-of-completion method based on the percentage of costs incurred to date compared to the total estimated contract costs. An expected loss on the project contract is recognized as an expense immediately. Contract revenue earned in excess of billing has been

reflected as -Contract assets" and billing in excess of contract revenue has been reflected under "Contract liabilities" in the balance sheet.

Revenue from services represents Service income other than from services which are incidental to the sale of products and projects. Revenue from services is recognized as per the terms of the contract with the customer using the proportionate completion method. Revenue from services rendered over a period of time is recognized on a straight-line basis over the period of the performance obligation.

1.7 INVENTORIES:

Inventories comprise all costs of purchase, conversion, and other costs incurred in bringing the inventories to their present location and condition. Raw materials, work-in-progress, finished goods, and traded goods are carried at the lower of cost and net realizable value. Cost is determined on the basis of First in First Out Method (FIFO). The net realizable value of work-in-progress and finished goods is determined with reference to the estimated selling price less estimated cost of completion and estimated costs necessary to make the sale of related finished goods. Raw materials held for the production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished product will exceed its net realizable value.

1.8 EMPLOYEES BENEFITS:

(a) Short-term Employee Benefits

All employee benefits that are payable within twelve months of rendering the service are classified as short-term employee benefits. These include salaries, wages, short-term compensated absences, and the expected cost of ex-gratia payments. Such benefits are recognized in the period during which the employee provides the related service.

(b) Post-employment and Other Long-term Benefits

Defined Contribution Plans: The Company's superannuation scheme and employee state insurance scheme are defined contribution plans. Contributions under these schemes are recognized as expenses in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans and Other Long-term Benefits: The Company's gratuity, pension, medical benefit, and retirement gift schemes are defined benefit plans. Other long-term benefits include leave wages, retention bonuses, silver jubilee, and star awards. The present value of the obligation under these defined benefit plans and other long-term benefits is determined through actuarial valuation using the Projected Unit Credit Method. This method recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. For funded plans, the fair value of the plan assets is subtracted from the gross obligation under the defined benefit plans to recognize the obligation on a net basis. Provident fund is considered a defined benefit plan since any additional obligations due to investment risk and interest rate risk must be met by the Company.

For defined benefit plans, remeasurements, which include actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset), and any changes in the effect of asset ceiling (where applicable), are recognized in Other Comprehensive Income (OCI) and reflected in retained earnings. These remeasurements are not reclassified to profit or loss. For other long-term benefits, all remeasurements, including actuarial gains or losses, are charged to the Statement of Profit and Loss.

The Company recognizes the following items in the net defined benefit obligation as expenses in the Statement of Profit and Loss:

- service cost, including current service cost, past service cost, and gains and losses on curtailments and settlements.
- Net interest expense or income.

Provision for leave wages, pension, medical benefits, retention bonuses, silver jubilee, and star awards expected to be utilized within the next 12 months is treated as short-term employee benefits, while those expected to be utilized beyond 12 months are treated as long-term employee benefits. For presentation purposes, the allocation between short-term and long-term provisions is determined by an actuary.

1.9 LEASES:

The Company's lease asset class consist of leases for Office building. The Company assesses whether a contract is (or contains) a lease at inception of a contract. A contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. to assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. The contract involves the use of an identified asset.
2. The Company has substantially all the economic benefits from the use of the asset through the period of the lease.
3. The Company has the right to direct the use of the asset.

Where the Company is the lessee:

At the date of commencement of the lease, the Company recognizes a Right-of-Use asset (ROU) and a corresponding lease Liability for all lease arrangements in which it is a lessee except for leases with a term of twelve months or less (short-term leases) and leases of low-value assets. For these short-term and low value asset leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

The Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or; if not readily determinable, using the incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, and payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease. The Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Where the Company is the lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset is classified as operating leases. Rental income from operating lease contracts is recognized on a straight-line basis over the lease term.

1.10 IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

1.11 FOREIGN CURRENCY TRANSACTIONS:

The Company is exposed to currency fluctuations on foreign currency transactions. Transactions in foreign currency are recorded at the exchange rate prevailing on the transaction date. Exchange differences on settled transactions are recognized in the Statement of Profit and Loss.

Translation: Monetary assets and liabilities in foreign currency at year-end are translated at the closing exchange rate, with resultant exchange differences recognized in the Statement of Profit and Loss. Nonmonetary items are stated using the exchange rate at the date of transaction or when fair value was determined.

1.12 FAIR VALUE MEASUREMENT:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Assets and liabilities measured at fair value are categorized within the fair value hierarchy;

- **Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- **Level 2:** Valuation techniques with directly or indirectly observable inputs
- **Level 3:** Valuation techniques with unobservable inputs.

Transfers between levels in the hierarchy are reassessed at each reporting period. The Company uses various methods and assumptions, including discounted cash flow analysis and market prices, to determine fair value. All methods are approximations and may differ from actual realized values.

1.13 FINANCIAL INSTRUMENTS:

A financial instrument is any contract that results in a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial Assets

Initial Recognition and Measurement: On initial recognition, financial assets are recognized at fair value, except for trade receivables which are recognized at transaction price as they do not contain a significant financing component. For financial assets recognized at fair value through profit and loss (FWPL), transaction costs are recognized in the Statement of Profit and Loss. For other financial assets, transaction costs are included in the acquisition value.

Subsequent Measurement: Financial assets are classified into the following categories for subsequent measurement:

(a) Financial assets at amortized cost: Financial assets are measured at amortized cost if held within a business model aimed at holding these assets to collect contractual cash flows, and the contractual terms give rise to cash flows that are solely payments of principal and interest. After initial measurement, these assets are measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost takes into account discounts, premiums, and fees that are integral to the EIR. EIR amortization is included in finance income in the Statement of Profit and Loss. Impairment losses are recognized in the Statement of Profit and Loss. This category typically includes trade and other receivables, loans, and other financial

(b) Financial assets including derivatives at fair value through profit or loss (FVTPL): These financial assets are measured at fair value through profit and loss unless they are measured at amortized cost or FWOCl upon initial recognition. Transaction costs for these assets are immediately recognized in the Statement of

(c) Financial assets at fair value through other comprehensive income (FVTOCI): Derivative instruments in this category are measured at fair value initially and at each reporting date. Changes in fair value are recognized in Other Comprehensive Income (OCI).

(d) Equity instruments: Equity investments in subsidiaries and associates are measured at cost.

Derecognition: A financial asset is derecognized primarily when;

(a) The right to receive cash flows from the asset has expired, or

(b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Upon derecognition of a financial asset, the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss,

Impairment of Financial Assets: The Company uses the expected credit loss (ECL) model for impairment of financial assets such as deposits, trade receivables, contract assets, and other financial assets resulting from transactions within the scope of Ind AS 115. The simplified approach is used for trade receivables and contract assets, recognizing impairment based on lifetime ECLS. For other financial assets, the Company assesses whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used; otherwise, lifetime ECL is applied. If credit quality improves, impairment loss allowance reverts to twelve-month ECL. ECL is the difference between contractual cash flows and the cash flows expected to be received, discounted at the original EIR.

ECL impairment loss allowance (or reversal) is recognized in the Statement of Profit and Loss under 'Other expenses.'

Financial Liabilities

Initial Recognition and Measurement: Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss (FWPL), payables, or derivatives designated as hedging instruments. They are recognized at fair value, with transaction costs recognized in the Statement of Profit and Loss for FVTPL liabilities, and included in the acquisition or issue value for other financial liabilities.

Subsequent Measurement: Financial liabilities, including derivatives, designated at FVTPL are measured at fair value. Other financial liabilities, such as deposits, are measured at amortized cost using the EIR method. For trade and other payables maturing within one year, the carrying amount approximates fair value.

Derecognition: A financial liability is derecognized when the obligation is discharged, cancelled, or expired. An exchange or modification of terms with the same lender that results in substantially different terms is treated as derecognition of the original liability and recognition of a new one. The difference in carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of Financial Instruments: Financial assets and liabilities are offset and the net amount reported in the balance sheet if there is a legally enforceable right to offset and an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

1.14 TAXES ON INCOME:

Income-tax expense includes both current tax and deferred tax.

- **Current Tax:** This is calculated based on the taxable profit for the year in accordance with the relevant provisions of the Income Tax Act, 1961. It is recognized in the Statement of Profit and Loss unless it relates to items recognized in Other Comprehensive Income (OCI) or directly in equity. In such cases, current tax is also recognized in OCI or equity. Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provisions arising in the same tax.

- **Deferred Tax:** Deferred Tax reflects the Tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is recognized using the balance sheet method at the Tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred Tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. These assets are reviewed at each balance sheet date and written down when it is no longer probable that sufficient taxable profits will be available. Deferred Tax related to items recognized outside profit or loss is also recognized outside profit or loss, either in OCI or directly in equity.

1.15 PROVISIONS AND CONTINGENCIES:

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount. Provisions are discounted to their present value when the effect of time value of money is material.

Contingent Liabilities are disclosed when there is a possible obligation that arises from past events, the existence of which will be confirmed by the occurrence or non-occurrence of future events not wholly within the control of the company, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured. Contingent Assets are not recognized in the financial statements.

1.16 EARNINGS PER SHARE:

Basic earnings per share is calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equities shares outstanding during the year.

Diluted earnings per share adjusts the net profit and the weighted average number of shares for the effects of all dilutive potential equity shares.

1.17 CASH & CASH EQUIVALENTS:

Cash and cash equivalents comprise cash, cheques in hand, cash at bank, and short-term deposits with maturities of three months or less. Deposits with maturities over three months are classified as "Other bank balances."

1.18 GOVERNMENT GRANTS AND SUBSIDIES:

Government grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached and that the grant or subsidy will be received. Revenue-related grants are recognized in the Statement of Profit and Loss on a systematic basis over the periods necessary to match them with the related costs they are intended to compensate. Asset-related grants are deducted from the carrying amount of the asset.

1.19 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS:

Non-current assets or disposal groups are classified as "held for sale" if:

- A decision has been made to sell,
- They are available for immediate sale in their present condition,
- They are being actively marketed,
- Sale is expected within 12 months of the balance sheet date.

Such assets are measured at the lower of their carrying amount and fair value less costs to sell and are not depreciated or amortized.

A discontinued operation is a component that has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

1.20 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of financial statements in accordance with indAS requires management to make estimates and assumptions that affect reported amounts of revenue, expenses, assets, and liabilities. Actual results may differ from these estimates. Any revisions to accounting estimates are recognized prospectively.

KEY ASSUMPTIONS AND ESTIMATING UNCERTAINTY:

These assumptions and estimates have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year. The Company bases its assumptions and estimates on parameters available when the financial statements were prepared. Circumstances may change due to market changes or other developments beyond the Company's control, and such changes are reflected in the assumptions when they occur.

a. TAXES:

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits together with future tax planning strategies.

b. PROVISIONS:

Significant estimates are involved in determining provisions related to liquidated damages, onerous contracts, warranty costs, asset retirement obligations, and legal and regulatory proceedings. Provisions for onerous sales contracts are made when total contract costs exceed expected contract revenue. The provision for warranty, liquidated damages, and onerous contracts is based on the best estimate required to settle the present obligation at the end of the reporting period. Legal proceedings often involve complex issues and substantial uncertainties, requiring considerable judgement in determining the probability of a present obligation and estimating the obligation amount reliably. Internal and external counsel are generally involved in this determination process. Estimates are revised periodically.

c. PROPERTY, PLANT, AND EQUIPMENT AND INTANGIBLE ASSETS:

Depreciation charges are based on estimates of an asset's expected useful life and residual value. These estimates are determined by management when the asset is acquired and reviewed periodically, including at each financial year-end. They are based on historical experience with similar assets and anticipated future events, such as changes in technology.

d. EMPLOYEE BENEFITS:

The Company's obligation for employee benefits is determined based on actuarial valuations, which involve making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, and mortality rates. These liabilities are highly sensitive to changes in these assumptions, and all assumptions are reviewed at each reporting date. The discount rate is based on government bond interest rates, and mortality rates are based on publicly available tables for India. Future salary increases and gratuity increases are based on expected future inflation rates.

e. IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Company assesses at each balance sheet date whether there is any indication that an asset or group of assets (cash-generating unit) may be impaired. If any indication exists, the Company estimates the recoverable amount, which is the greater of the asset's net selling price and its value in use. Estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount is less than the carrying amount, an impairment loss is recognized in the Statement of Profit and Loss. If an impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of depreciable historical cost had no impairment been recognized.

f. IMPAIRMENT OF FINANCIAL ASSETS:

The Company assesses impairment on financial assets based on the Expected Credit Loss (ECL) model. The provision matrix is based on historically observed default rates over the expected life of the financial assets and is adjusted for forward-looking estimates. At each reporting date, the historical default rates are updated and changes in forward-looking estimates are analyzed.

2. PROPERTY, PLANT & EQUIPMENT

	(Amount in ₹ Lakhs)								
	Plant & Machinery	Land	Building	Office Equipment	Furniture and fixture	Computers	Vehicles	Total	Right-of-use assets
Gross Block									
Deemed cost as at 1st April 2022 (refer note 2 below)	50.57	17.91	180.15	24.96	9.59	6.42	6.81	296.40	14.35
Additions	25.51	-	-	16.85	11.00	12.26	-	65.62	-
Disposals	-29.72	-	-	-	-	-	-	-29.72	-
As at 31st March 2023	46.36	17.91	180.15	41.81	20.59	18.67	6.81	332.30	14.35
Additions	48.68	-	7.95	5.75	-	1.35	-	63.73	-
Disposals	-0.14	-	-	-2.23	-	-5.79	-0.04	-8.20	-
As at 31st March 2024	94.89	17.91	188.10	45.33	20.59	14.24	6.77	387.83	14.35
Accumulated Depreciation									
As at 01 April 2022	-	-	-	-	-	-	-	-	-
Depreciation charge for the period	5.34	-	9.18	5.02	2.32	5.07	1.55	28.47	3.31
Disposals	-2.43	-	-	-	-	-	-	-2.43	-
As at 31st March 2023	2.91	-	9.18	5.02	2.32	5.07	1.55	26.05	3.31
Depreciation charge for the period	5.87	-	9.31	6.42	2.68	6.44	1.20	31.92	3.32
Disposals	-0.14	-	-	-2.14	-	-5.79	-0.03	-8.11	-
As at 31st March 2024	8.63	-	18.49	9.30	5.00	5.72	2.71	49.85	6.63
Net Carrying Value									
As at 1st April 2022	50.57	17.91	180.15	24.96	9.59	6.42	6.81	296.40	14.35
As at 31st March 2023	43.45	17.91	170.97	36.80	18.27	13.60	5.26	306.25	11.04
As at 31st March 2024	86.26	17.91	169.62	36.03	15.59	8.51	4.06	337.98	7.72

Notes:

2.1 There are no immovable properties held by the Company as at 31st March 2024, 31st March 2023 and as at 1st April 2022.

2.2 Using the deemed cost exemption available as per Ind AS 101, the Company has elected to carry forward these carrying value of Property, Plant and Equipment under Indian GAAP as on 31st March 2022 as book value of such assets under Ind AS as at the transition date i.e. 1st April 2022.

3. NON-CURRENT INVESTMENTS

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023	As at 1 st April 2022
A. Investment in subsidiaries in unquoted equity shares, fully paid *			
AIC- Aartech Solonics Pvt Ltd	1.00	1.00	1.00
Faradigm Ultracapacitors Private Limited	0.95	0.95	0.95
Unquoted debentures or bonds, fully paid up at cost *			
Faradigm Ultracapacitors Private Limited	-	220.00	250.00
AIC- Aartech Solonics Pvt Ltd	-	200.00	200.00
B. Investment in associates in unquoted equity shares, fully paid *			
Enerqual Technology Private Limited	3.00	3.00	3.00
Epsilon Ten Ltd	393.10	393.10	-
C. Investment in Quoted equity shares, fully paid up (Measured at Fair Value through Profit and Loss (FVTPL))			
Rudra Global Infra Products Limited	-	36.95	-
Bandhan Bank Limited	-	0.02	-
Univastu India Limited	73.41	-	-
Unquoted equity instruments, fully paid up			
Umang Shridhar Design Private Limited	25.00	25.00	25.00
D. Investment properties			
Land Seac Chandukhedi	34.46	34.46	34.46
Land Phoenix	14.85	14.85	14.85
Total	545.77	929.33	529.81
Aggregate amount of quoted investments	73.41	36.97	-
Aggregate market value of quoted investments	73.41	36.97	-
Aggregate amount of unquoted investments	472.36	892.36	529.81

4. LOANS - NON-CURRENT

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2023	31 st March 2023	1 st April 2022
Loan to related parties*				
(Unsecured, considered good)				
AIC- Aartech Solonics Pvt Ltd	262.29	-	-	10.12
Faradigm Ultracapacitors Private Limited	176.61	-	-	-
Loans to other corporates parties	-	-	-	602.23
Note: These loans are				
Total	438.90			612.35

5. OTHER FINANCIAL ASSETS - NON-CURRENT

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2023	31 st March 2023	1 st April 2022
Security deposit	69.52	55.18	55.18	47.20
(Unsecured, considered good)				
Total	69.52	55.18	55.18	47.20

6. OTHER FINANCIAL ASSETS - NON-CURRENT

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2023	31 st March 2023	1 st April 2022
MAT Credit	17.40	89.69	89.69	110.34
Deferred Tax Assets/(Liabilities) Refer Note No. 31	-3.29	3.73	3.73	2.20
Total	14.11	93.42	93.42	112.54

7. INVENTORIES

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2023	31 st March 2023	1 st April 2022
Raw Material	506.85	297.21	297.21	234.22
Work-In-Progress	144.15	119.03	119.03	10.25
Stock-in-Trade	31.10	31.40	31.40	0.31
Finished Goods	-	-	-	-
Total	682.10	447.64	447.64	244.78

8. CURRENT INVESTMENTS

(Amount in ₹ Lakhs)

Particulars	Units 31 st March 2024	Units 31 st March 2023	Units 1 st April 2022	As at 31 st March 2024	As at 31 st March 2023	As at 1 st April 2022
Investment in subsidiaries in unquoted equity shares, fully paid *						
Aditya Birla Sunlife Equity Advantage Growth Fund	3935.978	2188.866	157.571	30.60	12.44	1.02
Nippon India Ultra Short Duration Fund Growth Plan	2947.257	1593.522	12047.281	108.77	55.00	395.26
Aditya Birla Sun Life Banking and Financial Services			18333.275			6.76
Aditya Birla Sun Life India Gen next Fund Growth			10823.682			14.34
Aditya Birla Sun Life MNC Fund Growth Plan			1252.066			11.72
Aditya Birla Sun Life Overnight Fund Growth Plan	1.112	1.112	1.112	0.01	0.01	0.01
DSP Mid Cap Fund Regular Plan Growth	18591.811	6849.294	1248.486	21.62	5.84	1.08
DSP Flexi Cap Fund Regular Plan Growth	-	-	26594.051			16.81
HDFC Small Cap Fund Regular Plan	11037.252	5122.801	14249.955	12.99	4.08	10.12
HDFC Top 100 Fund Regular Growth Plan	1161.825	470.042	1620.247	11.93	3.46	11.24
Bandhan Bond Fund Medium Term Plan Growth	19818.648	21024.021	2635.088	8.22	8.18	1.00
Bandhan Ultra Short Term Fund Regular Plan	51484.980	63105.061	8135.960	7.16	8.19	1.00
Bandhan Sterling g Value Fund Growth Regular Plan	-	-	7641.356			6.75
Bandhan Balanced Advantage Fund Regular Plan Growth	-	-	19656.090			3.52
Invesco India Gilt Fund Growth Plan	46.276	46.276	46.276	1.29	1.20	1.05
Nippon India CPSE ETF Fund			44.386			1.75
Kotak Balanced Advantage Fund Growth			73852.309			10.64
Kotak Emerging Equity Scheme Growth Regular Plan	12637.430	5970.233	14183.439	12.95	4.43	10.13

Kotak Pioneer Fund Growth Regular Plan			134862.255				24.15
Kotak Equity Opportunities Fund Growth Regular Plan	6994.367	4534.700	1524.935	20.03	9.22	2.99	
Nippon India Banking & Financial Services Fund Growth Plan	8750.090	2116.579	5162.887	44.77	8.09	17.91	
Nippon India Growth Fund Growth Plan	2137.070	93.271		69.72	1.94	-	
Nippon India Income Fund Growth Plan		10596.419			8.04		
Nippon India Large Cap Fund Growth Plan	140057.762	91424.527	116333.779	109.51	49.36	58.96	
Nippon India Multi Cap Fund Growth Plan	7777.583	1352.739	10842.376	19.03	2.20	16.02	
Nippon India Overnight Fund Growth Plan		127341.492			53.25		
Nippon India Short-term Fund Growth Plan			229.924				0.10
Nippon India Small Cap Fund-Growth Plan		5280.168	3791.556		4.80	3.16	
Nippon India Value Fund Growth Plan	5202.621	887.875	7501.954	9.91	1.07	9.07	
Nippon India Gold Savings Fund Growth Plan	8343.347	10410.732		2.19	2.47		
Nippon India Multi Asset Fund Growth Plan (MFGPG)	289732.934			52.09			
Nippon India Pharma Fund Growth Plan		704.693	1785.532		1.91	5.15	
Nippon India Nifty Midcap 150 Index Fund Growth Plan	134283.285			27.01			
Tata Balances Advantage Fund Regular Plan Growth	44978.118	44978.118	44978.118	8.41	6.84	6.67	
Nippon India Flexi Cap Fund Growth Plan	433596.088		999950.002	62.50		103.66	
Nippon India Corporate Bond Fund Growth Plan	70834.942			38.25			
Tata Resources & Energy Fund Regular Plan Growth	17496.415	17496.415	17496.415	6.75	4.86	5.40	
Nippon India Taiwan Equity Fund Growth Plan		537771.551	449977.501		42.26	41.37	

Nippon India Floating Rate Fund Growth Plan		548.090			0.21	
Nippon India Small Cap Fund Growth Plan (466218393367)	1895.824	1895.824		2.68	1.72	
Nippon India Large Cap Fund Growth Plan (466218393367)		151885.283			82.01	
Nippon India Overnight Fund Growth Plan (466218393367)		127341.492	44.687		10.00	0.05
Nippon India Multi Cap Fund Growth Plan			2024.504			3.06
Nippon India Ultra Short Duration Fund Growth Plan			145.752			4.78
Nippon India Nifty AAA PSU Bond Plus SDL 50:50 index Fund Growth		1898.167			0.20	
Nippon India Nifty SDL Plus G-SEC 70:30 index Fund		258092.739			26.45	
Nippon India Fixed Horizon Fund XI V Series 5 Growth Plan	299985.001	299985.001		32.65	30.00	
Nippon India Equity Saving Fund Growth Plan			471371.517		61.56	
Tata Digital India Fund Regular Growth Plan	4447.582			1.88		
Tata Multi Cap Fund Regular Growth Plan	28400.965			3.64		
Tata Small Cap Fund Regular Growth Plan	5677.860			1.84		
Nippon India Power & Infra Fund Growth Plan (466218393367)	9191.337		3917.199	28.45		5.77
Nippon India Multi Asset Fund Growth Plan (MFGPG) (466218393367)	111074.801			19.97		
UTI Large & Mid Cap Fund Regular Plan Growth	137.860			0.20		
UTI Nifty 200 Momentum 30 Index Fund Regular Plan Growth	718.100			0.15		
UTI S&P BSE Low Volatility Index Fund Regular Plan Growth	967.800			0.15		
Nippon India Nifty IT Index Fund Growth Plan	499975.001			45.72		
Nippon India Nifty Bank Index Fund Growth Plan	499975.001			50.14		
Total				873.16	511.28	812.49

Aggregate amount of quoted investments	873.16	511.28	812.49
Aggregate market value of quoted investments	873.16	511.28	812.49

9. TRADE RECEIVABLES

(Amount in ₹ Lakhs)

Particulars	As at	As at	As at
	31 st March 2024	31 st March 2023	1 st April 2022
Trade receivables			
-Secured, considered good	-	-	-
-Unsecured, considered good	943.26	1059.68	650.74
-Credit impaired	128.48	41.83	57.72
-Less: allowances for expected credit loss	-128.48	-41.83	-57.72
Total	943.26	1059.68	650.74

9.1. Trade Receivables ageing schedule: As at 31st March 2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	844.18	99.08	-	-	-	943.26
(ii) Undisputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade Receivables – credit impaired	-	25.77	68.16	9.24	25.32	128.48
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade Receivables – credit impaired	-	-	-	-	-	-
Less: allowances for expected credit loss		-25.77	-68.16	-9.24	-25.32	-128.48
	844.18	99.08				943.26

9.2. Trade Receivables ageing schedule: As at 31st March 2023

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	941.74	100.76	17.18			1059.68
(ii) Undisputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade Receivables – credit impaired	0.16	0.23	0.65	19.15	21.65	41.83
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade Receivables – credit impaired	-	-	-	-	-	-
Less: allowances for expected credit loss	-0.16	-0.23	-0.65	-19.15	-21.65	-41.83
	941.74	100.76	17.18			1056.68

9.3. Trade Receivables ageing schedule: As at 01st April 2022

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	546.17	31.95	72.62	-	-	650.74
(ii) Undisputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade Receivables – credit impaired	0.01	0.01	1.13	27.40	29.16	57.72
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade Receivables – credit impaired	-	-	-	-	-	-
Less: allowances for expected credit loss	-0.01	-0.01	-1.13	-27.40	-29.16	-57.72

	546.17	31.95	72.62		650.74
--	--------	-------	-------	--	--------

10. CASH & CASH EQUIVALENTS

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at
	31 st 2024	March	31 st 2023	March	1 st April 2022
Balances with banks:					
-Bank deposits with Bank		192.49		118.33	56.69
-in Current accounts		28.89		12.15	45.95
Cash in hand		-		0.02	0.23
Others (Includes imprest given to employees for incurring expenses)		4.81		1.31	18.85
Total		226.19		131.82	121.72

10.1 There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

11. OTHER FINANCIAL ASSETS

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Accrued Interest on deposits with bank		1.64		-		0.75
Accrued Interest on debentures		-		98.61		64.51
Other Receivable		1.12		-		-
Total		2.75		98.61		65.25

12. OTHER CURRENT ASSETS

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
(Unsecured, considered good, unless otherwise stated)						
Advance to employees		-		-		-
Advance to Supplier		39.08		168.17		34.96
Prepaid Expenses		6.77		4.10		3.30
Balances with statutory/government authorities		76.46		45.92		16.42
Total		122.30		218.19		54.68

13. SHARE CAPITAL

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
13.1 Authorized Share Capital:						
1,50,00,000 Equity shares of ₹10 each		1,500.00		1,500.00		1,500.00
Total		1,500.00		1,500.00		1,500.00
13.2 Issued, subscribed and Paid up:						
1,05,90,125 Equity shares of ₹10 each fully paid		1,059.01		1,059.01		1,059.01
Total		1,059.01		1,059.01		1,059.01

13.3. The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is set out below:

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Equity Shares at the beginning of the year		1,05,90,125		1,05,90,125		70,60,094
Add: Equity shares issued during the year		-		-		-
as fully paid up bonus shares		-		-		35,30,031
as fully paid up shares for cash		-		-		-
Less: Shares cancelled on buy back of Equity Shares		-		-		-
Equity Shares at the end of the year		1,05,90,125		1,05,90,125		1,05,90,125

13.4. 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.

13.5. Details of shareholding more than 5% shares in the Company:

Particulars	As at		As at		As at	
	31st March 2024		31st March 2023		1st April 2022	
Name of Share Holders	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Anil Anant Rajee	2338000	22.08%	2338000	22.08%	2338000	22.08%
Chhaya Anil Rajee	1399999	13.22%	1399999	13.22%	1399999	13.22%
Amit Anil Rajee	1563600	14.76%	1563600	14.76%	1531600	14.46%
Kailash Kabra	724000	6.84%	1060000	10.01%		
Veena Rajesh	549000	5.18%				

Mrs. Prajakta Shashikant Kulkarni	1638000	15.47%
Ashtamangal Projects Limited	918000	8.67%

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

13.6. Details of shares held by promoter at the end of the year:

Particulars	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Anil Anant Raje	2338000	22.08%	2338000	22.08%	2338000	22.08%
Chhaya Anil Raje	1399999	13.22%	1399999	13.22%	1399999	13.22%
Amit Anil Raje	1563600	14.76%	1563600	14.76%	1531600	14.46%

13.7 Shares reserved for issue under options:

No shares have been issued for consideration other than cash or as bonus shares and no shares have been bought back in the five years immediately preceding the balance sheet date.

14. OTHER EQUITY

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023		As at 1 st April 2022	
	(A) General Reserves					
-Balance as per last Financial Statements		616.15		616.15		616.15
- Transferred from profit and loss account during the period/ year		-		-		-
Closing Balance		616.15		616.15		616.15
(B) Capital Reserves						
-Balance as per last Financial Statements		35.52		35.52		35.52
-Transferred from profit and loss account during the period/ year		-		-		-
Closing Balance		35.52		35.52		35.52
(C) Securities Premium						
- Balance as per last Financial Statements		509.20		509.20		509.20
- Increase due to issuance of equity shares at premium during the year		-		-		-
Closing Balance		509.20		509.20		509.20

(D) Retained earnings

-Balance as per last Financial Statements	809.11	730.39	730.39
-Profit for the year	144.29	138.11	-
-Dividend paid on equity shares during the period	-52.95	-52.95	-
-Remeasurement of defined benefit obligations (Net of tax)	-1.29	-6.44	-

Closing Balance	899.16	809.11	730.39
Total (a+b+c+d)	2060.03	1969.98	1891.26

14.1. General Reserve

Under the Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with the Companies (Transfer of profits to reserves) Rules, 1975. Consequent to introduction of the Act, there is no such requirement to mandatorily transfer a specified percentage of the net profit to general reserve.

14.2. Capital Reserve

The purpose for which a capital reserve is created is for preparing the company for sudden events like inflation, business expansion, funds for a new project. A capital reserve is created from capital profit earned through sales of capital assets such as the sale of fixed assets, profit on the sale of shares.

14.3. Securities premium

Security premium represents share issued at premium less share issue expenses. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

14.3. Retained earnings

Retained earnings are the accumulated profits/(losses) earned by the Company till date and includes other comprehensive income that will not be reclassified subsequently to profit and loss account, less any transfers to general reserve.

15. LEASE LIABILITIES - NON CURRENT

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023		As at 1 st April 2022	
Lease liabilities (The Company's exposure to financial risk and fair value measurement related to these financial instruments is disclosed in note to accounts)		5.56		8.80		11.41
Total		5.56		8.80		11.41
- Lease liabilities - Current		3.52		3.32		3.31
Total		3.52		3.32		3.31

16. PROVISIONS - NON-CURRENT

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Provision for compensated absences		16.42		17.14		13.56
Provision for gratuity		7.86		8.35		6.17
Total		24.28		25.49		19.73

17. BORROWINGS

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Bank Overdraft		410.94		265.89		65.18
Total		410.94		265.89		65.18

17.1. Interest charged by HDFC Bank @ 8.5% (Floating Rate) on CC Account.

17.2. Primary Securities: - Hypothecation of Stocks and Debtors.

17.3. Collateral Securities: - Industrial property approx. 14,779 sq. feet at plot no. 35A/36, Sector-B, Industrial area, Mandideep, District Raize, pledged as security for CC account with HDFC Bank amounting to Rs 5,12,00,000 and 8 no. Flat at Indus Mandideep approx. 450 sq. feet each pledged as security for CC account with HDFC Bank amounting to Rs 67,25,000.

17.4. Details of monthly stock and book debts statement submitted to Bank:

Particulars	Name of Bank	Period	Amount as per books of account	Amount as reported in the statement	Amount of Difference *
Inventory	HDFC BANK LIMITED	Apr-23	475.40	475.40	-
Trade Receivables	HDFC BANK LIMITED	Apr-23	1,043.55	1,043.55	-
Trade Payables	HDFC BANK LIMITED	Apr-23	449.14	449.14	-
Advance from Customer	HDFC BANK LIMITED	Apr-23	1.16	1.16	-
Advance to Suppliers	HDFC BANK LIMITED	Apr-23	192.71	192.71	-
Sales	HDFC BANK LIMITED	Apr-23	106.88	106.88	-
Inventory	HDFC BANK LIMITED	May-23	725.52	725.52	-
Trade Receivables	HDFC BANK LIMITED	May-23	626.96	626.96	-
Trade Payables	HDFC BANK LIMITED	May-23	615.87	615.87	-
Advance from Customer	HDFC BANK LIMITED	May-23	12.06	12.06	-
Advance to Suppliers	HDFC BANK LIMITED	May-23	153.12	153.12	-
Sales	HDFC BANK LIMITED	May-23	132.10	132.10	-

Inventory	HDFC BANK LIMITED	Jun-23	521.68	521.68	-
Trade Receivables	HDFC BANK LIMITED	Jun-23	554.26	554.26	-
Trade Payables	HDFC BANK LIMITED	Jun-23	574.00	574.00	-
Advance from Customer	HDFC BANK LIMITED	Jun-23	10.25	10.25	-
Advance to Suppliers	HDFC BANK LIMITED	Jun-23	144.11	144.11	-
Sales	HDFC BANK LIMITED	Jun-23	390.68	390.68	-
Inventory	HDFC BANK LIMITED	Jul-23	738.63	738.63	-
Trade Receivables	HDFC BANK LIMITED	Jul-23	690.16	690.16	-
Trade Payables	HDFC BANK LIMITED	Jul-23	666.82	666.82	-
Advance from Customer	HDFC BANK LIMITED	Jul-23	32.81	32.81	-
Advance to Suppliers	HDFC BANK LIMITED	Jul-23	197.27	197.27	-
Sales	HDFC BANK LIMITED	Jul-23	105.89	105.89	-
Inventory	HDFC BANK LIMITED	Aug-23	794.62	794.62	-
Trade Receivables	HDFC BANK LIMITED	Aug-23	811.63	811.63	-
Trade Payables	HDFC BANK LIMITED	Aug-23	808.82	808.82	-
Advance from Customer	HDFC BANK LIMITED	Aug-23	33.59	33.59	-
Advance to Suppliers	HDFC BANK LIMITED	Aug-23	188.01	188.01	-
Sales	HDFC BANK LIMITED	Aug-23	379.46	379.46	-
Inventory	HDFC BANK LIMITED	Sep-23	623.19	623.19	-
Trade Receivables	HDFC BANK LIMITED	Sep-23	1,172.65	1,172.65	-
Trade Payables	HDFC BANK LIMITED	Sep-23	809.83	809.83	-
Advance from Customer	HDFC BANK LIMITED	Sep-23	30.46	30.46	-
Advance to Suppliers	HDFC BANK LIMITED	Sep-23	160.08	160.08	-
Sales	HDFC BANK LIMITED	Sep-23	419.51	419.51	-
Inventory	HDFC BANK LIMITED	Oct-23	570.10	570.10	-
Trade Receivables	HDFC BANK LIMITED	Oct-23	1,282.71	1,282.71	-
Trade Payables	HDFC BANK LIMITED	Oct-23	695.70	695.70	-
Advance from Customer	HDFC BANK LIMITED	Oct-23	25.26	25.26	-
Advance to Suppliers	HDFC BANK LIMITED	Oct-23	152.64	152.64	-
Sales	HDFC BANK LIMITED	Oct-23	239.67	239.67	-
Inventory	HDFC BANK LIMITED	Nov-23	712.48	712.48	-
Trade Receivables	HDFC BANK LIMITED	Nov-23	944.86	944.86	-
Trade Payables	HDFC BANK LIMITED	Nov-23	600.82	600.82	-
Advance from Customer	HDFC BANK LIMITED	Nov-23	27.28	27.28	-
Advance to Suppliers	HDFC BANK LIMITED	Nov-23	192.04	192.04	-
Sales	HDFC BANK LIMITED	Nov-23	167.51	167.51	-
Inventory	HDFC BANK LIMITED	Dec-23	846.23	846.23	-
Trade Receivables	HDFC BANK LIMITED	Dec-23	939.25	939.25	-
Trade Payables	HDFC BANK LIMITED	Dec-23	696.61	696.61	-
Advance from Customer	HDFC BANK LIMITED	Dec-23	32.35	32.35	-
Advance to Suppliers	HDFC BANK LIMITED	Dec-23	116.32	116.32	-

Sales	HDFC BANK LIMITED	Dec-23	327.18	327.18	-
Inventory	HDFC BANK LIMITED	Jan-24	753.84	753.84	-
Trade Receivables	HDFC BANK LIMITED	Jan-24	1,215.17	1,215.17	-
Trade Payables	HDFC BANK LIMITED	Jan-24	680.84	680.84	-
Advance from Customer	HDFC BANK LIMITED	Jan-24	32.24	32.24	-
Advance to Suppliers	HDFC BANK LIMITED	Jan-24	95.81	95.81	-
Sales	HDFC BANK LIMITED	Jan-24	383.28	383.28	-
Inventory	HDFC BANK LIMITED	Feb-24	779.76	779.76	-
Trade Receivables	HDFC BANK LIMITED	Feb-24	1,032.34	1,032.34	-
Trade Payables	HDFC BANK LIMITED	Feb-24	722.96	722.96	-
Advance from Customer	HDFC BANK LIMITED	Feb-24	29.82	29.82	-
Advance to Suppliers	HDFC BANK LIMITED	Feb-24	94.07	94.07	-
Sales	HDFC BANK LIMITED	Feb-24	196.42	196.42	-
Inventory	HDFC BANK LIMITED	Mar-24	682.10	682.10	9.00
Trade Receivables	HDFC BANK LIMITED	Mar-24	1,071.74	1,071.74	-14.48
Trade Payables	HDFC BANK LIMITED	Mar-24	556.18	556.18	20.13
Advance from Customer	HDFC BANK LIMITED	Mar-24	29.97	29.97	-0.20
Advance to Suppliers	HDFC BANK LIMITED	Mar-24	39.08	39.08	-1.44
Sales	HDFC BANK LIMITED	Mar-24	420.64	420.64	-

* The above differences are due to late booking of Purchases/payment to suppliers/amount received from customer/TDS Deductions after the submission of stock and debtors statement to Bank.

18. TRADE PAYABLES

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Micro, Small and Medium Enterprises		43.87		114.14		15.88
Others		512.31		349.10		401.37
Total		556.18		463.24		417.26

18.1. Trade Payables ageing schedule: As at 31st March 2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled/Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed- MSME	-	43.87	-	-	-	43.87
(ii) Undisputed- Others	1.25	510.27	-	0.11	0.68	512.31
(iii) Disputed dues- MSME	-	-	-	-	-	-

(iv) Disputed dues- others	-	-	-	-	-	-
	1.25	554.14	-	0.11	0.68	556.18

18.2. Trade Payables ageing schedule: As at 31st March 2023

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled/Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed- MSME	-	114.14	-	-	-	114.14
(ii) Undisputed- Others	1.00	346.52	-	0.68	0.90	349.10
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-
	1.00	460.66	-	0.68	0.90	463.24

18.3. Trade Payables ageing schedule: As at 01st April 2022

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled/Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed- MSME	-	15.88	-	-	-	15.88
(ii) Undisputed- Others	0.90	398.89	0.68	-	0.90	401.37
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-
	0.90	414.78	0.68	-	0.90	417.26

18.4. The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosure in respect to Micro and Small Enterprises as per MSMED Act, 2006 is as follows:

(Amount in ₹ Lakhs)

Particulars	As at	As at
	31 st 2024	31 st 2023
-Principal amount due to micro and small enterprises		43.87
-Interest due on above		-
-the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year		-
		114.14

-the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
-The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
-the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total	43.87	114.14

The above information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises as per MSMED Act, on the basis of information available with the Company, from the date when vendors provided their confirmation that they are covered under MSMED Act.

19. OTHER FINANCIAL LIABILITIES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023		As at 1 st April 2022	
Employee related payable		64.33		42.28		35.01
Interest Payable		-		-		-
Deferred government grant		-		-		21.47
Total		64.33		42.28		56.49

20. OTHER CURRENT LIABILITIES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023		As at 1 st April 2022	
Advance received from customers		29.97		0.74		3.29
Expense Payable		5.22		1.39		2.41
Statutory dues payable						
- TDS payable		17.56		19.73		12.24
- Professional Tax payable		0.07		0.07		0.05
- GST Payable		-		-		-
- Other Statutory Dues		1.95		1.60		2.05
Total		54.76		23.53		20.05

21. CURRENT TAX LIABILITIES (Net)

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Provision for Income Tax		25.14		0.91		18.62
Total		25.14		0.91		18.62

22. REVENUE FROM OPERATIONS

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Sale of Products		3,142.13		2,028.34		3,142.13
Sale of Service		127.12		136.33		127.12
Total		3,269.25		2,164.67		3,269.25

22.1. GSTIN wise Turnover details:

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2024	31 st March 2023	31 st March 2023
23AACCA5369B1Z4		2,424.66		1,371.33
02AACCA5369B1Z8		844.59		793.34
Total		2,424.66		1,371.33

23. OTHER INCOME

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2024	31 st March 2023	31 st March 2023
-Interest Income:				
Bank deposit		10.05		2.77
Debentures		27.38		37.90
Others		10.31		63.56
On security deposits at amortised cost		0.06		0.06
-Net gain/(- loss) on sale of investments		149.13		72.55
-Gain on investments measured at FVTPL		72.39		-
-Reversal of expected credit loss		-		15.88
-Rental income		2.58		3.19
-Grant Income		39.63		31.47
-Net unrealized gain on foreign currency transactions and translation		-		1.39
-Miscellaneous income		15.71		0.57
Total		327.24		229.33

24. COST OF MATERIALS CONSUMED

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Purchase of Raw Materials	2,404.41	1,529.24
Opening Balance of Raw Materials	297.21	234.22
Less : Closing Balance of Raw Materials	506.85	297.21
Total	2,194.77	1,466.25

25. CHANGE IN INVENTORIES

Particulars	As at 31 st March 2024	As at 31 st March 2023
Finished goods/Stock-in-Trade:		
Opening Balance	31.40	0.31
Less: Closing Balance	31.10	31.40
	0.30	-31.10
Work-in-Progress:		
Opening Balance	119.03	10.25
Less: Closing Balance	144.15	119.03
	-25.12	-108.78
Total	-24.82	-138.88

26. EMPLOYEE BENEFIT EXPENSES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Salaries and Wages	389.31	342.98
Contribution to provident and other funds	12.71	10.54
Gratuity expense	5.15	4.22
Leave encashment expense	0.08	7.58
Staff Welfare Expenses	8.62	4.70
Total	415.86	370.01

27. FINANCE COST

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Interest Expenses:		
-Bank overdraft	27.35	14.37

-Other loans	3.10	4.00
-Lease liabilities	0.93	1.17
Bank charges	24.81	5.58
Other finance charges	-	2.84
Total	56.19	27.96

28. DEPRECIATION AND AMORTISATION EXPENSES

(Amount in ₹ Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Depreciation on property, plant and equipment	31.92	28.47
Amortisation of right-of-use assets	3.32	3.31
Total	35.24	31.78

29. OTHER EXPENSES

(Amount in ₹ Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Advertisement & business promotion	25.33	7.05
Operation & maintenance	46.66	26.03
Job work expenses	32.81	35.44
Legal and professional charges	125.79	64.89
Printing and stationery	1.75	1.78
Power and fuel	19.97	18.03
Rent	18.16	18.00
Transportation	38.12	26.89
Repair & Maintenance Machinery	2.29	2.33
Repair & Maintenance Building	55.75	12.60
Repair & Maintenance Computer	1.09	2.72
Repair & Maintenance Others	5.96	7.03
Commission and brokerage	48.32	22.30
Payment to auditors*	2.50	1.00
Security expenses	3.21	1.74
Net loss on foreign currency transactions and translation	0.82	-
Travelling and conveyance	42.46	30.44
Loss on sale of property, plant and equipment	0.09	14.15
Insurance expenses	1.85	1.53
Late Delivery Charges	30.71	15.94
Research and development expenses	14.23	29.67
Rates and taxes	4.40	13.22
Loss on investments measured at FVTPL	-	51.01
Expected credit loss	86.65	-

Communication expenses	4.75	6.37
Selling expenses	3.72	6.59
Miscellaneous expenses	26.52	21.34
Total Expenses	643.89	438.07
* Payment To Auditors:		
-Statutory Audit Fees	2.50	1.00
-Other Professional Fees	-	-
Total	2.50	1.00

30. TAX EXPENSE

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
A. CURRENT TAX		
- Accounting profit/(loss) before Income tax	275.36	199.80
-Taxable Income as per Income tax	482.94	249.07
-Tax on Income under normal provisions	117.29	60.74
-Tax on Income under section 115JB	45.01	31.79
Tax Expenses (Higher of the above)	117.29	60.74

B. DEFERRED TAX

Deferred tax asset/(deferred tax liabilities) arising on account of:

-Difference between accounting base and tax base of property, plant and equipment	-27.22	-13.66
-Difference between accounting base and tax base of Investment Property	-	-7.65
-Provision for gratuity	2.19	2.32
-Provision for leave encashment	4.57	4.77
-Bonus payable	0.64	1.24
-Fair value of investments (mutual funds and shares)	-20.14	4.70
-Adjustments on account of application of IND AS 116	0.38	0.30
-Security deposits	0.05	0.06
-Expected credit loss	35.74	11.64
-MAT Credit	17.40	89.69
Net deferred tax (expenses)/Income	13.62	93.42

30.1. Changes in deferred tax assets/(deferred tax liabilities) from 1st April 2023 to 31st March 2024

(Amount in ₹ Lakhs)

Particulars	Opening balance as at 1st	Recognised in statement	Recognised	Recognised in other equity	Balance as at

	April 2023	of profit and loss	in other comprehensive income		31st March 2024
Deferred tax asset/(deferred tax liabilities) arising on account of					
-Difference between accounting base and tax base of property, plant and equipment	-13.66	-13.55	-	-	-27.22
-Difference between accounting base and tax base of Investment Property	-7.65	7.65	-	-	-
-Provision for gratuity	2.32	-0.63	0.50	-	2.19
-Provision for leave encashment	4.77	-0.20	-	-	4.57
-Bonus payable	1.24	-0.60	-	-	0.64
-Fair value of investments (mutual funds and shares)	4.70	-24.84	-	-	-20.14
-Adjustments on account of application of IND AS 116	0.30	0.08	-	-	0.38
-Security deposits	0.06	-0.02	-	-	0.05
-Expected credit loss	11.64	24.11	-	-	35.74
Total	3.73	-8.01	0.50	-	-3.79
MAT Credit	89.69	-72.28	-	-	17.40
Total	89.69	-72.28	-	-	17.40

30.2. Changes in deferred tax assets/(deferred tax liabilities) from 1st April 2022 to 31st March 2023

(Amount in ₹ Lakhs)

Particulars	Opening balance as at 1st April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in other equity	Balance as at 31st March 2023
Deferred tax asset/(deferred tax liabilities) arising on account of					
-Difference between accounting base and tax base of property, plant and equipment	-11.08	-2.58	-	-	-13.66
-Difference between accounting base and tax base of Investment Property	-	-7.65	-	-	-7.65
-Provision for gratuity	1.72	-1.87	2.48	-	2.32
-Provision for leave encashment	3.77	1.00	-	-	4.77

-Bonus payable	1.04	0.20	-	-	1.24
-Fair value of investments (mutual funds and shares)	-9.49	14.19	-	-	4.70
-Adjustments on account of application of IND AS 116	0.10	0.19	-	-	0.30
-Security deposits	0.08	-0.02	-	-	0.06
-Expected credit loss	16.06	-4.42	-	-	11.64
Total	2.20	-0.95	2.48	-	3.73

MAT Credit	110.34	-20.66	-	-	89.69
Total	110.34	-20.66	-	-	89.69

Note: Deferred tax assets and liabilities have been recognised in accordance with the provisions of IND AS 12 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.

31. EARNING PER SHARE

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
-Profit/(loss) attributable to equity shareholders for basic/diluted earnings per share	144.29	138.11
-Weighted average number of equity share capital for basic earnings per share	105.90	105.90
-Effect of potential shares during the year	-	-
-Weighted average number of equity shares for diluted earnings per share	106	106
-Earning per equity share of face value of Rs 10 each:		
Basic earning per share	1.36	1.30
Diluted earning per share	1.36	1.30

Basic EPS amounts are calculated by dividing the profit/loss for the period attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/loss attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

32. CONTINGENT LIABILITIES & OTHER COMMITMENTS

(Amount in ₹ Lakhs)

Particulars	As at	As at	As at
-------------	-------	-------	-------

	31 st 2024	March	31 st 2023	March	1 st 2022	April
Claims against the company not acknowledged as debt; Guarantees;		-		-		-
Interest On MSME creditors outstanding for more than 45 days		718.97		344.85		317.59
There are no other commitments to be reported		-		-		-

33. EMPLOYEE BENEFIT PLANS

33.1. Defined contribution plans:

The Company, in respect of qualifying employees contributes towards the following plans:

- Provident fund
- Employees' state insurance
- Labour welfare fund

33.2. During the year the Company has recognized the following amounts in the Statement of Profit and Loss:

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
-Employer's contribution to employees' state insurance	1.63	1.50
-Employer's contribution to employees' provident fund	10.19	9.04
Total	11.82	10.54

33.3. Defined benefit plan:

Company has made an arrangement with Life Insurance Corporation for Gratuity Benefits and Leave Encashment. Now the company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme' and 'Leave Encashment including compensated absence' of the Life Insurance Corporation of India, a funded defined benefit plan for eligible employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations.

33.4. Reconciliation of present value of defined benefit obligation

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st 2024	31 st 2023	31 st 2024	31 st 2023
- Present value of defined benefit obligation at the beginning of the year	44.47	30.35	20.34	13.56
- Interest cost	3.33	2.28	1.53	1.02
- Current service cost	4.43	3.76	2.12	1.65
- Benefits paid	-3.16	-0.87	-0.60	-
- Past service cost	-	-	-	-

- Re-measurement (gain)/losses recognised in other comprehensive income	1.45	8.95	-4.15	4.10
Present value of defined benefit obligation at the end of the year	50.52	44.47	19.24	20.34

33.5. Reconciliation of fair value of planned assets:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
- Fair value of plan assets at the beginning of the period	36.12	24.18	3.20	-
- Expected return on plan assets	2.62	1.81	0.23	0.00
- Contributions	7.42	10.96	-	3.19
- Benefits paid	-3.16	-0.87	-0.60	-
- Actuarial gain/(loss) on plan assets	-0.34	0.03	-0.02	-
Fair Value of Plan Asset at the end of the Period	42.66	36.12	2.81	3.20

33.6. Reconciliation of present value of the obligations and the fair value of the plan assets:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
- Fair value of plan assets	42.66	36.12	2.81	3.20
- Present value of defined benefit obligation	-50.52	-44.47	-19.24	-20.34
Net liability recognised in the balance sheet	-7.86	-8.35	-16.42	-17.14
- Liability- current	-	-	-	-
- Liability- non-current	-7.86	-8.35	-16.42	-17.14
	-7.86	-8.35	-16.42	-17.14

33.7. Expenses recognised in the statement of profit and loss:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-Current service cost	4.43	3.76	2.12	1.65
-Past service cost	-	-	-	-
-Interest cost on benefit obligation	3.33	2.28	1.53	1.02
-Net actuarial (gain)/loss recognized in the period	-	-	-4.14	4.10
-Expected return on plan asset	-2.62	-1.81	-0.23	-
Total expenses included in employee benefits expense	5.15	4.22	-0.72	6.77

33.8. Re-measurement of recognised in other comprehensive income:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-Actuarial (gain)/loss for the year on projected benefit obligation	-1.45	-8.95	-4.51	4.10
-Actuarial gain/(loss) for the year on planned assets	-0.34	0.03	-0.02	0.00
Recognised in other comprehensive income	-1.79	-8.92	-4.52	4.11

33.9. Maturity profile of defined benefit obligation:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-01 Apr 2024 to 31 Mar 2025	3.16	4.27	-	-
-01 Apr 2025 to 31 Mar 2026	1.47	1.19	-	-
-01 Apr 2026 to 31 Mar 2027	7.81	1.19	-	-
-01 Apr 2027 to 31 Mar 2028	1.57	6.13	-	-
-01 Apr 2028 to 31 Mar 2029	1.06	1.29	-	-
-01 Apr 2029 Onwards	35.46	30.39	-	-

33.10. A quantitative sensitivity analysis for significant assumption:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
Increase/(decrease) on present value of defined benefits obligation at the end of the year				
Discount rate				
+ 100 basis points	-46.65	-41.05	-17.69	-18.86
- 100 basis points	54.96	48.38	21.02	22.02
Future salary increases rate				
+ 100 basis points	55.02	48.44	21.04	22.04
- 100 basis points	-46.54	-40.94	-17.65	-18.82
Attrition rate				
+ 100 basis points	51.16	45.12	19.52	20.61
- 100 basis points	-49.80	-43.73	-18.91	-20.04

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

33.11. The major categories of plan assets as a percentage of total

(Amount in ₹ Lakhs)

Particulars	As at	
	31 st March 2024	31 st March 2023
-Insurance managed funds	100%	100%

33.12. Actuarial assumptions
(i) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is Company's long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows:

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-Discount rate (in %)	7.25%	7.50%	7.25%	7.50%
-Future salary increase (in %)	5.00%	5.00%	5.00%	5.00%
-Attrition rate (in %)	5.00%	5.00%	5.00%	5.00%

(ii) Demographic assumptions

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-Retirement age (Years)	88	88	88	88
-Mortality rate inclusive of provision for disability	IALM 2012-14		IALM 2012-14	

33.13. Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow –

- Salary increases
- Investment risk
- Discount rate
- Mortality and disability
- Withdrawals

33.14. Maturity profile of defined benefit obligation

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
Average duration of the defined benefit obligation (in years)	14	14	15	13

33.15. Other long-term benefits:

An actuarial valuation of compensated absences has been carried out by an independent actuary using the Projected Unit Credit method. The amount recognised as an expense towards compensated absences for the year aggregated to Rs. Nil (31 March 2022: Rs. 757,793).

34. LEASE LIABILITIES

As per IND AS 116, Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2022. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2022 was 9%.

34.1. Lease liabilities are presented in the balance sheet as follows:

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
-Current		-		-		-
-Non-current		5.56		12.11		14.72
Total		5.56		12.11		14.72

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities are disclosed in note 35.

The Company has lease for the head office. With the exception of short-term leases and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security against the Company's other debts and liabilities. For this lease, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The Company has considered automatic extension option available for the property leases in lease period assessment since the Company can enforce its right to extend the lease beyond the initial lease period as the Company is likely to be benefited by exercising the extension option.

34.2. The recognised right-of-use assets relate to the lease pertaining to the office building as at:

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	March	31 st March 2023	March
Right-of-use assets- office building:		-		-
-Opening balance as at the beginning of the year		11.04		14.35
-Add: Additions on account of new leases entered during the year		-		-
-Less: Termination/ modifications		-		-

-Less: Amortisation expense charged on the right-of-use assets	-3.32	-3.31
Closing balance as at the end of the year	7.72	11.04

34.3. The following are amounts recognised in statement of profit and loss:

(Amount in ₹ Lakhs)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
Amortisation expense of right-of-use assets	3.32	3.31
Interest expense on lease liabilities	0.93	1.17
Rent expense	18.00	18.00
Total	22.25	22.48

34.4. Lease payments not recognised as a liability:

(Amount in ₹ Lakhs)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
Expenses relating to short term leases (included in other expenses)	18.00	18.00
Total	18.00	18.00

34.5. The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Particulars	No of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)
-Office	1	3.09	3.09

The company has a right to extend/terminate its leasing arrangements beyond the initial agreement/lock in period. For the assessment of lease term as per Ind AS 116, the management of the Company has considered the extension options and not considered the early termination options wherever available for its property leases in its lease period assessment since the Company is likely to be benefited from a longer lease tenure.

33. RELATED PARTY DISCLOSURE
33.1. Names of related parties and description of relationship:

S. No.	Name of Related Party	Relation
1	AIC- Aartech Solonics Private Limited	Subsidiary Company
2	Faradigm Ultracapacitors Private Limited	Subsidiary Company
3	Anil Anant Raje	Non-executive Director
4	Amit Anil Raje	Chairman & Managing Director
5	Arati Nath	CEO & Director
6	Prashant Dattatray Lowlekar	Independent Director

7	Kshitij Negi	Independent Director
8	Supriya Sunil Chitre	Independent Director
9	Pradeep Vasant Narkhede	Chief Financial Officer
10	Epsilon Ten Ltd	Enterprises where key management personnel exercise significant influence
11	Umang Shridhar Designs Private Limited	
12	Aartech Solonics UK Limited	
13	Enerqual Technology Private Limited	Associate Company
14	K. R. Tanuj Reddy	Company Secretary

33.2 Transactions with related parties for the year ended:

(Amount in ₹ Lakhs)

S. No.	Name of related party	Nature of Transaction	As at	
			31 st 2024	31 st 2023
1	AIC- Aartech Solonics Private Limited	Interest Income on Unsecured Loan	4.41	0.84
2	AIC- Aartech Solonics Private Limited	Interest Income on Debentures	12.94	17.00
3	AIC- Aartech Solonics Private Limited	Unsecured Loan	325.00	-
4	AIC- Aartech Solonics Private Limited	Repayment of Unsecured Loan	66.68	10.87
5	AIC- Aartech Solonics Private Limited	Redemption of Debentures	200.00	-
6	AIC- Aartech Solonics Private Limited	Others Services (Revenue)	-	25.00
7	AIC- Aartech Solonics Private Limited	Job Work Service (Expenses)	13.13	8.43
8	Faradigm Ultracapacitors Pvt Ltd	Interest Income on Unsecured Loan	5.53	-
9	Faradigm Ultracapacitors Pvt Ltd	Unsecured Loan	171.63	-
10	Faradigm Ultracapacitors Pvt Ltd	Redemption of Debentures	220.00	-
11	Faradigm Ultracapacitors Pvt Ltd	Interest Income on Debentures	9.36	20.45
12	Faradigm Ultracapacitors Pvt Ltd	Purchases	55.53	79.13
13	Epsilon Ten Ltd	Investment	-	393.00
14	Aartech Solonics UK Limited	Business Consulting Services	53.68	-
15	Anil Anant Raje	Rent for Head Office	18.00	18.00
16	Anil Anant Raje	Sitting Fees	0.45	0.45
17	Anil Anant Raje	Technical Consultancy	17.50	15.00
18	Prashant Dattatray Lowlekar	Sitting Fees	0.75	0.60
19	Kshitij Negi	Sitting Fees	0.30	0.30
20	Amit Anil Raje	Directors Remuneration	32.87	32.67
21	Arati Nath	Directors Remuneration	31.07	31.02
22	Pradeep Vasant Narkhede	Salaries	14.47	12.51
23	K R Tanuj Reddy	Salaries	8.38	7.20

33.3 Balance with related parties for the period ended:

(Amount in ₹ Lakhs)

S. No.	Name of related party	Nature of Transaction	As at		As at	
			31 st 2024	March	31 st 2023	March
1	AIC- Aartech Solonics Private Limited	Investment in Debentures	-	-	220.00	-
2	Faradigm Ultracapacitors Pvt Ltd	Investment in Debentures	-	-	200.00	-
3	AIC- Aartech Solonics Private Limited	Investment in Equity	-	1.00	1.00	-
4	Faradigm Ultracapacitors Pvt Ltd	Investment in Equity	-	0.95	0.95	-
5	Umang Shridhar Design Private Limited	Investment in Equity	-	25.00	25.00	-
6	Enerqual Technology Private Limited	Investment in Equity	-	3.00	3.00	-
7	Epsilon Ten Ltd	Investment in Equity	-	393.00	393.00	-
8	AIC- Aartech Solonics Private Limited	Unsecured Loan	-	262.29	-	-
9	Faradigm Ultracapacitors Pvt Ltd	Unsecured Loan	-	176.61	-	-
10	AIC- Aartech Solonics Private Limited	Trade Payable	-	7.53	53.98	-
11	Faradigm Ultracapacitors Pvt Ltd	Trade Payable	-	-	12.00	-
12	Faradigm Ultracapacitors Pvt Ltd	Advance for Supply of Material	-	2.11	-	-

34. FINANCIAL INSTRUMENTS - FAIR VALUES & RISK MANAGEMNT

34.1. Financial instruments by category

(Amount in ₹ Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets						
-Loans	-	438.90	-	-	-	612.35
-Investments	873.16	545.77	511.28	929.33	812.49	529.81
-Trade receivables	-	943.26	-	1,059.68	-	650.74
-Cash and cash equivalent	-	226.19	-	131.82	-	121.72
Total	-	72.27	-	153.79	-	112.45
Financial liabilities						
-Trade payables	-	556.18	-	463.24	-	417.26
-Borrowings	-	410.94	-	265.89	-	65.18
-Lease liabilities	-	5.56	-	8.80	-	11.41
-Other financial liabilities	-	64.33	-	42.28	-	56.49
Total	-	1,037.00	-	780.20	-	550.33

34.2. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in these financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under Ind AS 113. An explanation of each level follows underneath the table.

Assets and liabilities which are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed:

(Amount in ₹ Lakhs)

Particulars	As at 31st March 2024				
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets					
-Loans	438.90	-	-	438.90	438.90
-Investments	1,418.92	873.16	-	545.77	1,418.92
-Trade receivables	943.26	-	-	943.26	943.26
-Cash and cash equivalents	226.19	-	-	226.19	226.19
- Other financial assets	72.27	-	-	72.27	72.27
Total	3,099.54	873.16	-	2,226.38	3,099.54
Financial liabilities					
-Trade payables	556.18	-	-	556.18	556.18
-Borrowings	410.94	-	-	410.94	410.94
-Lease liabilities	5.56	-	-	5.56	5.56
-Other financial liabilities	64.33	-	-	64.33	64.33
Total	1,037.00	-	-	1,037.00	1,037.00

(Amount in ₹ Lakhs)

Particulars	As at 31st March 2023				
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets					
-Loans	-	-	-	-	-
-Investments	1,440.61	511.28	-	929.33	1,440.61
-Trade receivables	1,059.68	-	-	1,059.68	1,059.68
-Cash and cash equivalents	131.82	-	-	131.82	131.82
- Other financial assets	153.79	-	-	153.79	153.79
Total	2,785.90	511.28	-	2,274.62	2,785.90
Financial liabilities					
-Trade payables	463.24	-	-	463.24	463.24
-Borrowings	265.89	-	-	265.89	265.89
-Lease liabilities	8.80	-	-	8.80	8.80
-Other financial liabilities	42.28	-	-	42.28	42.28

Total	780.20	-	-	780.20	780.20
--------------	---------------	---	---	---------------	---------------

(Amount in ₹ Lakhs)

Particulars	As at 1st April 2022				
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets					
-Loans	612.35	-	-	612.35	612.35
-Investments	1,342.29	812.49	-	529.81	1,342.29
-Trade receivables	650.74	-	-	650.74	650.74
-Cash and cash equivalents	121.72	-	-	121.72	121.72
- Other financial assets	112.45	-	-	112.45	112.45
Total	2,839.55	812.49	-	2,027.07	2,839.55
Financial liabilities					
-Trade payables	417.26	-	-	417.26	417.26
-Borrowings	65.18	-	-	65.18	65.18
-Lease liabilities	11.41	-	-	11.41	11.41
-Other financial liabilities	56.49	-	-	56.49	56.49
Total	550.33	-	-	550.33	550.33

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities. There have been no transfers between any of the above levels for the years mentioned above.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the financial instruments is determined using discounted cash flow analysis.

Valuation process

(i) Level 1 - The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV

represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) Level 3 valuations are discussed with CFO and the finance team at least once every year.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Risk adjusted discount rates are estimated based on expected cash inflows arising from the instrument and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the yearly valuation discussion between the CFO and the finance team.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature. Non-current loans represent security deposits and other non-current financial assets represents bank deposits (due for maturity after twelve from the reporting date) and interest accrued but not due on bank deposits, the carrying value of which approximates the fair values as on the reporting date.

34.3. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk;
- (ii) Liquidity risk; and
- (iii) Market risk

(a) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has authorized respective business managers to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the business managers periodically to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Recognised variable rate financial liabilities denominated in Indian rupee (INR)	Sensitivity analysis	Mix of borrowings taken at fixed and floating rates
Market risk - security price	Investments in equity securities	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

34.4. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to discharge an obligation to the company. The company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- Cash and cash equivalents
- Trade receivables
- Loans carried at amortised cost, and
- Other financial assets

(a) Credit Risk Management

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- a) Low credit risk
- b) Moderate credit risk
- c) High credit risk

(b) The Company provides for expected credit loss based on the following:

Risk	Categorisation of items	Provision for expenses credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, and other financial assets measured at amortised cost	12 month expected credit loss/lifetime expected credit loss
Moderate credit risk	Trade receivables Current investment - Quoted	Loss allowance is always measured at lifetime expected credit losses

Assets under credit risk -

Particulars	Credit rating	(Amount in ₹ Lakhs)			
		As at 31 st 2024	March 2023	As at 31 st 2023	As at 1 st April 2022
Loans	Low credit risk	438.90	-		612.35
Cash and bank balances	Low credit risk	226.19	131.82		121.72
Other financial assets	Low credit risk	72.27	153.79		112.45

Trade receivables	Moderate credit risk	943.26	1,059.68	650.74
-------------------	----------------------	--------	----------	--------

(c) Cash & cash equivalents and bank deposits

Since the Company deals with only high rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

(d) Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, etc. Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets.

(e) Credit risk exposure

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analysing historical trend of default (net of any recoveries from the insurance companies, if any) relevant to each business segment based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for).

(f) Detail of trade receivables (net of allowances) that are past due is given below:-

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2023	1 st April 2022	1 st April 2022
Not due and overdue less than 6 months	844.18	941.74	546.17	
Overdue more than 6 months	99.08	117.94	104.56	
Total	943.26	1,059.68	650.74	

34.5. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of short term bank deposits, demand loans and cash credit facility. Processes and policies related to such risks are overseen by senior management.

(a) Maturities of financial liabilities

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

(Amount in ₹ Lakhs)

Particulars	31st March 2024			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	556.18	-	-	556.18
Borrowings	410.94	-	-	410.94
Lease liabilities	-	5.56	-	5.56
Other financial liabilities	64.33	-	-	64.33
Total	1,031.45	5.56	-	1,037.00

(Amount in ₹ Lakhs)

Particulars	31st March 2023			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	463.24	-	-	463.24
Borrowings	265.89	-	-	265.89
Lease liabilities	-	8.80	-	8.80
Other financial liabilities	42.28	-	-	42.28
Total	771.40	8.80	-	780.20

(Amount in ₹ Lakhs)

Particulars	1 st April 2022			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	417.26	-	-	417.26
Borrowings	65.18	-	-	65.18
Lease liabilities	-	11.41	-	11.41
Other financial liabilities	56.49	-	-	56.49
Total	538.92	11.41	-	550.33

34.6. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at 31 March 2024. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2024.

(a) Interest rate risk

The Company's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(b) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(Amount in ₹ Lakhs)		
	As at 31 st March 2024	As at 31 st March 2023	As at 1 st April 2022
Variable rate borrowings	-	-	-
Fixed rate borrowings	410.94	265.89	65.18
Total	410.94	265.89	65.18

Sensitivity

Since, the interest rate on Company's borrowings is fixed. Thus, there is no impact of change in interest rate on Company's borrowings.

(c) Price risk

Exposure from investments in mutual funds:

The Company's exposure to price risk arises from investments in mutual funds held by the Company and classified in the balance sheet as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity

The sensitivity to profit or loss (net of taxes) in case of an increase in price of the instrument by 5% keeping all other variables constant would have resulted in corresponding impact on (losses)/profits by ₹ 31.51 lakhs (31 March 2023 ₹ 18.45 lakhs; 01 April 2022 ₹ 29.32 lakhs).

(d) Foreign exchange risks

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company does not use forward contracts and swaps for speculative purposes.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

Particulars	(Amount in ₹ Lakhs)		
	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022

		Foreign currency	Indian Rupee (₹)	Foreign currency	Indian Rupee (₹)	Foreign currency	Indian Rupee (₹)
Trade payables	United States Dollar (USD)	-	438.90	-	-	-	612.35
	Russian Rubal (RUB)	873.16	545.77	511.28	929.33	812.49	529.81

Sensitivity

The sensitivity to profit or loss from changes in the exchange rates arises mainly from financial instruments denominated in USD. In case of a reasonably possible change in INR/USD exchange rates of +/- 5 % (previous years +/-5%) at the reporting date, keeping all other variables constant, there would have been corresponding impact on losses/profits of ₹ 3.70 lakhs (31 March 2023: ₹ 0.92 lakhs; 01 April 2022: ₹ 1.31 lakhs).

35. CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024; 31 March 2023 and as at 1 April 2022.

The Company monitors capital using net debt to equity ratio, which is net debt (as reduced by cash and cash equivalent) divided by total equity.

Particulars		(Amount in ₹ Lakhs)		
		As at 31 st March 2024	As at 31 st March 2023	As at 1 st April 2022
Short term borrowings	refer note 17	410.94	265.89	65.18
Lease liabilities	refer note 15	5.56	8.80	11.41
Less: Cash and cash equivalents	refer note 10	-226.19	-131.82	-121.72
Net Debts		190.30	142.87	-45.13
Equity share capital	refer note 13	1,059.01	1,059.01	1,059.01
Other equity	refer note 14	2,060.03	1,969.98	1,891.26
Total Capital		3,119.05	3,028.99	2,950.27
Gearing ratio		6.10%	4.72%	-1.53%

36. REVENUE FROM CONTRACTS WITH CUSTOMERS

Ind AS 115: Revenue from Contracts with Customers, establishes a framework for determining whether, how much and when revenue is recognized and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognized through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

(a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography.

Revenue from Operations	(Amount in ₹ Lakhs)			
	As at 31 st 2024	March	As at 31 st 2023	March
Revenue by geography				
Export		137.13		25.49
Domestic		3,132.12		2,139.18
Total		3,269.25		2,164.67
Revenue by geography				
Revenue at point of time		-		-
Revenue over the period of time		3,269.25		2,164.67
Total		3,269.25		2,164.67

(b) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Particulars	(Amount in ₹ Lakhs)			
	As at 31 st 2024	March	As at 31 st 2023	March
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period		-		-
Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods		-		-
Total		-		-

(c) Assets and liabilities related to contracts with customers

(Amount in ₹ Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Non-current	Current	Non-current	Current
Contract liabilities related to sale of goods				
Advance from customers	-	29.97	-	0.74
Advance from related parties	-	-	-	-
Contract assets				
Trade receivables (including unbilled revenue)	-	943.26	-	1059.68

(d) Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
Contract price		3,132.12		2,139.18
Less: discount, rebates, credits etc.		-		-
Total		3,132.12		2,139.18

(e) Significant changes in contract assets and liabilities

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
Opening balance (Advance from customer)		0.74		3.29
Add: addition during the year		29.23		-
Less: revenue recognised during the year from opening liability		-		2.55
Closing Balance		29.97		0.74

37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES PURSUANT TO IND AS 7 - STATEMENT OF CASH FLOWS

The changes of the Company's liabilities arising from financing activities can be classified as follows:

(Amount in ₹ Lakhs)

Particulars	Equity Share Capital	Short-term Borrowings	Lease	Total
Opening Balance as on 01st April 2022	1,059.01	65.18	14.72	1,138.91
Cash flows:				

Payment of lease liabilities	-	-	-3.78	-3.78
Proceeds from short-term borrowings (net)	-	200.71	-	200.71
Non-Cash changes:				
Interest expense on lease liabilities	-	-	1.17	1.17
Closing Balance as on 31st March 2023	1,059.01	265.89	12.11	1,337.01
Cash flows:				
Interest expense on financial liabilities at fair value	-	-	-3.24	-3.24
Proceeds from short-term borrowings (net)	-	145.06	-	145.06
Non-Cash changes:				
Interest expense on lease liabilities	-	-	-	-
Closing Balance as on 31st March 2024	1,059.01	410.94	8.87	1,478.83

38. ADDITIONAL REGULATORY INFO

S.No.	Additional regulatory information not disclosed elsewhere in the financial statements
1	No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
2	The Company has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly statements filed by the Company with banks or financial institution are in agreement with books of accounts.
3	As the Company does not have any loan or other borrowing from any lender, therefore disclosure of wilful defaulter is not applicable.
4	The Company does not have any transactions with companies struck off.
5	The Company has complied with the number of layers of companies prescribed under the Companies Act, 2013.
6	The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
7	The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
8	The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall: <ul style="list-style-type: none"> (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- 9 The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 10 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 11 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- 12 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

39. RATIOS

Particulars	Numerator	Denominator	As at 31st March 2024	As at 31st March 2023	% change in ratios	Reasoning
1 Current Ratio	Current assets	Current liabilities	2.56	3.09	-17.20%	refer not 41.1
2 Debt-Equity Ratio	Total debt	Shareholder's equity	0.13	0.09	50.09%	refer not 41.2
3 Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	6.53	9.28	-29.67%	refer not 41.3
4 Return on equity ratio	PAT	Average shareholders' equity	4.65%	4.40%	5.62%	
5 Inventory turnover ratio	Cost of goods sold	Average Inventory	3.84	3.83	0.27%	
6 Trade receivables turnover ratio	Net credit sales	Average trade receivables	3.26	2.53	28.97%	refer not 41.4
7 Trade payables turnover ratio	Net credit purchases	Average trade payables	4.72	3.47	35.80%	refer not 41.5
8 Net capital turnover ratio	Net sales	Average working capital	1.92	1.43	34.78%	refer not 41.6
9 Net profit ratio	PAT	Total turnover	4.37%	6.08%	-28.09%	refer not 41.7
10 Return on capital employed	Earning before interest and taxes	Capital Employed	0.09	0.07	35.87%	refer not 41.8

11	Return on investment (Bank Deposits)	Profit investment	on	Weighted average investment	-	-	-
----	---	----------------------	----	-----------------------------------	---	---	---

- 39.1. Due to increase in Working capital loan
39.2. Due to increase in Borrowings from related party
39.3. Due to increase in business activity of the company
39.4. Due to increase in Borrowings from related party
39.5. Due to increase in Borrowings from related party
39.6. Due to increase in Borrowings from related party
39.7. Due to increase in Borrowings from related party
39.8. Due to increase in Borrowings from related party

40. RESEARCH & DEVELOPMENT EXPENSES

The Company has maintained a recognised in-house research and development facility which is registered with the Department of Scientific & Industrial Research (DSIR) under Ministry of Science & Technology, Government of India. The Company maintains details of all expenses incurred specifically for Research & development purposes.

The expenses incurred during the year specifically for Research & Development purposes are:

Particulars	(Amount in ₹ Lakhs)			
	As at 31 st 2024	March	As at 31 st 2023	March
Salary to research staff		29.75		30.65
Material purchased		7.99		6.24
Travelling expenses		1.06		7.87
Other Expenses		3.66		15.20
Total		42.46		59.95

41. EXPLANATION TO TRANSITION TO IND AS

These standalone financial statements, for the year ended 31 March 2024, are the first financial statements prepared by the Company in accordance with Ind AS. For periods up to and including the year ended 31 March 2023, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP' or 'Previous GAAP').

First time adoption of Ind AS

Accordingly, the Company has prepared standalone financial statements which comply with Ind AS applicable for periods ending on 31 March 2024, together with the comparative period data as at and for the year ended 31 March 2023, as described in the summary of significant accounting policies. In preparing these standalone financial statements, the Company's opening Ind AS balance sheet was prepared as at 1 April 2022, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in

restating its Previous GAAP standalone financial statements, including the balance sheet as at 1 April 2022 and the financial statements as at and for the year ended 31 March 2023.

The Company has applied Ind AS 101 in preparing these first financial statements. The effect of transition to Ind AS on equity, total comprehensive income and reported cash flows are presented in this section and are further explained in the notes accompanying the tables.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, as at the transition date, i.e. 1 April 2022.

(a) Deemed cost

As per Ind AS 101, an entity may elect to use carrying values of all Property, plant and equipment, intangible assets, intangible assets under development as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure Property, plant and equipment, intangible assets under development and intangible assets at their Previous GAAP carrying values. Refer note 3 of the standalone financial statements.

(b) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 31 March 2023 are consistent with the estimates as at the same date made in conformity with previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

(c) Classification and measurement of financial assets and liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets and financial liabilities on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further if it is impracticable for the company to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial liability at the date of transition to Ind AS shall be the new grossing amount of that financial asset or the new amortised cost of that financial liability at the date of transition to Ind AS.

(d) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

42. RECONCILIATIONS BETWEEN PREVIOUS GAAP AND IND AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for previous periods. The following tables and notes represents the reconciliations from Previous GAAP to Ind AS.

- i) Reconciliation of equity as at 31 March 2023 and 1 April 2022.
- ii) Reconciliation of statement of total comprehensive income for the year ended 31 March 2023; and
- iii) The impact on cash flows from operating, investing and financing activities for the year 31 March 2023.

42.1. Reconciliation of equity as at 31 March 2023 and 1 April 2022.

Particulars	Notes	(Amount in ₹ Lakhs)	
		As at 31 st March 2023	As at 1 st April 2022
Total equity (shareholder's funds) as per previous GAAP		3,037.04	2,896.87
Adjustments:			-
Adjustments pertaining to application of IND AS 116	1	-1.30	-0.66
Recognition of financial assets at FVTPL	2	-16.89	34.12
Expected credit loss	3	-41.83	-57.72
Adjustments pertaining to depreciation on investment property	4	-30.90	-28.32
Adjustments pertaining provision for actuarial valuation	4	-25.49	-14.73
Adjustments pertaining to tax relating to earlier years not recorded	4	81.40	110.34
Tax effects of Ind AS adjustments	5	26.98	10.37
			15.00
Total equity as per Ind AS		3,028.99	2,965.27

42.2. Effect of Ind AS adjustments on Balance Sheet as at 01 April 2022

Particulars	Note	(Amount in ₹ Lakhs)		
		Previous GAAP	Adjustmen ts	Ind AS
ASSETS				
Non-Current Assets				
(a) Property Plant & Equipment & Intangible Assets		243.38	53.02	296.40
(b) Capital work-in-progress				
(c) Right-of-use-assets	4	-	14.35	14.35
(d) Financial Assets				
(i) Investments		611.14	-81.34	529.81
(i) Loans & Advances		612.35	-	612.35
(ii) Other financial assets	1	47.49	-0.29	47.20
(e) Deferred tax assets (net)	5	-	112.54	112.54

(f) Non-current tax assets (net)	5	2.22	-2.22	-
Current assets				
(a) Inventories		244.78	-	244.78
(b) Financial assets				
(i) Investments	2	778.37	34.12	812.49
(ii) Trade receivables	3	708.46	-57.72	650.75
(iii) Cash and cash equivalents		121.72	-	121.72
(iv) Other financial assets		65.25	-	65.25
(c) Other current assets		54.68	-	54.68
TOTAL ASSETS		3,489.85	72.46	3,562.31

(Amount in ₹ Lakhs)

Particulars	Note	Previous GAAP	Adjustments	Ind AS
EQUITY & LIABILITIES				
Equity				
(a) Equity share capital		1,059.01	-	1,059.01
(b) Other equity	42.1	1,837.86	53.40	1,891.26
Non-current liabilities				
(a) Financial liabilities				
(i) Lease liabilities	1	-	14.72	14.72
(b) Deferred tax liabilities (net)	5	8.17	-8.17	-
(c) Provisions	4	5.00	14.73	19.73
Current liabilities				
(a) Financial liabilities				
(i) Borrowings		65.18	-	65.18
(ii) Trade payables				
- Total outstanding dues of MSME		15.88	-	15.88
- Total outstanding dues of creditors other than MSME		401.37	-	401.37
(ii) Other financial liabilities		56.49	-	56.49
(b) Other current liabilities		20.05	-	20.05
(c) Current tax liabilities (Net)		20.84	-2.22	18.62
TOTAL EQUITY & LIABILITIES		3,489.85	72.46	3,562.31

42.3. Effect of Ind AS adjustments on Balance Sheet as at 31 March 2023

(Amount in ₹ Lakhs)

Particulars	Note	Previous GAAP	Adjustments	Ind AS
ASSETS				
Non-Current Assets				
(a) Property Plant & Equipment & Intangible Assets		255.81	50.44	306.25

(b) Capital work-in-progress				
(c) Right-of-use-assets	4	-	11.04	11.04
(d) Financial Assets				
(i) Investments		1,023.73	-94.40	929.33
(i) Loans & Advances				
(ii) Other financial assets		55.42	-0.24	55.18
(e) Deferred tax assets (net)				
(f) Non-current tax assets (net)			93.42	93.42
Current assets			-	-
(a) Inventories		447.64	-	447.64
(b) Financial assets				
(i) Investments	2	515.12	-3.83	511.28
(ii) Trade receivables	3	1,101.52	-41.83	1,059.68
(iii) Cash and cash equivalents		131.82	-	131.82
(iv) Other financial assets		98.61	-	98.61
(c) Other current assets		218.19		218.19
TOTAL ASSETS		3,847.85	14.59	3,862.44

(Amount in ₹ Lakhs)

Particulars	Note	Previous GAAP	Adjustments	Ind AS
EQUITY & LIABILITIES				
Equity				
(a) Equity share capital		1,059.01	-	1,059.01
(b) Other equity	42.1	1,978.03	-8.05	1,969.98
Non-current liabilities				
(a) Financial liabilities				
(i) Lease liabilities		-	12.11	12.11
(b) Deferred tax liabilities (net)		8.78	-8.78	-
(c) Provisions		-	25.49	25.49
Current liabilities				
(a) Financial liabilities				
(i) Borrowings		265.89	-	265.89
(ii) Trade payables				
- Total outstanding dues of MSME		114.14	-	114.14
- Total outstanding dues of creditors other than MSME		349.10	-	349.10
(ii) Other financial liabilities		42.28	-	42.28
(b) Other current liabilities		23.53	-	23.53
(c) Current tax liabilities (Net)		7.09	-6.18	0.90
TOTAL EQUITY & LIABILITIES		3,847.85	14.59	3,862.44

42.4. Reconciliation of total comprehensive income for the year ended 31 March 2023

(Amount in ₹ Lakhs)

Particulars	Ind AS
Profit after tax as per previous GAAP	193.11
Adjustments:	-
Adjustments pertaining to application of IND AS 116	-0.64
Recognition of financial assets at FVTPL	-51.01
Expected credit loss	15.88
Adjustments pertaining to depreciation on investment property	-2.58
Adjustments pertaining provision for actuarial valuation	-10.76
Adjustments pertaining to tax relating to earlier years not recorded	-
Reclassification of actuarial gain/loss	6.44
Tax effects of Ind AS adjustments	-12.34
Profit after tax as per Ind AS	138.11
Other comprehensive income	-6.44
Total comprehensive income as per Ind AS	131.67

42.5. Total comprehensive income for the year ended 31 March 2023

(Amount in ₹ Lakhs)

Particulars	Note	Previous GAAP	Adjustments	Ind AS
INCOME				
Income from operations		2,164.67	-	2,164.67
Other income	1-2	280.28	-50.95	229.33
TOTAL INCOME		2,444.95	-50.95	2,394.00
EXPENDITURES				
Cost of materials consumed		1,466.25	-	1,466.25
Change in inventories of finished goods and work in process		-139.88	-	-139.88
Employee benefit expenses		368.17	1.84	370.01
Finance costs	1	26.79	1.17	27.96
Depreciation and amortization expenses	1	25.89	5.89	31.78
Other expenses	1-3	457.74	-19.66	438.07
TOTAL EXPENSES		2,204.96	-10.76	2,194.20
Profit/(Loss) before exceptional items and tax				
Profit/(Loss) before tax		239.99	-40.19	199.80
Tax Expense				
Current Tax		46.26	14.48	60.74
Provision for tax		-	-	-
Deferred Tax	3	0.62	0.33	0.95

Profit for the year		193.11	-55.00	138.11
Other comprehensive income				
Remeasurements of defined benefit asset		-	-8.92	-8.92
Income tax relating to above mentioned item		-	2.48	2.48
Total comprehensive (loss) for the year		193.11	-61.44	131.67

42.6. Impact of Ind AS adoption on cash flow statement for the year ended 31 March 2023

Particulars	(Amount in ₹ Lakhs)		
	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	-513.32	-166.16	-679.48
Net cash flow from investing activities	593.17	-29.20	563.97
Net cash flow from financing activities	-52.95	178.56	125.61
Net (decrease) in cash and cash equivalents	26.90	-16.80	10.10
Cash and cash equivalents as at 1 April 2022	121.72	-	121.72
Cash and cash equivalents as at 31 March 2023	148.62	-16.80	131.82

42.7. Notes to first-time adoption:
Note 1: Measurement of rental expense

Under the previous GAAP, any escalation in operating lease rentals were straight-lined over the lease term. Under Ind AS, at the commencement date, a lessee shall recognise a right-of-use asset and a lease liability. At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate. A lessee shall apply the depreciation requirements in Ind AS 16, Property, Plant and Equipment, in depreciating the right-of-use asset.

Note 2: Measurement of investments in mutual funds and other equity instruments

Under Indian GAAP, current investments were stated at lower of cost and fair value.

Under Ind AS, these financial assets have been classified as Fair Value Through Profit and Loss ('FVTPL') on the date of transition to Ind AS and fair value changes after the date of transition have been recognised in the statement of profit or loss.

Note 3: Expected credit loss

Under the previous GAAP, provisioning for trade receivables were done on case to case basis. Historically there are no amounts provided for provision for doubtful debts.

Under Ind AS, at initial recognition, an entity shall measure trade receivables at their transaction price if the trade receivable do not contain a significant financing component and subsequently shall measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables.

Note 4: Prior period

During the current period, the Company has recorded provision for gratuity and compensated absences and depreciation on investment properties for earlier periods which was erroneously missed in previous year/period.

Note 5: Deferred tax

Under the previous GAAP, deferred tax is calculated using the income statement approach, which focuses on difference between taxable profits and accounting profits for the period. Ind AS 12 - "Income tax" requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Application of Ind AS has resulted in recognition of deferred tax on new temporary differences and on the adjustments arising due to adjustments made on transition.

Note 6: Remeasurements of post-employment benefit obligations

Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. Under Ind AS, remeasurements i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of the statement of profit and loss.

Signed in terms of our report of even date

For **BANCERS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra
Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/-
Amit A. Raje
*Chairman & Chief Executive
Managing
Director*

Sd/-
Arati Nath
*Chief Executive
Officer*

Sd/-
Pradeep V. Narkhede
Chief Financial Officer

Sd/-
K.R. Tanuj Reddy
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of

AARTECH SOLOINICS LIMITED,

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying IND AS Consolidated financial statements of AARTECH SOLOINICS LIMITED ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") which comprise the Consolidated balance sheet as at March 31, 2024, the Consolidated statement of profit and loss (Including other comprehensive income), Consolidated Cashflow Statement and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We do not have anything to report under Key Audit Matters for the Company relating to financial year ended March 31, 2024

Emphasis of Matter

We would like to draw your attention towards Note no. 43.1 of the Consolidated financial statement 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 statements of Enerqual Technologies Pvt. Ltd. Accordingly, the management has not included the impact in the consolidate financial statements of the Group. Considering the probable impact of the same our opinion is not modified in respect to this matter.

As mentioned in Note no. 43.2 of the Consolidated financial statements 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 statements of the Group. Considering the probable impact of the same our opinion is not modified in respect to this matter.

Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board of Director's Report but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards (IND AS) specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021. 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 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.

In preparing the Consolidated financial statements, 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 also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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, and for the purpose of expressing an opinion on the adequacy and operating effectiveness of the company's internal controls as per Section 143(3)(i) of the act.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Company's ability to continue as a going concern. 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 financial statements 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 financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Materiality is the magnitude of misstatement in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Consolidated financial statements.

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 Matter

- (a) The balances of Trade Receivables & Payables, as well their respective classifications, are subject to confirmation procedures. Our opinion is not modified in respect of these matters.
- (b) The Consolidated financial statements of the Company for the year ended March 31, 2023, were audited by another auditor (Prem Chand Jain & Co.) whose report dated 11, May 2023 expressed an unmodified opinion on those Consolidated Financial statements.

Report on Other Legal and Regulatory Requirements

- iii. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of Company and its subsidiaries as at and for the year ended March 31, 2024, included in the consolidated financial statements of the Group, we have not reported any qualifications or adverse remarks.
- iv. 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 purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law maintained by the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books
 - (c) The Consolidated balance sheet and the Consolidated statement of profit and loss including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Cashflow

Statement dealt by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors of the Company, none of the directors of the Group companies and its associate companies are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”;
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the 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 has no pending litigations on its financial position in its consolidated financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or

indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For B A N C R S & CO. LLP

Chartered Accountants

(Firm’s Registration No.: 0C400331)

Sd/-

CA Anmol Chhabra

Partner

(Membership No. 434305

UDIN: 24434305BKEQOS4940

Place of Signature: Bhopal

Date: 30th May 2024

Annexure A to the Independent Auditor's Report on the Consolidated financial statements of AARTECH SOLONICS LIMITED for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid Consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

Opinion

We have audited the internal financial controls with reference to Consolidated financial statements of AARTECH SOLONICS LIMITED ("the Company") and its subsidiaries, as of 31 March 2024 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated financial statements included obtaining an understanding of internal financial controls with reference to Consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on

the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to Consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference Consolidated financial statements include those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements Because of the inherent limitations of internal financial controls with reference to Consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B A N C R S & CO. LLP

Chartered Accountants

Firm's Registration No.: 0C400331

Sd/-

CA Anmol Chhabra

Partner

Membership No. 434305

UDIN: 24434305BKEQOS4940

Place of Signature: Bhopal

Date: 30th May 2024

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2024

(Amount in ₹ Lakhs)

Particulars	Notes	As at 31st March 2024	As at 31st March 2023 (Restated)	As at 31st March 2022 (Restated)
ASSETS				
Non-Current Assets				
(a) Property Plant & Equipment & Intangible Assets	2	450.46	430.27	432.55
(b) Capital work-in-progress				
(c) Right-of-use-assets	2	7.72	11.04	14.35
(d) Financial assets				
(i) Investments	3	546.01	509.57	78.43
(ii) Loans & Advances	4	-	-	602.23
(iii) Other Financial Assets	5	69.52	55.18	47.20
(e) Deferred Tax Assets (Net)	6	28.29	99.77	127.19
(f) Non-current Tax Assets (Net)	7	0.29	9.16	-
Current Assets				
(a) Inventories	8	774.14	512.89	275.54
(b) Financial assets				
(c) Investments	9	903.02	599.76	817.08
(i) Trade Receivables	10	948.32	1056.02	649.19
(ii) Cash & Cash Equivalents	11	233.98	137.48	118.31
(iii) Other Financial Assets	12	2.77	0.40	0.75
(d) Other Current Assets	13	147.68	262.91	116.25
TOTAL ASSETS		4112.21	3684.44	3279.06
EQUITY & LIABILITIES				
Equity				
(a) Equity Share Capital	14	1059.01	1059.01	1059.01
(b) Other Equity	15	1894.47	1828.29	1743.47
Non-Controlling Interest	16	0.41	-1.23	0.81
Non-current liabilities				
(a) Financial liabilities				
(i) Lease Liabilities				
(b) Other Non-current liabilities	17	5.56	8.80	11.41
(c) Deferred Tax Liabilities (Net)	18	15.85	17.26	47.76
(d) Provisions	19	24.28	23.07	18.84
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	20	410.94	265.89	65.18
(ii) Lease Liabilities	17	3.52	3.32	3.31
(iii) Trade Payables	21			
- Total outstanding dues of MSME		36.40	126.13	15.88
- Total outstanding dues of creditors other than MSME		513.42	284.89	207.21
(iv) Other Financial Liabilities	22	66.78	42.54	37.54
(b) Other current liabilities	23	56.42	24.07	20.98
(c) Provisions	19	-	2.42	0.89
(d) Current tax liabilities (Net)	24	25.14	-	46.77

TOTAL EQUITY & LIABILITIES	4112.21	3684.44	3279.06
---------------------------------------	----------------	----------------	----------------

Significant accounting policies and notes to accounts are integral part of the Financial Statements.

For **BANCERS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra
Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/-
Amit A. Raje
Chairman &
Managing
Director

Sd/-
Arati Nath
Chief Executive
Officer

Sd/-
Pradeep V. Narkhede
Chief Financial Officer

Sd/-
K.R. Tanuj Reddy
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Lakhs)

Particulars	Note	For the year ended 31 st March 2024	For the year ended 31 st March 2023 (Restated)
INCOME			
Income from operations	25	3274.41	2168.80
Other Income	26	314.71	212.54
TOTAL INCOME		3589.12	2381.35
EXPENDITURES			
Cost of materials consumed	27	2189.30	1410.56
Change in inventories of finished goods and work in process	28	-45.09	-139.88
Employee benefit expenses	29	442.67	394.39
Finance costs	30	56.80	28.13
Depreciation and amortization expenses	31	46.93	43.91
Other expenses	32	640.35	440.62
TOTAL EXPENSES		3330.96	2177.73
Profit/ (Loss) before exceptional items and tax		258.16	203.61
Exceptional Items		-	-
Profit before tax		258.16	203.61
Tax Expense			
Current Tax		117.29	62.48
Earlier Tax	33	5.24	-
Deferred Tax		4.10	0.58
Profit for the year		131.53	142.17
Other Comprehensive Income (items that will not be subsequently reclassified to profit or loss)			
Remeasurements of defined benefit obligations		-1.79	-8.92
Income tax relating to above mentioned item		0.50	2.48
Other comprehensive income for the year, net of Income tax		-1.29	-6.44
Total comprehensive profit/(loss) for the year, net of income tax		130.24	135.73
Earnings per equity share (Par value of Rs. 10 each)	34		
Basic (₹)		1.24	1.34
Diluted (₹)		1.24	1.34

Significant accounting policies and notes to accounts are integral part of the Financial Statements.

Signed in terms of our report of even date

For **BANCRS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra

Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/-
Amit A. Raje

*Chairman &
Managing
Director*

Sd/-
Arati Nath

*Chief Executive
Officer*

Sd/-
Pradeep V. Narkhede

Chief Financial Officer

Sd/-
**K.R. Tanuj
Reddy**
*Company
Secretary*

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ in Lakhs)		
Particulars	For the year ended 31 st March 2024	For the year ended 31 st March 2023 (Restated)
1. Cash Flows from Operating Activities		
<i>Net Profit and Loss A/c (as per profit and loss account)</i>	131.53	142.17
Adjustments for		
<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 expenses on bank overdraft</i>	27.35	14.37
<i>Interest expenses 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 deposits</i>	-10.32	-2.77
<i>Interest income others</i>	-10.44	8.59
<i>Interest income on security deposits</i>	-0.06	-0.06
<i>Net gain/loss on sale of investments</i>	-158.57	-23.84
<i>Gain on investment measured on 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 & Equipment</i>	0.09	14.15
<i>Other non-operating income</i>	-10.42	-
Operating Profit Before Working Capital Changes	14.90	187.45
Capital Changes		
<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 Payables</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
Net cash generated from operational activity	149.20	-482.26
2. Cash Flows from Investing Activities		
<i>Interest Income</i>	12.20	66.35
<i>Grant Income</i>	39.63	10.00
<i>Non-Current Investment (Net)</i>	-	-431.14
<i>Proceeds from disposal of Property, plant & Equipment</i>	-	189.44

<i>Purchase of Property, plant & Equipment (Net)</i>	-63.89	-52.47
<i>Purchase and realization of marketable securities (Net)</i>	-288.17	-
<i>Net gain/loss on sale of Investment</i>	221.54	-
<i>Loan & advances</i>	-	602.24
<i>Security deposit paid</i>	-14.34	-
Net cash generated from Investment activity	-93.03	384.41
3. Cash Flows from Financing Activities		
<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
Net cash generated from Financing activity	40.34	117.02
4. Net Increase/ (Decrease) in Cash (1+2+3)	96.51	19.18
Cash and cash equivalents at the beginning of the year	137.48	118.31
5. Cash and cash equivalents at the end of the year	233.98	137.48

Signed in terms of our report of even date

For **BANCRS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra
Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/-
Amit A. Raje
Chairman & Chief Executive
Managing Officer
Director

Sd/-
Arati Nath
Chief Executive
Officer

Sd/-
Pradeep V. Narkhede
Chief Financial Officer

Sd/-
K.R. Tanuj Reddy
Company Secretary

Statement of Change in Equity for the Year ended 31st March, 2024

(Amount in ₹ Lakhs)		
Particulars	Notes	Equity Share Capital
A. Share Capital:		
As at 1 st April, 2022		1,059.01
Changes in equity share capital during the year	14	-
As at 31 st March, 2023		1,059.01
Changes in equity share capital during the year		-
As at 31st March, 2024	1,059.01	1,059.01

(Amount in ₹ Lakhs)						
Particulars	Note s	Retained Earnings	General Reserves	Capital Reserves	Securities Premium	Total
B. Other Equity:						
As at 1 st April, 2022		582.60	616.15	35.52	509.20	1,743.47
Profit for the year		142.17	-	-	-	142.17
Profit attributable to minority shareholders		2.04				2.04
Dividend paid on equity shares during the period	15	-52.95	-	-	-	-52.95
Other comprehensive income for the year (Net)		-6.44	-	-	-	-6.44
Changes during the period		-	-	-	-	-
As at 31st March, 2023		667.41	616.15	35.52	509.20	1,828.29
Profit for the year		131.53	-	-	-	131.53
Profit attributable to minority shareholders		1.64				1.64
Dividend paid on equity shares during the period		-52.95	-	-	-	-52.95
Other comprehensive income for the year (Net)		-1.29	-	-	-	-1.29
Changes during the period		-12.75	-	-	-	-12.75
As at 31st March, 2024		733.60	616.15	35.52	509.20	1,894.47

As per our report of even date

For **BANCRS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra
Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/- **Amit A. Raje**
Chairman & Managing Director

Sd/- **Arati Nath**
Chief Executive Officer

Sd/- **Pradeep V. Narkhede**
Chief Financial Officer

Sd/- **K.R. Tanuj Reddy**
Company Secretary

Notes on Consolidated Financial Statements for the Year ended 31st March, 2024**1. SIGNIFICANT ACCOUNTING POLICIES****1.1 REPORTING ENTITY:**

Aartech Solonics Limited ('the Company' or 'the Parent') is domiciled and incorporated as a public limited company in India under the provisions of the Companies Act, 1956 with its equity shares listed on National Stock Exchange and Bombay Stock Exchange in India. The Company's registered office is at E-2/57, "Ashirwad", Arera Colony, Bhopal - 462016, Madhya Pradesh.

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") and Group's interest in associates and joint ventures for the year ended 31 March 2024. The Group is primarily involved in manufacturing of specialised energy applications related products and services.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (IND AS). The financial statements have been prepared to comply in all material respects with the Indian accounting standards notified under the Companies (Indian Accounting Standards) Rules, 2015, (as amended and as applicable from time to time) and the relevant provisions of the Companies Act, 2013.

The accounting policies adopted in the preparation of consolidated financial statements are consistent for all the periods presented. The consolidated financial statements are presented in INR which is the functional currency, and all values are rounded to the nearest lakh (₹1,00,000) except when otherwise indicated. The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 30, 2024.

1.3 BASIS OF CONSOLIDATION:**(a) Subsidiaries**

Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined like to like basis. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b) Non-controlling interests (NCI)

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(c) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(d) Equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss and OCI of equity- accounted investees, until the date on which significant influence or joint control ceases.

(e) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.4 CURRENT VERSUS NON-CURRENT CLASSIFICATION:

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle. Based on the nature of the business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.5 PROPERTY PLANT & EQUIPMENT:

Property, plant, and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost includes taxes, duties, freight, and other incidental expenses related to the acquisition and installation of the respective assets. Subsequent expenditure related to an item of property, plant, and equipment is added to its book value only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance.

Depreciation on property, plant, and equipment is provided on a straight-line basis over the useful lives of assets estimated by the management, taking into account the nature of the asset on technical evaluation of the useful life which may not necessarily be in alignment with the indicative useful lives prescribed by Schedule II to the Companies Act 2013. The following useful lives are considered:

Asset Name:	Useful Life
Land	-
Building	30 Years
Plant & Machinery	15 Years
Electrification	10 Years
Office Equipment	5 Years
Computer & Accessories	3 Years
Testing Equipment	15 Years
Furniture & Fixtures	10 Years
Vehicles	8 Years
Tools	15 Years

If significant parts of property, plant, and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant, and equipment. Items of property, plant, and equipment that have been retired from active use and are held for disposal are stated at the lower of their carrying value and estimated net realizable value and are disclosed separately in the financial statements. Any gain or loss on disposal of an item of property, plant, and equipment is recognized in the Statement of Profit and Loss. Capital work-in-progress includes the cost of property, plant, and equipment that are not ready for intended use at the balance sheet date. Advances paid towards the acquisition of property, plant, and equipment outstanding at each balance sheet date are classified as capital advances under "Other Non-Current Assets".

1.6 INTANGIBLE ASSETS:

Intangible assets comprise software and technical know-how. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. These intangible assets are amortized on a straight-line basis based on the basis of their useful lives which, in management's estimate, represent the period during which economic benefits will be derived from their use. Currently the entity holds no intangible assets.

1.7 INVESTMENT PROPERTY:

Investments in land or buildings (including property under construction) which are held to earn rentals and/or for capital appreciation are classified as investment property. Investment properties are initially measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met, and directly attributable cost of bringing the investment property to its working condition for the intended use.

Depreciation on investment property is provided on a straight-line basis over the useful lives of assets estimated by the management. Such classes of investment properties and their estimated useful lives are as under:

Asset Name:	Useful Life
Land	Nil

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is recognized in the Statement of Profit and Loss.

1.8 REVENUE RECOGNITION:

Revenue is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is stated exclusive of Goods and Services Tax and net of trade and quantity discount.

Revenue from the sale of products is recognized on transfer of control of products to the customers, which is usually on dispatch or delivery of goods. When the outcome of a project contract can be estimated reliably, revenue from project contracts is recognized under the percentage-of-completion method based on the percentage of costs incurred to date compared to the total estimated contract costs. An expected loss on the project contract is recognized as an expense immediately. Contract revenue earned in excess of billing has been reflected as "Contract assets" and billing in excess of contract revenue has been reflected under "Contract liabilities" in the balance sheet.

Revenue from services represents Service income other than from services which are incidental to the sale of products and projects. Revenue from services is recognized as per the terms of the contract with the customer using the proportionate completion method. Revenue from services rendered over a period of time is recognized on a straight-line basis over the period of the performance obligation.

1.9 INVENTORIES:

Inventories comprise all costs of purchase, conversion, and other costs incurred in bringing the inventories to their present location and condition. Raw materials, work-in-progress, finished goods, and traded goods are carried at the lower of cost and net realizable value. Cost is determined on the basis of First in First Out Method (FIFO). The net realizable value of work-in-progress and finished goods is determined with reference to the estimated selling price less estimated cost of completion and estimated costs necessary to make the sale of related finished goods. Raw materials held for the production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished product will exceed its net realizable value.

1.10 EMPLOYEES BENEFITS:

(a) Short-term Employee Benefits

All employee benefits that are payable within twelve months of rendering the service are classified as short-term employee benefits. These include salaries, wages, short-term compensated absences, and the expected cost of ex-gratia payments. Such benefits are recognized in the period during which the employee provides the related service.

(b) Post-employment and Other Long-term Benefits

Defined Contribution Plans: The Company's superannuation scheme and employee state insurance scheme are defined contribution plans. Contributions under these schemes are recognized as expenses in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans and Other Long-term Benefits: The Company's gratuity, pension, medical benefit, and retirement gift schemes are defined benefit plans. Other long-term benefits include leave wages, retention bonuses, silver jubilee, and star awards. The present value of the obligation under these defined benefit plans and other long-term benefits is determined through actuarial valuation using the Projected Unit Credit Method. This method recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. For funded plans, the fair value of the plan assets is subtracted from the gross obligation under the defined benefit plans to recognize the obligation on a net basis. Provident fund is considered a defined benefit plan since any additional obligations due to investment risk and interest rate risk must be met by the Company.

For defined benefit plans, remeasurements, which include actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset), and any changes in the effect of asset ceiling (where applicable), are recognized in Other Comprehensive Income (OCI) and reflected in retained earnings. These remeasurements are not reclassified to profit or loss. For other long-term benefits, all remeasurements, including actuarial gains or losses, are charged to the Statement of Profit and Loss.

The Company recognizes the following items in the net defined benefit obligation as expenses in the Statement of Profit and Loss:

- service cost, including current service cost, past service cost, and gains and losses on curtailments and settlements.

- Net interest expense or income.

Provision for leave wages, pension, medical benefits, retention bonuses, silver jubilee, and star awards expected to be utilized within the next 12 months is treated as short-term employee benefits, while those expected to be utilized beyond 12 months are treated as long-term employee benefits. For presentation purposes, the allocation between short-term and long-term provisions is determined by an actuary.

1.11 LEASES:

The Company's lease asset class consist of leases for Office building. The Company assesses whether a contract is (or contains) a lease at inception of a contract. A contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. to assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. The contract involves the use of an identified asset.
2. The Company has substantially all the economic benefits from the use of the asset through the period of the lease.
3. The Company has the right to direct the use of the asset.

Where the Company is the lessee:

At the date of commencement of the lease, the Company recognizes a Right-of-Use asset (ROU) and a corresponding lease Liability for all lease arrangements in which it is a lessee except for leases with a term of twelve months or less (short-term leases) and leases of low-value assets. For these short-term and low value asset leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

The Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or; if not readily determinable, using the incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate, and payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease. The Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Where the Company is the lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset is classified as operating leases. Rental income from operating lease contracts is recognized on a straight-line basis over the lease term.

1.12 IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company estimates

the asset's recoverable amount. The recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

1.13 FOREIGN CURRENCY TRANSACTIONS:

The Company is exposed to currency fluctuations on foreign currency transactions. Transactions in foreign currency are recorded at the exchange rate prevailing on the transaction date. Exchange differences on settled transactions are recognized in the Statement of Profit and Loss.

Translation: Monetary assets and liabilities in foreign currency at year-end are translated at the closing exchange rate, with resultant exchange differences recognized in the Statement of Profit and Loss. Nonmonetary items are stated using the exchange rate at the date of transaction or when fair value was determined.

1.14 FAIR VALUE MEASUREMENT:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Assets and liabilities measured at fair value are categorized within the fair value hierarchy;

- **Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- **Level 2:** Valuation techniques with directly or indirectly observable inputs
- **Level 3:** Valuation techniques with unobservable inputs.

Transfers between levels in the hierarchy are reassessed at each reporting period. The Company uses various methods and assumptions, including discounted cash flow analysis and market prices, to determine fair value. All methods are approximations and may differ from actual realized values.

1.15 FINANCIAL INSTRUMENTS:

A financial instrument is any contract that results in a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial Assets

Initial Recognition and Measurement: On initial recognition, financial assets are recognized at fair value, except for trade receivables which are recognized at transaction price as they do not contain a significant

financing component. For financial assets recognized at fair value through profit and loss (FWPL), transaction costs are recognized in the Statement of Profit and Loss. For other financial assets, transaction costs are included in the acquisition value.

Subsequent Measurement: Financial assets are classified into the following categories for subsequent measurement:

(a) Financial assets at amortized cost: Financial assets are measured at amortized cost if held within a business model aimed at holding these assets to collect contractual cash flows, and the contractual terms give rise to cash flows that are solely payments of principal and interest. After initial measurement, these assets are measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost takes into account discounts, premiums, and fees that are integral to the EIR. EIR amortization is included in finance income in the Statement of Profit and Loss. Impairment losses are recognized in the Statement of Profit and Loss. This category typically includes trade and other receivables, loans, and other financial

(b) Financial assets including derivatives at fair value through profit or loss (FVTPL): These financial assets are measured at fair value through profit and loss unless they are measured at amortized cost or FWOCl upon initial recognition. Transaction costs for these assets are immediately recognized in the Statement of

(c) Financial assets at fair value through other comprehensive income (FVTOCI): Derivative instruments in this category are measured at fair value initially and at each reporting date. Changes in fair value are recognized in Other Comprehensive Income (OCI).

(d) Equity instruments: Equity investments in subsidiaries and associates are measured at cost.

Derecognition: A financial asset is derecognized primarily when;

(a) The right to receive cash flows from the asset has expired, or

(b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Upon derecognition of a financial asset, the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss,

Impairment of Financial Assets: The Company uses the expected credit loss (ECL) model for impairment of financial assets such as deposits, trade receivables, contract assets, and other financial assets resulting from transactions within the scope of Ind AS 115. The simplified approach is used for trade receivables and contract assets, recognizing impairment based on lifetime ECLs. For other financial assets, the Company assesses whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used; otherwise, lifetime ECL is applied. If credit quality improves, impairment loss allowance reverts to twelve-month ECL. ECL is the difference between contractual cash flows and the cash flows expected to be received, discounted at the original EIR.

ECL impairment loss allowance (or reversal) is recognized in the Statement of Profit and Loss under 'Other expenses.'

Financial Liabilities

Initial Recognition and Measurement: Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss (FWPL), payables, or derivatives designated as hedging instruments. They are recognized at fair value, with transaction costs recognized in the Statement of Profit and Loss for FVTPL liabilities, and included in the acquisition or issue value for other financial liabilities.

Subsequent Measurement: Financial liabilities, including derivatives, designated at FVTPL are measured at fair value. Other financial liabilities, such as deposits, are measured at amortized cost using the EIR method. For trade and other payables maturing within one year, the carrying amount approximates fair value.

Derecognition: A financial liability is derecognized when the obligation is discharged, cancelled, or expired. An exchange or modification of terms with the same lender that results in substantially different terms is treated as derecognition of the original liability and recognition of a new one. The difference in carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of Financial Instruments: Financial assets and liabilities are offset and the net amount reported in the balance sheet if there is a legally enforceable right to offset and an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

1.16 TAXES ON INCOME:

Income-tax expense includes both current tax and deferred tax.

- **Current Tax:** This is calculated based on the taxable profit for the year in accordance with the relevant provisions of the Income Tax Act, 1961. It is recognized in the Statement of Profit and Loss unless it relates to items recognized in Other Comprehensive Income (OCI) or directly in equity. In such cases, current tax is also recognized in OCI or equity. Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provisions arising in the same tax.

-**Deferred Tax:** Deferred Tax reflects the Tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is recognized using the balance sheet method at the Tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred Tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. These assets are reviewed at each balance sheet date and written down when it is no longer probable that sufficient taxable profits will be available. Deferred Tax related to items recognized outside profit or loss is also recognized outside profit or loss, either in OCI or directly in equity.

1.17 PROVISIONS AND CONTINGENCIES:

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount. Provisions are discounted to their present value when the effect of time value of money is material.

Contingent Liabilities are disclosed when there is a possible obligation that arises from past events, the existence of which will be confirmed by the occurrence or non-occurrence of future events not wholly within the control of the company, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured. Contingent Assets are not recognized in the financial statements.

1.18 EARNINGS PER SHARE:

Basic earnings per share is calculated by dividing the net profit attributable to equity shareholders by the

weighted average number of equities shares outstanding during the year.

Diluted earnings per share adjusts the net profit and the weighted average number of shares for the effects of all dilutive potential equity shares.

1.19 CASH & CASH EQUIVALENTS:

Cash and cash equivalents comprise cash, cheques in hand, cash at bank, and short-term deposits with maturities of three months or less. Deposits with maturities over three months are classified as "Other bank balances."

1.20 GOVERNMENT GRANTS AND SUBSIDIES:

Government grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached and that the grant or subsidy will be received. Revenue-related grants are recognized in the Statement of Profit and Loss on a systematic basis over the periods necessary to match them with the related costs they are intended to compensate. Asset-related grants are deducted from the carrying amount of the asset.

1.21 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS:

Non-current assets or disposal groups are classified as "held for sale" if:

- A decision has been made to sell,
- They are available for immediate sale in their present condition,
- They are being actively marketed,
- Sale is expected within 12 months of the balance sheet date.

Such assets are measured at the lower of their carrying amount and fair value less costs to sell and are not depreciated or amortized.

A discontinued operation is a component that has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

1.22 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of financial statements in accordance with indAS requires management to make estimates and assumptions that affect reported amounts of revenue, expenses, assets, and liabilities. Actual results may differ from these estimates. Any revisions to accounting estimates are recognized prospectively.

KEY ASSUMPTIONS AND ESTIMATING UNCERTAINTY:

These assumptions and estimates have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year. The Company bases its assumptions and estimates on parameters available when the financial statements were prepared. Circumstances may change due to market changes or other developments beyond the Company's control, and such changes are reflected in the assumptions when they occur.

a. TAXES:

Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits together with future tax planning strategies.

b. PROVISIONS:

Significant estimates are involved in determining provisions related to liquidated damages, onerous contracts, warranty costs, asset retirement obligations, and legal and regulatory proceedings. Provisions for onerous sales contracts are made when total contract costs exceed expected contract revenue. The provision for warranty, liquidated damages, and onerous contracts is based on the best estimate required to settle the present obligation at the end of the reporting period. Legal proceedings often involve complex issues and substantial uncertainties, requiring considerable judgement in determining the probability of a present obligation and estimating the obligation amount reliably. Internal and external counsel are generally involved in this determination process. Estimates are revised periodically.

c. PROPERTY, PLANT, AND EQUIPMENT AND INTANGIBLE ASSETS:

Depreciation charges are based on estimates of an asset's expected useful life and residual value. These estimates are determined by management when the asset is acquired and reviewed periodically, including at each financial year-end. They are based on historical experience with similar assets and anticipated future events, such as changes in technology.

d. EMPLOYEE BENEFITS:

The Company's obligation for employee benefits is determined based on actuarial valuations, which involve making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, and mortality rates. These liabilities are highly sensitive to changes in these assumptions, and all assumptions are reviewed at each reporting date. The discount rate is based on government bond interest rates, and mortality rates are based on publicly available tables for India. Future salary increases and gratuity increases are based on expected future inflation rates.

e. IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Company assesses at each balance sheet date whether there is any indication that an asset or group of assets (cash-generating unit) may be impaired. If any indication exists, the Company estimates the recoverable amount, which is the greater of the asset's net selling price and its value in use. Estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount is less than the carrying amount, an impairment loss is recognized in the Statement of Profit and Loss. If an impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of depreciable historical cost had no impairment been recognized.

f. IMPAIRMENT OF FINANCIAL ASSETS:

The Company assesses impairment on financial assets based on the Expected Credit Loss (ECL) model. The provision matrix is based on historically observed default rates over the expected life of the financial assets and is adjusted for forward-looking estimates. At each reporting date, the historical default rates are updated and changes in forward-looking estimates are analyzed.

2. PROPERTY, PLANT & EQUIPMENT

	(Amount in ₹ Lakhs)								
	Plant & Machine ry	Land	Building	Office Equipm ent	Furnitur e and fixture	Compu ters	Vehic les	Total	Right -of- use asset s
Gross Block									
Deemed cost as at 1st April 2022 (refer note 2 below)	157.98	17.91	202.75	26.21	14.47	6.42	6.81	432.55	14.35
Additions	25.51	-	-	16.85	11.00	12.26	-	65.62	-
Disposals	-29.72	-	-	-	-	-	-	-29.72	-
As at 31st March 2023	153.77	17.91	202.75	43.06	25.48	18.67	6.81	468.45	14.35
Additions	48.68	-	7.95	5.88	0.03	1.35	-	63.89	-
Disposals	-0.14	-	-	-2.23	-	-5.79	-0.04	-8.20	-
As at 31st March 2024	202.30	17.91	210.71	46.71	25.51	14.24	6.77	524.14	14.35
Accumulated Depreciation									
As at 01 April 2022	-	-	-	-	-	-	-	-	-
Depreciation charge for the period	15.10	-	10.00	5.85	3.03	5.07	1.55	40.60	3.31
Disposals	-2.43	-	-	-	-	-	-	-2.43	-
As at 31st March 2023	12.67	-	10.00	5.85	3.03	5.07	1.55	38.18	3.31
Depreciation charge for the period	15.63	-	10.12	6.82	3.39	6.44	1.20	43.61	3.32
Disposals	-0.14	-	-	-2.14	-	-5.79	-0.03	-8.11	-
As at 31st March 2024	28.16	-	20.13	10.53	6.42	5.72	2.72	73.68	6.63
Net Carrying Value									
As at 1st April 2022	157.98	17.91	202.75	26.21	14.47	6.42	6.81	432.55	14.35
As at 31st March 2023	141.09	17.91	192.75	37.21	22.45	13.60	5.26	430.27	11.04
As at 31st March 2024	174.14	17.91	190.58	36.19	19.08	8.51	4.05	450.46	7.72

Notes:

2.1 There are no immovable properties held by the Company as at 31st March 2024, 31st March 2023 and as at 1st April 2022.

2.2 Using the deemed cost exemption available as per Ind AS 101, the Company has elected to carry forward these carrying value of Property, Plant and Equipment under Indian GAAP as on 31st March 2022 as book value of such assets under Ind AS as at the transition date i.e. 1st April 2022.

3. NON-CURRENT INVESTMENTS

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2023	1 st April 2022	April
A. Investment in subsidiaries in unquoted equity shares, fully paid *				
AIC- Aartech Solonics Pvt Ltd	0.01	0.01	0.01	
Faradigm Ultracapacitors Private Limited	-	-	-	
B. Investment in associates in unquoted equity shares, fully paid *				
Enerqual Technology Private Limited	4.62	4.62	3.00	
Epsilon Ten Ltd	393.10	393.10	-	
C. Investment in Quoted equity shares, fully paid up (Measured at Fair Value through Profit and Loss (FVTPL))				
Rudra Global Infra Products Limited	-	36.95	-	
Bandhan Bank Limited	-	0.02	-	
Univastu India Limited	73.41	-	-	
Unquoted equity instruments, fully paid up				
Umang Shridhar Design Private Limited	25.00	25.00	25.00	
D. Investment properties				
Land Seac Chandukhedi	34.46	34.46	34.46	
Land Phoenix	14.85	14.85	14.85	
Total	546.01	509.57	78.43	
Aggregate amount of quoted investments	73.41	36.97	-	
Aggregate market value of quoted investments	73.41	36.97	-	
Aggregate amount of unquoted investments	472.60	472.60	78.43	

4. LOANS - NON-CURRENT

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	31 st March 2023	1 st April 2022	April
Loans to other corporates parties	-	-	602.23	
Note: These loans are repayable on demand.				
Total	-	-	602.23	

5. OTHER FINANCIAL ASSETS - NON-CURRENT

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at
	31 st 2024	March 2023	31 st 2024	March 2023	1 st April 2022
Security deposit (Unsecured, considered good)		69.52		55.18	47.20
Total		69.52		55.18	47.20

6. DEFERRED TAX ASSETS (NET)

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at
	31 st 2024	March 2023	31 st 2024	March 2023	1 st April 2022
MAT Credit		35.50		99.50	128.82
Deferred Tax Assets/(Liabilities) Refer Note No. 31		-7.22		0.27	-1.63
Total		28.29		99.77	127.19

7. NON-CURRENT TAX ASSETS (NET)

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at
	31 st 2024	March 2023	31 st 2024	March 2023	1 st April 2022
Advance income-tax (net of provision for taxation)		0.29		9.16	-
Total		0.29		9.16	-

8. INVENTORIES

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at
	31 st 2024	March 2023	31 st 2024	March 2023	1 st April 2022
Raw Material		578.61		362.45	264.98
Work-In-Progress		164.42		119.03	10.25
Stock-in-Trade		31.10		31.40	0.31
Finished Goods		-		-	-
Total		774.14		512.89	275.54

9. CURRENT INVESTMENTS

(Amount in ₹ Lakhs)

Particulars	Units		Units		Units		As at	As at	As at
	31 st 2024	March 2023	31 st 2023	March 2022	1 st 2022	April 2024	31 st 2024	31 st 2023	1 st April 2022
							March 2024	March 2023	April 2022

Investment in subsidiaries in unquoted equity shares, fully paid *

Aditya Birla Sunlife Equity Advantage Growth Fund	3,935.978	2,188.866	157.571	30.60	12.44	1.02
Nippon India Ultra Short Duration Fund Growth Plan	2,947.257	1,593.522	12,047.281	108.77	55.00	395.26
Aditya Birla Sun Life Banking and Financial Services	-	-	18,333.275	-	-	6.76
Aditya Birla Sun Life India Gen Next Fund Growth	-	-	10,823.682	-	-	14.34
Aditya Birla Sun Life MNC Fund Growth Plan	-	-	1,252.066	-	-	11.72
Aditya Birla Sun Life Overnight Fund Growth Plan	1.112	1.112	1.112	0.01	0.01	0.01
DSP Mid Cap Fund Regular Plan Growth	18,591.811	6,849.294	1,248.486	21.62	5.84	1.08
DSP Flexi Cap Fund Regular Plan Growth	-	-	26,594.051	-	-	16.81
HDFC Small Cap Fund Regular Plan	11,037.252	5,122.801	14,249.955	12.99	4.08	10.12
HDFC Top 100 Fund Regular Growth Plan	1,161.825	470.042	1,620.247	11.93	3.46	11.24
Bandhan Bond Fund Medium Term Plan Growth	19,818.648	21,024.021	2,635.088	8.22	8.18	1.00
Bandhan Ultra Short Term Fund Regular Plan	51,484.980	63,105.061	8,135.960	7.16	8.19	1.00
Bandhan Sterling g Value Fund Growth Regular Plan	-	-	7,641.356	-	-	6.75
Bandhan Balanced Advantage Fund Regular Plan Growth	-	-	19,656.090	-	-	3.52
Invesco India Gilt Fund Growth Plan	46.276	46.276	46.276	1.29	1.20	1.05
Nippon India CPSE ETF Fund	-	-	44.386	-	-	1.75
Kotak Balanced Advantage Fund Growth	-	-	73,852.309	-	-	10.64
Kotak Emerging Equity Scheme Growth Regular Plan	12,637.430	5,970.233	14,183.439	12.95	4.43	10.13
Kotak Pioneer Fund Growth Regular Plan	-	-	134,862.255	-	-	24.15
Kotak Equity Opportunities Fund Growth Regular Plan	6,994.367	4,534.700	1,524.935	20.03	9.22	2.99
Nippon India Banking & Financial Services Fund Growth Plan	8,750.090	2,116.579	5,162.887	44.77	8.09	17.91

Nippon India Growth Fund Growth Plan	2,137.070	93.271	-	69.72	1.94	-
Nippon India Income Fund Growth Plan	-	10,596.419	-	-	8.04	-
Nippon India Large Cap Fund Growth Plan	140,057.762	91,424.527	116,333.779	109.51	49.36	58.96
Nippon India Multi Cap Fund Growth Plan	7,777.583	1,352.739	10,842.376	19.03	2.20	16.02
Nippon India Overnight Fund Growth Plan	-	127,341.492	-	-	53.25	-
Nippon India Short Term Fund Growth Plan	-	-	229.924	-	-	0.10
Nippon India Small Cap Fund Growth Plan	-	5,280.168	3,791.556	-	4.80	3.16
Nippon India Value Fund Growth Plan	5,202.621	887.875	7,501.954	9.91	1.07	9.07
Nippon India Gold Savings Fund Growth Plan	8,343.347	10,410.732	-	2.19	2.47	-
Nippon India Multi Asset Fund Growth Plan (MFGPG)	289,732.934	-	-	52.09	-	-
Nippon India Pharma Fund Growth Plan	-	704.693	1,785.532	-	1.91	5.15
Nippon India Nifty Midcap 150 Index Fund Growth Plan	134,283.285	-	-	27.01	-	-
Tata Balances Advantage Fund Regular Plan Growth	44,978.118	44,978.118	44,978.118	8.41	6.84	6.67
Nippon India Flexi Cap Fund Growth Plan	433,596.088	-	999,950.002	62.50	-	103.66
Nippon India Corporate Bond Fund Growth Plan	70,843.942	-	-	38.25	-	-
Tata Resources & Energy Fund Regular Plan Growth	17,496.415	17,496.415	17,496.415	6.75	4.86	5.40
Nippon India Taiwan Equity Fund Growth Plan	-	537,771.551	449,977.501	-	42.26	41.37
Nippon India Floating Rate Fund Growth Plan	-	548.090	-	-	0.21	-
Nippon India Small Cap Fund Growth Plan (466218393367)	1,895.824	1,895.824	-	2.68	1.72	-
Nippon India Large Cap Fund Growth Plan (466218393367)	-	151,885.283	-	-	82.01	-

Nippon India Overnight Fund Growth Plan (466218393367)	-	-	44.687	-	10.00	0.05
Nippon India Multi Cap Fund Growth Plan	-	-	2,024.504	-	-	3.06
Nippon India Ultra Short Duration Fund Growth Plan	-	-	145.752	-	-	4.78
Nippon India Nifty AAA PSU Bond Plus SDL 50:50 index Fund Growth	-	1,898.167	-	-	0.20	
Nippon India Nifty SDL Plus G-SEC 70:30 index Fund	-	258,092.739	-	-	26.45	
Nippon India Fixed Horizon Fund XI V Series 5 Growth Plan	299,985.001	299,985.001	-	32.65	30.00	
Nippon India Equity Saving Fund Growth Plan	-	-	-	-	61.56	
Tata Digital India Fund Regular Growth Plan	4,447.582	-	-	1.88	-	
Tata Multi Cap Fund Regular Growth Plan	28,400.965	-	-	3.64	-	
Tata Small Cap Fund Regular Growth Plan	5,677.860	-	-	1.84	-	
Nippon India Power & Infra Fund Growth Plan (466218393367)	9,191.337	-	3,917.199	28.45	-	5.77
Nippon India Multi Asset Fund Growth Plan (MFGPG) (466218393367)	111,074.801	-	-	19.97	-	
UTI Large & Mid Cap Fund Regular Plan Growth	137.860	-	-	0.20	-	
UTI Nifty 200 Momentum 30 Index Fund Regular Plan Growth	718.100	-	-	0.15	-	
UTI S&P BSE Low Volatility Index Fund Regular Plan Growth	967.800	-	-	0.15	-	
Nippon India Nifty IT Index Fund Growth Plan	499,975.001	-	-	45.72	-	
Nippon India Nifty Bank Index Fund Growth Plan	499,975.001	-	-	50.14	-	
Nippon India Large Cap Fund Growth Plan	11,301.630	11,301.630	-	8.84	6.11	-
Nippon India Short Term Fund Growth Plan	-	-	5,752.770	-	-	2.46
Kotak Nifty Next 50 Index Fund Growth Regular Plan	17,515.340	17,515.340	17,515.340	3.02	1.89	2.05

Kotak Global Innovation Fund Growth Regular Plan	999.950	999.950	999.950	0.09	0.07	0.08
Nippon India Innovation Fund Growth Plan	149,992.500	-	-	17.90	-	-
Nippon India Large Cap Fund Growth Plan	-	66,619.687	-	-	35.97	-
Nippon India Short Term Fund Growth Plan	-	22,881.978	-	-	10.15	-
Nippon India Index Fund Nifty 50 Plan Growth Option	-	66,145.634	-	-	19.15	-
Nippon India Floating g Rate Fund Growth Plan	-	40,008.669	-	-	15.13	-
Total				903.02	599.76	817.08
Aggregate amount of quoted investments				903.02	599.76	817.08
Aggregate market value of quoted investments				903.02	599.76	817.08

10. TRADE RECEIVABLES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023		As at 1 st April 2022
	Trade receivables				
-Secured, considered good					
-Unsecured, considered good		948.32		1,056.02	649.19
-Credit impaired		126.73		43.68	69.22
-Less: allowances for expected credit loss		-126.73		-43.68	-69.22
Total		948.32		1,056.02	649.19

10.1. Trade Receivables ageing schedule: As at 31st March 2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	844.18	104.15				948.32
(ii) Undisputed trade Receivables - Significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade Receivables - credit impaired	-	25.77	68.16	9.24	23.57	126.73

(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: allowances for expected credit loss	-	-25.77	-68.16	-9.24	-23.57	-126.73	
	844.18	104.15	-	-	-	948.32	

10.2. Trade Receivables ageing schedule: As at 31st March 2023

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	884.17	154.67	17.18	-	-	1,056.02
(ii) Undisputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade Receivables – credit impaired	0.16	0.32	0.65	19.15	23.41	43.68
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade Receivables – credit impaired	-	-	-	-	-	-
Less: allowances for expected credit loss	-0.16	-0.32	-0.65	-19.15	-23.41	-43.68
	884.17	154.67	17.18	-	-	1,056.02

10.3. Trade Receivables ageing schedule: As at 01st April 2022

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	351.43	225.14	72.62	-	-	649.19
(ii) Undisputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-

(iii) Undisputed trade Receivables – credit impaired	0.26	9.27	1.13	29.41	29.16	69.22
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade Receivables – Significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade Receivables – credit impaired	-	-	-	-	-	-
Less: allowances for expected credit loss	-0.26	-9.27	-1.13	-29.41	-29.16	-69.22
	351.43	225.14	72.62	-	-	649.19

11. CASH & CASH EQUIVALENTS

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st April 2022	
Balances with banks:						
-Bank deposits with Bank		195.99		121.83		56.69
-in Current accounts		31.88		15.48		61.35
Cash in hand		0.09		0.16		0.27
Others (Includes imprest given to employees for incurring expenses)		6.01		-		-
Total		233.98		137.48		118.31

11.1 There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

12. OTHER FINANCIAL ASSETS

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Accrued Interest on deposits with bank		1.66		0.40		0.75
Accrued Interest on debentures		-		-		-
Other Receivable		1.12		-		-
Total		2.77		0.40		0.75

13. OTHER CURRENT ASSETS

(Amount in ₹ Lakhs)

Particulars	As at	As at	As at
-------------	-------	-------	-------

	31 st 2024	March	31 st 2023	March	1 st 2022	April
(Unsecured, considered good, unless otherwise stated)						
Advance to employees		-		1.39		18.85
Advance to Supplier		40.30		181.93		42.67
Prepaid Expenses		6.77		4.10		3.30
Balances with statutory/government authorities		100.62		75.49		51.43
Total		147.68		262.91		116.25

14. SHARE CAPITAL

(Amount in ₹ Lakhs)

Particulars	As at 31 st 2024	March	As at 31 st 2023	March	As at 1 st 2022	April
14.1 Authorized Share Capital:						
1,50,00,000 Equity shares of `10 each (Aartech Solonics Limited - Holding Company)	1,500.00		1,500.00		1,500.00	
10,000 Equity shares of `10 each (AIC-Aartech Solonics Limited - Subsidiary Company)	1.00		1.00		1.00	
10,000 Equity shares of `10 each (Faradigm Ultracapacitors Private Limited - Subsidiary Company)	1.00		1.00		1.00	
Total	1,502.00		1,502.00		1,502.00	
14.2 Issued, subscribed and Paid up:						
1,05,90,125 Equity shares of ₹10 each fully paid	1,059.01		1,059.01		1,059.01	
Total	1,059.01		1,059.01		1,059.01	

14.3. The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is set out below:

(Amount in ₹ Lakhs)

Particulars	As at 31 st 2024	March	As at 31 st 2023	March	As at 1 st 2022	April
Equity Shares at the beginning of the year	1,05,90,125		1,05,90,125		70,60,094	
Add: Equity shares issued during the year		-		-		
as fully paid up bonus shares		-		-	35,30,031	
as fully paid up shares for cash		-		-		
Less: Shares cancelled on buy back of Equity Shares		-		-		
Equity Shares at the end of the year	1,05,90,125		1,05,90,125		1,05,90,125	

14.4. 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.

14.5. Details of shareholding more than 5% shares in the Company:

Particulars	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Aartech Solonics Limited						
Anil Anant Raje	2338000	22.08%	2338000	22.08%	2338000	22.08%
Chhaya Anil Raje	1399999	13.22%	1399999	13.22%	1399999	13.22%
Amit Anil Raje	1563600	14.76%	1563600	14.76%	1531600	14.46%
Kailash Kabra	724000	6.84%	1060000	10.01%		
Veena Rajesh	549000	5.18%				
Mrs. Prajakta Shashikant Kulkarni					1638000	15.47%
Ashtamangal Projects Limited					918000	8.67%
Faradigm Ultracapacitors Private Limited						
Aartech Solonics Limited	9,500	95.00%	9,500	95.00%	9,500	95.00%
Mr. Anil Anant Raje (Minority Interest)	500	5.00%	500	5.00%	500	5.00%
AIC-Aartech Solonics Private Limited						
Aartech Solonics Limited	9,900	99.00%	9,900	99.00%	9,900	99.00%

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

14.6. Details of shares held by promoter at the end of the year:

Particulars	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Aartech Solonics Limited						
Anil Anant Raje	2338000	22.08%	2338000	22.08%	2338000	22.08%
Chhaya Anil Raje	1399999	13.22%	1399999	13.22%	1399999	13.22%
Amit Anil Raje	1563600	14.76%	1563600	14.76%	1531600	14.46%
Faradigm Ultracapacitors Private Limited						
Aartech Solonics Limited	9,500	95.00%	9,500	95.00%	9,500	95.00%
Mr. Anil Anant Raje (Minority Interest)	500	5.00%	500	5.00%	500	5.00%
AIC-Aartech Solonics Private Limited						

Aartech Solonics Limited	9,900	99.00%	9,900	99.00%	9,900	99.00%
Mr. Amit Anil Rajе (Minority Interest)	100	1.00%	100	1.00%	100	1.00%

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

14.8 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.

14.9 Shares reserved for issue under options:

No shares have been issued for consideration other than cash or as bonus shares and no shares have been bought back in the five years immediately preceding the balance sheet date.

15. OTHER EQUITY

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st 2024	March	31 st 2023	March
				As at 1 st April 2022
(A) General Reserves				
- Balance as per last Financial Statements		616.15	616.15	616.15
- Transferred from profit and loss account during the period/ year				
Closing Balance		616.15	616.15	616.15
(B) Capital Reserves				
- Balance as per last Financial Statements		35.52	35.52	35.52
- Transferred from profit and loss account during the period/ year				
Closing Balance		35.52	35.52	35.52
(C) Securities Premium				
- Balance as per last Financial Statements		509.20	509.20	509.20
- Increase due to issuance of equity shares at premium during the year				
Closing Balance		509.20	509.20	509.20
(D) Retained earnings				
- Balance as per last Financial Statements		667.41	582.60	582.60
- Profit for the year		131.53	142.17	-
- Profit attributable to minority shareholders		-1.64	2.04	-
- Dividend paid on equity shares during the period		-52.95	-52.95	-

-Remeasurement of defined benefit obligations (Net of tax)	-1.29	-6.44	-
Changes during the period	-12.75	-	-
Closing Balance	730.31	667.41	582.60
Total (a+b+c+d)	1,891.18	1,828.29	1,743.47

15.1. General Reserve

Under the Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with the Companies (Transfer of profits to reserves) Rules, 1975. Consequent to introduction of the Act, there is no such requirement to mandatorily transfer a specified percentage of the net profit to general reserve.

15.2. Capital Reserve

The purpose for which a capital reserve is created is for preparing the company for sudden events like inflation, business expansion, funds for a new project. A capital reserve is created from capital profit earned through sales of capital assets such as the sale of fixed assets, profit on the sale of shares.

15.3. Securities premium

Security premium represents share issued at premium less share issue expenses. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

15.4. Retained earnings

Retained earnings are the accumulated profits/(losses) earned by the Company till date and includes other comprehensive income that will not be reclassified subsequently to profit and loss account, less any transfers to general reserve.

16. MINORITY INTEREST

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023		As at 1 st April 2022	
AIC - AARTECH SOLOINICS PRIVATE LIMITED						
- Share Capital of AIC-Aartech Solonics Pvt Ltd		0.01		0.01		0.01
-Profit & Loss of AIC-Aartech Solonics Pvt Ltd		-1.44		-1.32		-1.77
		-1.43		-1.31		-1.76
FARADIGM ULTRACAPACITORS PRIVATE LIMITED						
Share Capital of Faradigm Ultracapacitors Pvt Ltd		0.05		0.05		0.05
Profit & Loss of Faradigm Ultracapacitors Pvt Ltd		1.79		0.03		2.51
		1.84		0.08		2.56
Total		0.41		-1.23		0.81

17. LEASE LIABILITIES - NON-CURRENT

(Amount in ₹ Lakhs)

Particulars	As at 31 st 2024		As at 31 st 2023		As at 1 st 2022	
	March	April	March	April	1 st	April
Lease liabilities (The Company's exposure to financial risk and fair value measurement related to these financial instruments is disclosed in note to accounts)			5.56	8.80		11.41
Total			5.56	8.80		11.41
- Lease liabilities - Current			3.52	3.32		3.31
Total			3.52	3.32		3.31

18. PROVISIONS - NON-CURRENT

(Amount in ₹ Lakhs)

Particulars	As at 31 st 2024		As at 31 st 2023		As at 1 st 2022	
	March	April	March	April	1 st	April
Provision for compensated absences			16.42	14.72		12.67
Provision for gratuity			7.86	8.35		6.17
Total			24.28	23.07		18.84
Provision for compensated absences - Current			-	2.42		0.89
Total			-	2.42		0.89

19. LEASE LIABILITIES - CURRENT

(Amount in ₹ Lakhs)

Particulars	As at 31 st 2024		As at 31 st 2023		As at 1 st 2022	
	March	April	March	April	1 st	April
Deferred government grant			15.85	17.26		47.76
Total			15.85	17.26		47.76

20. BORROWINGS

(Amount in ₹ Lakhs)

Particulars	As at 31 st 2024		As at 31 st 2023		As at 1 st 2022	
	March	April	March	April	1 st	April
Bank Overdraft			410.94	265.89		65.18
Total			410.94	265.89		65.18

20.1. Interest charged by HDFC Bank @ 8.5% (Floating Rate) on CC Account.

20.2. Primary Securities: - Hypothecation of Stocks and Debtors.

20.3. Collateral Securities: - Industrial property approx. 14,779 sq. feet at plot no. 35A/36, Sector-B, Industrial area, Mandideep, District Raise, pledged as security for CC account with HDFC Bank amounting to Rs 5,12,00,000 and 8 no. Flat at Indus Mandideep approx. 450 sq. feet each pledged as security for CC account with HDFC Bank amounting to Rs 67,25,000.

20.4. Details of monthly stock and book debts statement submitted to Bank:

Particulars	Name of Bank	Period	Amount as per books of account	Amount as reported in the statement	Amount of Difference *
Inventory	HDFC Bank Limited	Apr-23	475.40	475.40	-
Trade Receivables	HDFC Bank Limited	Apr-23	1,043.55	1,043.55	-
Trade Payables	HDFC Bank Limited	Apr-23	449.14	449.14	-
Advance from Customer	HDFC Bank Limited	Apr-23	1.16	1.16	-
Advance to Suppliers	HDFC Bank Limited	Apr-23	192.71	192.71	-
Sales	HDFC Bank Limited	Apr-23	106.88	106.88	-
Inventory	HDFC Bank Limited	May-23	725.52	725.52	-
Trade Receivables	HDFC Bank Limited	May-23	626.96	626.96	-
Trade Payables	HDFC Bank Limited	May-23	615.87	615.87	-
Advance from Customer	HDFC Bank Limited	May-23	12.06	12.06	-
Advance to Suppliers	HDFC Bank Limited	May-23	153.12	153.12	-
Sales	HDFC Bank Limited	May-23	132.10	132.10	-
Inventory	HDFC Bank Limited	Jun-23	521.68	521.68	-
Trade Receivables	HDFC Bank Limited	Jun-23	554.26	554.26	-
Trade Payables	HDFC Bank Limited	Jun-23	574.00	574.00	-
Advance from Customer	HDFC Bank Limited	Jun-23	10.25	10.25	-
Advance to Suppliers	HDFC Bank Limited	Jun-23	144.11	144.11	-
Sales	HDFC Bank Limited	Jun-23	390.68	390.68	-
Inventory	HDFC Bank Limited	Jul-23	738.63	738.63	-
Trade Receivables	HDFC Bank Limited	Jul-23	690.16	690.16	-
Trade Payables	HDFC Bank Limited	Jul-23	666.82	666.82	-
Advance from Customer	HDFC Bank Limited	Jul-23	32.81	32.81	-
Advance to Suppliers	HDFC Bank Limited	Jul-23	197.27	197.27	-
Sales	HDFC Bank Limited	Jul-23	105.89	105.89	-
Inventory	HDFC Bank Limited	Aug-23	794.62	794.62	-
Trade Receivables	HDFC Bank Limited	Aug-23	811.63	811.63	-
Trade Payables	HDFC Bank Limited	Aug-23	808.82	808.82	-
Advance from Customer	HDFC Bank Limited	Aug-23	33.59	33.59	-
Advance to Suppliers	HDFC Bank Limited	Aug-23	188.01	188.01	-
Sales	HDFC Bank Limited	Aug-23	379.46	379.46	-
Inventory	HDFC Bank Limited	Sep-23	623.19	623.19	-
Trade Receivables	HDFC Bank Limited	Sep-23	1,172.65	1,172.65	-

Trade Payables	HDFC Bank Limited	Sep-23	809.83	809.83	-
Advance from Customer	HDFC Bank Limited	Sep-23	30.46	30.46	-
Advance to Suppliers	HDFC Bank Limited	Sep-23	160.08	160.08	-
Sales	HDFC Bank Limited	Sep-23	419.51	419.51	-
Inventory	HDFC Bank Limited	Oct-23	570.10	570.10	-
Trade Receivables	HDFC Bank Limited	Oct-23	1,282.71	1,282.71	-
Trade Payables	HDFC Bank Limited	Oct-23	695.70	695.70	-
Advance from Customer	HDFC Bank Limited	Oct-23	25.26	25.26	-
Advance to Suppliers	HDFC Bank Limited	Oct-23	152.64	152.64	-
Sales	HDFC Bank Limited	Oct-23	239.67	239.67	-
Inventory	HDFC Bank Limited	Nov-23	712.48	712.48	-
Trade Receivables	HDFC Bank Limited	Nov-23	944.86	944.86	-
Trade Payables	HDFC Bank Limited	Nov-23	600.82	600.82	-
Advance from Customer	HDFC Bank Limited	Nov-23	27.28	27.28	-
Advance to Suppliers	HDFC Bank Limited	Nov-23	192.04	192.04	-
Sales	HDFC Bank Limited	Nov-23	167.51	167.51	-
Inventory	HDFC Bank Limited	Dec-23	846.23	846.23	-
Trade Receivables	HDFC Bank Limited	Dec-23	939.25	939.25	-
Trade Payables	HDFC Bank Limited	Dec-23	696.61	696.61	-
Advance from Customer	HDFC Bank Limited	Dec-23	32.35	32.35	-
Advance to Suppliers	HDFC Bank Limited	Dec-23	116.32	116.32	-
Sales	HDFC Bank Limited	Dec-23	327.18	327.18	-
Inventory	HDFC Bank Limited	Jan-24	753.84	753.84	-
Trade Receivables	HDFC Bank Limited	Jan-24	1,215.17	1,215.17	-
Trade Payables	HDFC Bank Limited	Jan-24	680.84	680.84	-
Advance from Customer	HDFC Bank Limited	Jan-24	32.24	32.24	-
Advance to Suppliers	HDFC Bank Limited	Jan-24	95.81	95.81	-
Sales	HDFC Bank Limited	Jan-24	383.28	383.28	-
Inventory	HDFC Bank Limited	Feb-24	779.76	779.76	-
Trade Receivables	HDFC Bank Limited	Feb-24	1,032.34	1,032.34	-
Trade Payables	HDFC Bank Limited	Feb-24	722.96	722.96	-
Advance from Customer	HDFC Bank Limited	Feb-24	29.82	29.82	-
Advance to Suppliers	HDFC Bank Limited	Feb-24	94.07	94.07	-
Sales	HDFC Bank Limited	Feb-24	196.42	196.42	-
Inventory	HDFC Bank Limited	Mar-24	774.14	673.10	101.03
Trade Receivables	HDFC Bank Limited	Mar-24	1,075.05	1,086.22	-11.17
Trade Payables	HDFC Bank Limited	Mar-24	549.82	536.04	13.78
Advance from Customer	HDFC Bank Limited	Mar-24	29.97	30.17	-0.20
Advance to Suppliers	HDFC Bank Limited	Mar-24	39.08	40.51	-1.44
Sales	HDFC Bank Limited	Mar-24	420.64	420.64	-

* The above differences are due to late booking of Purchases/payment to suppliers/amount received from customer/TDS Deductions after the submission of stock and debtors statement to Bank.

21. TRADE PAYABLES

(Amount in ₹ Lakhs)

Particulars	As at	As at	As at
	31 st 2024	March 2023	1 st 2022
Micro, Small and Medium Enterprises		36.40	126.13
Others		513.42	284.89
Total		549.82	411.02

21.1. Trade Payables ageing schedule: As at 31st March 2024

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled/Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed- MSME	-	36.40	-	-	-	36.40
(ii) Undisputed- Others	1.25	511.38	-	0.11	0.68	513.42
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-
	1.25	547.79	-	0.11	0.68	549.82

22.2. Trade Payables ageing schedule: As at 31st March 2023

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled/Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed- MSME	-	126.13	-	-	-	126.13
(ii) Undisputed- Others	1.00	282.26	0.05	0.68	0.90	284.89
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-
	1.00	408.39	0.05	0.68	0.90	411.02

22.3. Trade Payables ageing schedule: As at 01st April 2022

(Amount in ₹ Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled/Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total

(i) Undisputed- MSME	-	15.88	-	-	-	15.88
(ii) Undisputed- Others	0.90	204.73	0.68	-	0.90	207.21
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-
	0.90	220.61	0.68	-	0.90	223.09

21.4. The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosure in respect to Micro and Small Enterprises as per MSMED Act, 2006 is as follows:

(Amount in ₹ Lakhs)

Particulars	As at	As at	
	31 st 2024	March 31 st 2023	March
-Principal amount due to micro and small enterprises		36.40	126.13
-Interest due on above			
-the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year			
-the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006			
-The amount of interest accrued and remaining unpaid at the end of each accounting year			
-the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006			
Total		36.40	126.13

The above information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises as per MSMED Act, on the basis of information available with the Company, from the date when vendors provided their confirmation that they are covered under MSMED Act.

22. OTHER FINANCIAL LIABILITIES

(Amount in ₹ Lakhs)

Particulars	As at	As at	As at	
	31 st 2024	March 2023	1 st 2022	April
Employee related payable		66.78	42.54	37.54

Interest Payable	-	-	-
Deferred government grant	-	-	-
Total	66.78	42.54	37.54

23. OTHER CURRENT LIABILITIES

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Advance received from customers		29.97		0.74		3.29
Expense Payable		6.05		-		-
Statutory dues payable		-		-		-
- TDS payable		18.38		21.67		16.24
- Professional Tax payable		0.07		0.07		0.05
- GST Payable		-		-		-
- Other Statutory Dues		1.95		1.59		1.39
Total		56.42		24.07		20.98

24. CURRENT TAX LIABILITIES (Net)

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Provision for Income Tax		25.14				46.67
Total		25.14				46.67

25. REVENUE FROM OPERATIONS

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st 2024	March	31 st 2023	March
Sale of Products		3,142.36		2,032.47
Sale of Service		132.06		136.33
Total		3,274.41		2,168.80

26. OTHER INCOME

(Amount in ₹ Lakhs)

Particulars	As at		As at	
	31 st March 2024	March 2024	31 st March 2023	March 2023
-Interest Income:				
Bank deposit		10.44		2.77
Debentures		-		0.45
Others		5.46		62.78
On security deposits at amortised cost		0.06		0.06
-Net gain/(- loss) on sale of investments		158.57		75.56

-Gain on investments measured at FVTPL	80.46	-
-Reversal of expected credit loss	0.34	25.29
-Rental income	2.58	3.19
-Grant Income	41.04	40.50
-Net unrealized gain on foreign currency transactions and translation	0.02	1.33
-Miscellaneous income	15.73	0.62
Total	314.71	212.54

27. COST OF MATERIALS CONSUMED

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Purchase of Raw Materials	2,405.46	1,508.03
Opening Balance of Raw Materials	362.45	264.98
Less : Closing Balance of Raw Materials	578.61	362.45
Total	2,189.30	1,410.56

28. CHANGE IN INVENTORIES

Particulars	As at 31 st March 2024	As at 31 st March 2023
Finished goods/Stock-in-Trade:		
Opening Balance	31.40	0.31
Less: Closing Balance	31.10	31.40
	0.30	-31.10
Work-in-Progress:		
Opening Balance	119.03	10.25
Less: Closing Balance	164.42	119.03
	-45.39	-108.78
Total	-45.09	-139.88

29. EMPLOYEE BENEFIT EXPENSES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Salaries and Wages	416.10	367.30
Contribution to provident and other funds	12.71	10.54
Gratuity expense	5.15	4.26
Leave encashment expense	0.08	7.58
Staff Welfare Expenses	8.64	4.71
Total	442.67	394.39

30. FINANCE COST

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Interest Expenses:		
-Bank overdraft	27.35	14.37
-Other loans	3.10	4.00
-Lease liabilities	0.93	1.17
Bank charges	24.81	5.75
Other finance charges	0.61	2.84
Total	56.80	28.13

31. DEPRECIATION AND AMORTISATION EXPENSES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Depreciation on property, plant and equipment	43.61	40.60
Amortisation of right-of-use assets	3.32	3.31
Total	46.93	43.91

32. OTHER EXPENSES

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Advertisement & business promotion	25.33	7.05
Operation & maintenance	46.66	26.22
Job work expenses	23.59	28.66
Legal and professional charges	128.29	65.42
Printing and stationery	1.89	2.24
Incubation expenses	-	0.33
Power and fuel	19.97	18.03
Rent	18.16	18.00
Transportation	38.12	26.89
Repair & Maintenance Machinery	3.92	2.55
Repair & Maintenance Building	55.75	12.60
Repair & Maintenance Computer	1.09	2.82
Repair & Maintenance Others	5.98	7.29
Commission and brokerage	48.32	22.30
Payment to auditors*	2.90	1.40
Security expenses	3.21	1.74
Net loss on foreign currency transactions and translation	0.82	-

Travelling and conveyance	42.53	30.63
Loss on sale of property, plant and equipment	0.09	14.15
Insurance expenses	1.85	1.53
Late Delivery Charges	30.71	15.94
Research and development expenses	14.23	29.68
Rates and taxes	4.47	19.04
Loss on investments measured at FVTPL	-	51.72
Expected credit loss	86.65	-
Communication expenses	4.75	6.37
Selling expenses	3.72	6.59
Miscellaneous expenses	27.36	21.44
Total Expenses	640.35	440.62
* Payment To Auditors:		
-Statutory Audit Fees	2.90	1.40
-Other Professional Fees	-	-
Total	2.90	1.40

33. TAX EXPENSE

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
A. CURRENT TAX		
- Current tax on profits for the year	117.29	62.48
-Tax for earlier years	5.24	-
B. DEFERRED TAX		
-Current period	4.10	0.58
Net deferred tax (expenses)/Income	126.63	63.06
Re-measurement of defined benefit obligations	0.50	2.48

33.1. Changes in deferred tax assets/(deferred tax liabilities) from 1st April 2023 to 31st March 2024

(Amount in ₹ Lakhs)

Particulars	Opening balance as at 1st April 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in other equity	Balance as at 31st March 2024
-------------	--	--	---	----------------------------------	---

Deferred tax asset/(deferred tax liabilities) arising on account of

-Difference between accounting base and tax base of property, plant and equipment	-23.57	-14.49		-	-38.06
---	--------	--------	--	---	--------

-Difference between accounting base and tax base of Investment Property	-7.65	7.65	-	-
-Provision for gratuity	2.32	-0.63	0.50	2.19
-Provision for leave encashment	4.77	-0.20	-	4.57
-Bonus payable	1.24	-0.60	-	0.64
-Fair value of investments (mutual funds and shares)	8.02	-28.83	-	-20.81
-Adjustments on account of application of IND AS 116	0.30	0.08	-	0.38
-Business losses and unabsorbed depreciation carried forward/brought forward	3.13	4.46	-	7.59
-Security deposits	0.06	-0.02	-	0.05
-Expected credit loss	11.64	24.11	-	35.74
Total	0.27	-8.48	0.50	-7.71
MAT Credit	99.50	-63.99	-	35.50
Total	99.50	-63.99	-	35.50

33.2. Changes in deferred tax assets/ (deferred tax liabilities) from 1st April 2022 to 31st March 2023

(Amount in ₹ Lakhs)

Particulars	Opening balance as at 1st April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised in other equity	Balance as at 31st March 2023
Deferred tax asset/ (deferred tax liabilities) arising on account of					
-Difference between accounting base and tax base of property, plant and equipment	-19.44	-4.13	-	-	-23.57
-Difference between accounting base and tax base of Investment Property	-	-7.65	-	-	-7.65
-Provision for gratuity	1.72	-1.87	2.48	-	2.32
-Provision for leave encashment	3.77	1.00	-	-	4.77
-Bonus payable	1.04	0.20	-	-	1.24
-Fair value of investments (mutual funds and shares)	-4.97	12.98	-	-	8.02
-Adjustments on account of application of IND AS 116	0.10	0.19	-	-	0.30

-Business losses and unabsorbed depreciation carried forward/brought forward	-	3.13			3.13
-Security deposits	0.08	-0.02	-	-	0.06
-Expected credit loss	16.06	-4.42	-	-	11.64
Total	-1.63	-0.58	2.48	-	0.27
MAT Credit	128.82	-29.32	-	-	99.50
Total	128.82	-29.32	-	-	99.50

Note: Deferred tax assets and liabilities have been recognised in accordance with the provisions of IND AS 12 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.

34. EARNING PER SHARE

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
-Profit/(loss) attributable to equity shareholders for basic/diluted earnings per share	131.53	142.17
-Weighted average number of equity share capital for basic earnings per share	105.90	105.90
-Effect of potential shares during the year	-	-
-Weighted average number of equity shares for diluted earnings per share	106	106
-Earning per equity share of face value of Rs 10 each:		
Basic earning per share	1.24	1.34
Diluted earning per share	1.24	1.34

Basic EPS amounts are calculated by dividing the profit/loss for the period attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/loss attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

35. CONTINGENT LIABILITIES & OTHER COMMITMENTS

(Amount in ₹ Lakhs)

Particulars	As at 31 st 2024	As at March 2023	As at 1 st 2022	As at April
Claims against the company not acknowledged as debt;				

Guarantees;	718.97	344.85	317.59
Interest On MSME creditors outstanding for more than 45 days			
There are no other commitments to be reported			

36. EMPLOYEE BENEFIT PLANS

36.1. Defined contribution plans:

The Company, in respect of qualifying employees contributes towards the following plans:

- Provident fund
- Employees' state insurance
- Labour welfare fund

36.2. During the year the Company has recognized the following amounts in the Statement of Profit and Loss:

Particulars	(Amount in ₹ Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
-Employer's contribution to employees' state insurance	1.63	1.50
-Employer's contribution to employees' provident fund	10.19	9.04
Total	11.82	10.54

36.3. Defined benefit plan:

Company has made an arrangement with Life Insurance Corporation for Gratuity Benefits and Leave Encashment. Now the company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme' and 'Leave Encashment including compensated absence' of the Life Insurance Corporation of India, a funded defined benefit plan for eligible employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations.

36.4. Reconciliation of present value of defined benefit obligation

Particulars	(Amount in ₹ Lakhs)					
	Gratuity		Leave Encashment			
	31 st March 2024	31 st March 2023	31 st 2024	March 2024	31 st 2023	March 2023
- Present value of defined benefit obligation at the beginning of the year	44.47	30.35	20.34			13.56
- Interest cost	3.33	2.28	1.53			1.02
- Current service cost	4.43	3.76	2.12			1.65
- Benefits paid	-3.16	-0.87	-0.60			-
- Past service cost	-	-	-			-
- Re-measurement (gain)/losses recognised in other comprehensive income	1.45	8.95	-4.15			4.10

Present value of defined benefit obligation at the end of the year	50.52	44.47	19.24	20.34
---	--------------	--------------	--------------	--------------

36.5. Reconciliation of fair value of planned assets:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
- Fair value of plan assets at the beginning of the period	36.12	24.18	3.20	-
- Expected return on plan assets	2.62	1.81	0.23	0.00
- Contributions	7.42	10.96	-	3.19
- Benefits paid	-3.16	-0.87	-0.60	-
- Actuarial gain/(loss) on plan assets	-0.34	0.03	-0.02	-
Fair Value of Plan Asset at the end of the Period	42.66	36.12	2.81	3.20

36.6. Reconciliation of present value of the obligations and the fair value of the plan assets:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
- Fair value of plan assets	42.66	36.12	2.81	3.20
- Present value of defined benefit obligation	-50.52	-44.47	-19.24	-20.34
Net liability recognised in the balance sheet	-7.86	-8.35	-16.42	-17.14
- Liability- current	-	-	-	-
- Liability- non-current	-7.86	-8.35	-16.42	-17.14
	-7.86	-8.35	-16.42	-17.14

36.7. Expenses recognised in the statement of profit and loss:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-Current service cost	4.43	3.76	2.12	1.65
-Past service cost	-	-	-	-
-Interest cost on benefit obligation	3.33	2.28	1.53	1.02
-Net actuarial (gain)/loss recognized in the period	-	-	-4.14	4.10
-Expected return on plan asset	-2.62	-1.81	-0.23	-
Total expenses included in employee benefits expense	5.15	4.22	-0.72	6.77

36.8. Re-measurement of recognised in other comprehensive income:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-Actuarial (gain)/loss for the year on projected benefit obligation	-1.45	-8.95	-4.51	4.10
-Actuarial gain/(loss) for the year on planned assets	-0.34	0.03	-0.02	0.00
Recognised in other comprehensive income	-1.79	-8.92	-4.52	4.11

36.9. Maturity profile of defined benefit obligation:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-01 Apr 2024 to 31 Mar 2025	3.16	4.27	-	-
-01 Apr 2025 to 31 Mar 2026	1.47	1.19	-	-
-01 Apr 2026 to 31 Mar 2027	7.81	1.19	-	-
-01 Apr 2027 to 31 Mar 2028	1.57	6.13	-	-
-01 Apr 2028 to 31 Mar 2029	1.06	1.29	-	-
-01 Apr 2029 Onwards	35.46	30.39	-	-

36.10. A quantitative sensitivity analysis for significant assumption:

(Amount in ₹ Lakhs)

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
Increase/(decrease) on present value of defined benefits obligation at the end of the year				
Discount rate				
+ 100 basis points	-46.65	-41.05	-17.69	-18.86
- 100 basis points	54.96	48.38	21.02	22.02
Future salary increases rate				
+ 100 basis points	55.02	48.44	21.04	22.04
- 100 basis points	-46.54	-40.94	-17.65	-18.82
Attrition rate				
+ 100 basis points	51.16	45.12	19.52	20.61
- 100 basis points	-49.80	-43.73	-18.91	-20.04

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

36.11. The major categories of plan assets as a percentage of total

(Amount in ₹ Lakhs)

Particulars	As at	
	31 st March 2024	31 st March 2023
-Insurance managed funds	100%	100%

36.12. Actuarial assumptions

(i) Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is Company's long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows:

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-Discount rate (in %)	7.25%	7.50%	7.25%	7.50%
-Future salary increase (in %)	5.00%	5.00%	5.00%	5.00%
-Attrition rate (in %)	5.00%	5.00%	5.00%	5.00%

(ii) Demographic assumptions

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
-Retirement age (Years)	58	58	58	58
-Mortality rate inclusive of provision for disability	IALM 2012-14		IALM 2012-14	

36.13. Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow –

- Salary increases
- Investment risk
- Discount rate
- Mortality and disability
- Withdrawals

36.14. Maturity profile of defined benefit obligation

Particulars	Gratuity		Leave Encashment	
	31 st March	31 st March	31 st March	31 st March
	2024	2023	2024	2023
Average duration of the defined benefit obligation (in years)	14	14	15	13

36.15. Other long-term benefits:

An actuarial valuation of compensated absences has been carried out by an independent actuary using the Projected Unit Credit method. The amount recognised as an expense towards compensated absences for the year aggregated to Rs. Nil (31 March 2022: Rs. 757,793).

37. LEASE LIABILITIES

As per IND AS 116, Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2022. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2022 was 9%.

37.1. Lease liabilities are presented in the balance sheet as follows:

Particulars	(Amount in ₹ Lakhs)					
	As at 31 st 2024	March	As at 31 st 2023	March	As at 1 st 2022	April
-Current		-		3.32		3.31
-Non-current		11.38		8.80		11.41
Total		11.38		12.11		14.72

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities are disclosed in note 35.

The Company has lease for the head office. With the exception of short-term leases and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security against the Company's other debts and liabilities. For this lease, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The Company has considered automatic extension option available for the property leases in lease period assessment since the Company can enforce its right to extend the lease beyond the initial lease period as the Company is likely to be benefited by exercising the extension option.

37.2. The recognised right-of-use assets relate to the lease pertaining to the office building as at:

Particulars	(Amount in ₹ Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Right-of-use assets- office building:		
-Opening balance as at the beginning of the year	11.04	14.35
-Add: Additions on account of new leases entered during the year	-	-
-Less: Termination/ modifications	-	-
-Less: Amortisation expense charged on the right-of-use assets	-3.32	-3.31

Closing balance as at the end of the year	7.72	11.04
---	------	-------

37.3. The following are amounts recognised in statement of profit and loss:

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Amortisation expense of right-of-use assets	3.32	3.31
Interest expense on lease liabilities	0.93	1.17
Rent expense	18.00	18.00
Total	22.25	22.48

37.4. Lease payments not recognised as a liability:

(Amount in ₹ Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Expenses relating to short term leases (included in other expenses)	18.00	18.00
Total	18.00	18.00

37.5. The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Particulars	No of right- of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)
-Office	1	3.09	3.09

The company has a right to extend/terminate its leasing arrangements beyond the initial agreement/lock in period. For the assessment of lease term as per Ind AS 116, the management of the Company has considered the extension options and not considered the early termination options wherever available for its property leases in its lease period assessment since the Company is likely to be benefited from a longer lease tenure.

36. RELATED PARTY DISCLOSURE
36.1. Names of related parties and description of relationship:

S. No.	Name of Related Party	Relation
1	AIC- Aartech Solonics Private Limited	Subsidiary Company
2	Faradigm Ultracapacitors Private Limited	Subsidiary Company
3	Anil Anant Raje	Non-executive Director
4	Amit Anil Raje	Chairman & Managing Director
5	Arati Nath	CEO & Director
6	Prashant Dattatray Lowlekar	Independent Director
7	Kshitij Negi	Independent Director

8	Supriya Sunil Chitre	Independent Director
9	Pradeep Vasant Narkhede	Chief Financial Officer
10	Epsilon Ten Ltd	Enterprises where key management personnel exercise significant influence
11	Umang Shridhar Designs Private Limited	
12	Aartech Solonics UK Limited	
13	Enerqual Technology Private Limited	Associate Company
14	K. R. Tanuj Reddy	Company Secretary

36.2 Transactions with related parties for the year ended:

(Amount in ₹ Lakhs)

S. No.	Name of related party	Nature of Transaction	As at		As at	
			31 st 2024	March	31 st 2023	March
1	Epsilon Ten Ltd	Investment		-		393.00
2	Aartech Solonics UK Limited	Business Consulting Services		53.68		-
3	Anil Anant Raje	Rent for Head Office		18.00		18.00
4	Anil Anant Raje	Sitting Fees		0.45		0.45
5	Anil Anant Raje	Technical Consultancy		17.50		15.00
6	Prashant Dattatray Lowlekar	Sitting Fees		0.75		0.60
7	Kshitij Negi	Sitting Fees		0.30		0.30
8	Amit Anil Raje	Directors Remuneration		32.87		32.67
9	Arati Nath	Directors Remuneration		31.07		31.02
10	Pradeep Vasant Narkhede	Salaries		14.47		12.51
11	K. R. Tanuj Reddy	Salaries		8.38		7.20

36.3 Balance with related parties for the period ended:

(Amount in ₹ Lakhs)

S. No.	Name of related party	Nature of Transaction	As at		As at	
			31 st 2024	March	31 st 2023	March
1	Umang Shridhar Design Private Limited	Investment in Equity		25.00		25.00
2	Enerqual Technology Private Limited	Investment in Equity		3.00		3.00
3	Epsilon Ten Ltd	Investment in Equity		393.00		393.00

37. FINANCIAL INSTRUMENTS - FAIR VALUES & RISK MANAGEMNT
37.1. Financial instruments by category

(Amount in ₹ Lakhs)

Particulars	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets						
-Loans	-	-	-	-	-	602.23
-Investments	903.02	546.01	599.76	509.57	817.08	78.43
-Trade receivables	-	948.32	-	1,056.02	-	649.19
-Cash and cash equivalents	-	233.98	-	137.48	-	118.31
-Other financial assets	-	72.29	-	55.58	-	47.95
Total	903.02	1,800.60	599.76	1,758.65	817.08	1,496.11
Financial liabilities						
-Trade payables	-	549.82	-	411.02	-	223.09
-Borrowings	-	410.94	-	265.89	-	65.18
-Lease liabilities	-	9.08	-	12.11	-	14.72
-Other financial liabilities	-	66.78	-	42.54	-	37.54
Total	-	1,036.62	-	731.56	-	340.54

37.2. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in these financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under Ind AS 113. An explanation of each level follows underneath the table.

Assets and liabilities which are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed:

(Amount in ₹ Lakhs)

Particulars	As at 31st March 2024				
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets					
-Loans	-	-	-	-	-
-Investments	1,449.03	903.02	-	546.01	1,449.03
-Trade receivables	948.32	-	-	948.32	948.32
-Cash and cash equivalents	233.98	-	-	233.98	233.98
- Other financial assets	72.29	-	-	72.29	72.29
Total	2,703.62	903.02	-	1,800.60	2,703.62
Financial liabilities					
-Trade payables	549.82	-	-	549.82	549.82

-Borrowings	410.94	-	-	410.94	410.94
-Lease liabilities	9.08	-	-	9.08	9.08
-Other financial liabilities	66.78	-	-	66.78	66.78
Total	1,036.62	-	-	1,036.62	1,036.62

(Amount in ₹ Lakhs)

Particulars	As at 31st March 2023				
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets					
-Loans	-	-	-	-	-
-Investments	1,109.33	599.76	-	509.57	1,109.33
-Trade receivables	1,056.02	-	-	1,056.02	1,056.02
-Cash and cash equivalents	137.48	-	-	137.48	137.48
- Other financial assets	55.58	-	-	55.58	55.58
Total	2,358.41	599.76	-	1,758.65	2,358.41
Financial liabilities					
-Trade payables	411.02	-	-	411.02	411.02
-Borrowings	265.89	-	-	265.89	265.89
-Lease liabilities	12.11	-	-	12.11	12.11
-Other financial liabilities	42.54	-	-	42.54	42.54
Total	731.56	-	-	731.56	731.56

(Amount in ₹ Lakhs)

Particulars	As at 1st April 2022				
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets					
-Loans	602.23	-	-	602.23	602.23
-Investments	895.51	817.08	-	78.43	895.51
-Trade receivables	649.19	-	-	649.19	649.19
-Cash and cash equivalents	118.31	-	-	118.31	118.31
- Other financial assets	47.95	-	-	47.95	47.95
Total	2,313.19	817.08	-	1,496.11	2,313.19
Financial liabilities					
-Trade payables	223.09	-	-	223.09	223.09
-Borrowings	65.18	-	-	65.18	65.18
-Lease liabilities	14.72	-	-	14.72	14.72
-Other financial liabilities	37.54	-	-	37.54	37.54
Total	340.54	-	-	340.54	340.54

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities. There have been no transfers between any of the above levels for the years mentioned above.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the financial instruments is determined using discounted cash flow analysis.

Valuation process

(i) Level 1 - The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) Level 3 valuations are discussed with CFO and the finance team at least once every year.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Risk adjusted discount rates are estimated based on expected cash inflows arising from the instrument and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the yearly valuation discussion between the CFO and the finance team.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature. Non-current loans represent security deposits and other non-current financial assets represents bank deposits (due for maturity after twelve from the reporting date) and interest accrued but not due on bank deposits, the carrying value of which approximates the fair values as on the reporting date.

37.3. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk;
- (ii) Liquidity risk; and
- (iii) Market risk

(a) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has authorized respective business managers to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the business managers periodically to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, credit limits and collateral
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Recognised variable rate financial liabilities denominated in Indian rupee (INR)	Sensitivity analysis	Mix of borrowings taken at fixed and floating rates
Market risk - security price	Investments in equity securities	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

37.4. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to discharge an obligation to the company. The company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- Cash and cash equivalents
- Trade receivables
- Loans carried at amortised cost, and
- Other financial assets

(a) Credit Risk Management

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- d) Low credit risk
- e) Moderate credit risk
- f) High credit risk

(b) The Company provides for expected credit loss based on the following:

Risk	Categorisation of items	Provision for expenses credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, and other financial assets measured at amortised cost	12 month expected credit loss/lifetime expected credit loss
Moderate credit risk	Trade receivables Current investment - Quoted	Loss allowance is always measured at lifetime expected credit losses

Assets under credit risk –

Particulars	Credit rating	(Amount in ₹ Lakhs)			
		As at 31 st March 2024	As at 31 st March 2023	As at 1 st April 2022	
Loans	Low credit risk	-	-	602.23	
Cash and bank balances	Low credit risk	233.98	137.48	118.31	
Other financial assets	Low credit risk	72.29	55.58	47.95	
Trade receivables	Moderate credit risk	948.32	1,056.02	649.19	

(c) Cash & cash equivalents and bank deposits

Since the Company deals with only high rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

(d) Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, etc. Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets.

(e) Credit risk exposure

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analysing historical trend of default (net of any recoveries from the insurance companies, if any) relevant to each business segment based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for).

(f) Detail of trade receivables (net of allowances) that are past due is given below:-

(Amount in ₹ Lakhs)

Particulars	As at		As at		As at	
	31 st March 2024	31 st March 2023	31 st March 2022	1 st April 2022	1 st April 2021	1 st April 2020
Not due and overdue less than 6 months	844.18	884.17	884.17	351.43		
Overdue more than 6 months	104.15	171.85	171.85	297.76		
Total	948.32	1,056.02	1,056.02	649.19		

37.5. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of short-term bank deposits, demand loans and cash credit facility. Processes and policies related to such risks are overseen by senior management.

(a) Maturities of financial liabilities

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

(Amount in ₹ Lakhs)

Particulars	31st March 2024			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	549.82	-	-	549.82
Borrowings	410.94	-	-	410.94
Lease liabilities	3.52	5.56	-	9.08
Other financial liabilities	66.78	-	-	66.78
Total	1,031.06	5.56	-	1,036.62

(Amount in ₹ Lakhs)

Particulars	31st March 2023			
	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	411.02	-	-	411.02
Borrowings	265.89	-	-	265.89
Lease liabilities	3.32	8.80	-	12.11
Other financial liabilities	42.54	-	-	42.54
Total	722.77	8.80	-	731.56

(Amount in ₹ Lakhs)

Particulars	1 st April 2022
-------------	----------------------------

	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	223.09	-	-	223.09
Borrowings	65.18	-	-	65.18
Lease liabilities	3.31	11.41	-	14.72
Other financial liabilities	37.54	-	-	37.54
Total	329.12	11.41	-	340.54

37.6. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at 31 March 2024. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2024.

(a) Interest rate risk

The Company's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(b) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(Amount in ₹ Lakhs)		
	As at 31 st March 2024	As at 31 st March 2023	As at 1 st April 2022
Variable rate borrowings	-	-	-
Fixed rate borrowings	410.94	265.89	65.18
Total	410.94	265.89	65.18

Sensitivity

Since, the interest rate on Company's borrowings is fixed. Thus, there is no impact of change in interest rate on Company's borrowings.

(c) Price risk

Exposure from investments in mutual funds:

The Company's exposure to price risk arises from investments in mutual funds held by the Company and classified in the balance sheet as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity

The sensitivity to profit or loss (net of taxes) in case of an increase in price of the instrument by 5% keeping all other variables constant would have resulted in corresponding impact on (losses)/profits by ₹ 32.59 lakhs (31 March 2023 ₹ 21.65 lakhs; 01 April 2022 ₹ 29.49 lakhs).

(d) Foreign exchange risks

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company does not use forward contracts and swaps for speculative purposes.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

Particulars	As at 31st March 2024		As at 31st March 2023		As at 1st April 2022	
	Foreign currency	Indian Rupee (₹)	Foreign currency	Indian Rupee (₹)	Foreign currency	Indian Rupee (₹)
Trade payables						
United States Dollar (USD)	78,540.00	6,620,922.0	30,450.00	2,542,575.0	47,250.0	3,633,525.0
Russian Rubal (RUB)	3,704,400.0	3,630,312.0	-	-	-	-
	0	0				

Sensitivity

The sensitivity to profit or loss from changes in the exchange rates arises mainly from financial instruments denominated in USD. In case of a reasonably possible change in INR/USD exchange rates of +/- 5 % (previous years +/-5%) at the reporting date, keeping all other variables constant, there would have been corresponding impact on losses/profits of ₹ 3.70 lakhs (31 March 2023: ₹ 0.92 lakhs; 01 April 2022: ₹ 1.31 lakhs).

38. CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024; 31 March 2023 and as at 1 April 2022.

The Company monitors capital using net debt to equity ratio, which is net debt (as reduced by cash and cash equivalent) divided by total equity.

(Amount in ₹ Lakhs)				
Particulars		As at 31 st March 2024	As at 31 st March 2023	As at 1 st April 2022
Short term borrowings	refer note 20	410.94	265.89	65.18
Lease liabilities	refer note 17	9.08	12.11	14.72
Less: Cash and cash equivalents	refer note 11	-233.98	-137.48	-118.31
Net Debts		186.04	140.53	-38.41
Equity share capital	refer note 14	1,059.01	1,059.01	1,059.01
Other equity	refer note 15	1,894.47	1,828.29	1,743.47
Total Capital		2,953.49	2,887.30	2,802.48
Gearing ratio		6.30%	4.87%	-1.37%

39. REVENUE FROM CONTRACTS WITH CUSTOMERS

Ind AS 115: Revenue from Contracts with Customers, establishes a framework for determining whether, how much and when revenue is recognized and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognized through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

(a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography.

(Amount in ₹ Lakhs)				
Revenue from Operations		As at 31 st March 2024	As at 31 st March 2023	
Revenue by geography				
Export		137.13	25.49	
Domestic		3,137.28	2,143.31	
Total		3,274.41	2,168.80	
Revenue by geography				
Revenue at point of time			-	-

Revenue over the period of time	3,274.41	2,168.80
Total	3,274.41	2,168.80

(b) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Particulars	(Amount in ₹ Lakhs)			
	As at 31 st 2024	March	As at 31 st 2023	March
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	-		-	
Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-		-	
Total	-		-	

(c) Assets and liabilities related to contracts with customers

Particulars	(Amount in ₹ Lakhs)			
	As at 31st March 2024		As at 31st March 2023	
	Non-current	Current	Non-current	Current
Contract liabilities related to sale of goods				
Advance from customers	-	29.97	-	0.74
Advance from related parties	-	-	-	-
Contract assets				
Trade receivables (including unbilled revenue)	-	948.32	-	1056.02

(d) Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price

Particulars	(Amount in ₹ Lakhs)			
	As at 31 st 2024	March	As at 31 st 2023	March
Contract price	3,274.41		2,168.80	
Less: discount, rebates, credits etc.		-		-
Total	3,274.41		2,168.80	

(e) Significant changes in contract assets and liabilities

Particulars	(Amount in ₹ Lakhs)	
	As at	As at

	31 st 2024	March 2023
Opening balance (Advance from customer)	0.74	3.29
Add: addition during the year	29.23	2.55
Less: revenue recognised during the year from opening liability	-	-
Closing Balance	29.97	0.74

40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES PURSUANT TO IND AS 7- STATEMENT OF CASH FLOWS

The changes of the Company's liabilities arising from financing activities can be classified as follows:

Particulars	(Amount in ₹ Lakhs)			
	Equity Share Capital	Short-term Borrowings	Lease	Total
Opening Balance as on 01st April 2022	1,059.01	65.18	14.72	1,138.91
Cash flows:				
Payment of lease liabilities	-	-	-3.78	-3.78
Proceeds from short-term borrowings (net)	-	200.71	-	200.71
Non-Cash changes:				
Interest expense on lease liabilities	-	-	1.17	1.17
Closing Balance as on 31st March 2023	1,059.01	265.89	12.11	1,337.01
Cash flows:				
Interest expense on financial liabilities at fair value	-	-	-3.04	-3.04
Proceeds from short-term borrowings (net)	-	145.06	-	145.06
Non-Cash changes:				
Interest expense on lease liabilities	-	-	-	-
Closing Balance as on 31st March 2024	1,059.01	410.94	9.08	1,479.03

41. ADDITIONAL REGULATORY INFO

S.No.	Additional regulatory information not disclosed elsewhere in the financials statements
1	No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
2	The Company has borrowings from banks and financial institutions on the basis of security of current assets and the quarterly statements filed by the Company with banks or financial institution are in agreement with books of accounts.

- 3 As the Company does not have any loan or other borrowing from any lender, therefore disclosure of wilful defaulter is not applicable.
- 4 The Company does not have any transactions with companies struck off.
- 5 The Company has complied with the number of layers of companies prescribed under the Companies Act, 2013.
- 6 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- 7 The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- 8 The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 -) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 -) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 9 The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 -) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 -) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 10 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 11 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- 12 The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

42. RATIOS

Particulars	Numerator	Denominator	As at 31st March 2024	As at 31st March 2023	% change in ratios	Reasonin g
-------------	-----------	-------------	--------------------------------	--------------------------------	--------------------------	---------------

1	Current Ratio	Current assets	Current liabilities	2.71	3.43	-21.11%	refer not 41.1
2	Debt-Equity Ratio	Total debt	Shareholder's equity	0.14	0.09	51.09%	refer not 41.2
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	6.37	9.86	-35.36%	refer not 41.3
4	Return on equity ratio	PAT	Average shareholders equity	4.46%	4.77%	-6.52%	
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	3.33	3.22	3.37%	
6	Trade receivables turnover ratio	Net credit sales	Average trade receivables	3.27	2.54	28.45%	refer not 41.4
7	Trade payables turnover ratio	Net credit purchases	Average trade payables	5.01	4.76	5.27%	refer not 41.5
8	Net capital turnover ratio	Net sales	Average working capital	1.76	1.28	38.07%	refer not 41.6
9	Net profit ratio	PAT	Total turnover	3.98%	6.26%	-36.44%	refer not 41.7
10	Return on capital employed	Earning before interest and taxes	Capital Employed	0.09	0.07	26.49%	refer not 41.8
11	Return on investment (Bank Deposits)	Profit on investment	Weighted average investment	-	-	-	

- 42.1. Due to increase in Working capital loan
 42.2. Due to increase in Borrowings from related party
 42.3. Due to increase in business activity of the company
 42.4. Due to increase in Borrowings from related party
 42.5. Due to increase in Borrowings from related party
 42.6. Due to increase in Borrowings from related party
 42.7. Due to increase in Borrowings from related party
 42.8. Due to increase in Borrowings from related party

43. SUBSIDIARIES & ASSOCIATES

Particulars	Country of Incorporation	Share Holding
Subsidiaries:		
AIC-Aartech Solonics Private Limited	India	99%
Faradigm Ultracapacitors Private Limited	India	95%
Associates:		
Enerqual Technology Private Limited	India	30%
Epsilon Ten Ltd	UK	20%

Particulars of investment in associates:	As at		As at		As at	
	31 st 2024	March	31 st 2023	March	1 st 2022	April
Enerqual Technology Private Limited		4.62		4.62		3.00
Epsilon Ten Ltd		393.10		393.10		393.10
Total		397.72		397.72		396.10

43.1. The Company does not have sufficient and appropriate information despite several follow-ups regarding the financial statement of Enerqual Technologies Pvt. Ltd (“Associate”) due to the ongoing dispute with the Associate entity. Accordingly, the Company has not included the impact in the Consolidated financial statement of the Group. Further, the dispute is not going to have any material impact in the consolidated financial statement of the Group.

43.2. The Group has a 20% equity interest in Epsilon Ten Ltd (“Associate”), a company incorporated outside India. The Associate entity has not prepared the financial statement because the business operations are dormant as the founder directors have resigned due to which we could not get the audited financial statement of the Associate. Further the management is actively following up with the Associate to get the financial statement so that the impact of the same can be included in the consolidated financial statement of the Group.

44. RESEARCH & DEVELOPMENT EXPENSES

The Company has maintained a recognised in-house research and development facility which is registered with the Department of Scientific & Industrial Research (DSIR) under Ministry of Science & Technology, Government of India. The Company maintains details of all expenses incurred specifically for Research & development purposes.

The expenses incurred during the year specifically for Research & Development purposes are:

Particulars	(Amount in ₹ Lakhs)			
	As at		As at	
	31 st 2024	March	31 st 2023	March
Salary to research staff		29.75		30.65
Material purchased		7.99		6.24
Travelling expenses		1.06		7.87
Other Expenses		3.66		15.20
Total		42.46		59.95

45. EXPLANATION TO TRANSITION TO IND AS

These consolidated financial statements, for the year ended 31 March 2024, are the first consolidated financial statements prepared by the Company in accordance with Ind AS. For periods up to and including the year ended

31 March 2023, the Company prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP' or 'Previous GAAP').

First time adoption of Ind AS

Accordingly, the Company has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on 31 March 2024, together with the comparative period data as at and for the year ended 31 March 2023, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Company's opening Ind AS balance sheet was prepared as at 1 April 2022, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP consolidated financial statements, including the balance sheet as at 1 April 2022 and the consolidated financial statements as at and for the year ended 31 March 2023.

The Company has applied Ind AS 101 in preparing these first financial statements. The effect of transition to Ind AS on equity, total comprehensive income and reported cash flows are presented in this section and are further explained in the notes accompanying the tables.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, as at the transition date, i.e. 1 April 2022.

(a) Deemed cost

As per Ind AS 101, an entity may elect to use carrying values of all Property, plant and equipment, intangible assets, intangible assets under development as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure Property, plant and equipment, intangible assets under development and intangible assets at their Previous GAAP carrying values. Refer note 3 of the standalone financial statements.

(b) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 31 March 2023 are consistent with the estimates as at the same date made in conformity with previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

(c) Classification and measurement of financial assets and liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets and financial liabilities on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further if it is impracticable for the company to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial liability at the date of transition to Ind AS shall be the new grossing amount of that financial asset or the new amortised cost of that financial liability at the date of transition to Ind AS.

(d) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

46. RECONCILIATIONS BETWEEN PREVIOUS GAAP AND IND AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for previous periods. The following tables and notes represents the reconciliations from Previous GAAP to Ind AS.

- i) Reconciliation of equity as at 31 March 2023 and 1 April 2022.
- ii) Reconciliation of statement of total comprehensive income for the year ended 31 March 2023; and
- iii) The impact on cash flows from operating, investing and financing activities for the year 31 March 2023.

46.1. Reconciliation of equity as at 31 March 2023 and 1 April 2022.

Particulars	Notes	(Amount in ₹ Lakhs)	
		As at 31 st March 2023	As at 1 st April 2022
Total equity (shareholder's funds) as per previous GAAP		2,873.34	2,737.73
Adjustments:			-
Adjustments pertaining to application of IND AS 116	1	-1.30	-0.66
Recognition of financial assets at FVTPL	2	-18.09	34.81
Expected credit loss	3	-43.93	-69.22
Adjustments pertaining to depreciation on investment property	4	-30.90	-28.32
Adjustments pertaining provision for actuarial valuation	4	-25.49	-14.73
Adjustments pertaining to tax relating to earlier years not recorded	4	81.40	110.34
Profit/(loss) on account of Ind AS Adjustments allocated to minority shareholders	7	1.49	-0.62
Tax effects of Ind AS adjustments	5	50.78	33.15
Total equity as per Ind AS		2,887.30	2,802.48

46.2. Effect of Ind AS adjustments on Balance Sheet as at 01 April 2022

(Amount in ₹ Lakhs)

Particulars	Note	Previous GAAP	Adjustments	Ind AS
ASSETS				
Non-Current Assets				
(a) Property Plant & Equipment & Intangible Assets		379.55	53.00	432.55
(b) Capital work-in-progress			-	-
(c) Right-of-use-assets	4	-	14.35	14.35
(d) Financial Assets			-	-
(i) Investments		159.77	-81.34	78.43
(i) Loans & Advances		602.23	-	602.23
(ii) Other financial assets	1	47.49	-0.29	47.20
(e) Deferred tax assets (net)	5	-	127.19	127.19
Current assets				
(a) Inventories		275.54	-	275.54
(b) Financial assets			-	-
(i) Investments	2	783.45	33.63	817.08
(ii) Trade receivables	3	718.41	-69.22	649.19
(iii) Cash and cash equivalents		120.34	-2.03	118.31
(iv) Other financial assets		62.76	-62.02	0.75
(c) Other current assets		55.61	60.64	116.25
TOTAL ASSETS		3,205.16	73.90	3,279.06

(Amount in ₹ Lakhs)

Particulars	Note	Previous GAAP	Adjustments	Ind AS
EQUITY & LIABILITIES				
Equity				
(a) Equity share capital		1,059.01	-	1,059.01
(b) Other equity	46.1	1,678.72	64.75	1,743.47
Non-current liabilities				
(a) Financial liabilities		0.19	0.62	0.81
(i) Lease liabilities			-	-
(b) Other non-current liabilities	1	-	11.41	11.41
(c) Deferred tax liabilities (net)		47.76	-	47.76
(d) Provisions	5	16.30	-16.30	-
Current liabilities				
(a) Financial liabilities	4	-	18.84	18.84
(i) Borrowings			-	-
(ii) Trade payables		65.18	-	65.18
- Total outstanding dues of MSME			3.31	3.31
- Total outstanding dues of creditors other than MSME			-	-

(ii) Other financial liabilities	15.88	-	15.88
(b) Other current liabilities	204.60	2.61	207.21
(c) Provisions	-	37.54	37.54
(d) Current tax liabilities (Net)	7.91	13.08	20.98
TOTAL EQUITY & LIABILITIES	109.62	-108.73	0.89

42.3. Effect of Ind AS adjustments on Balance Sheet as at 31 March 2023

(Amount in ₹ Lakhs)

Particulars	Note	Previous GAAP	Adjustments	Ind AS
ASSETS				
Non-Current Assets				
(a) Property Plant & Equipment & Intangible Assets		379.83	50.44	430.27
(b) Capital work-in-progress		-	-	-
(c) Right-of-use-assets	4	-	11.04	11.04
(d) Financial Assets		-	-	-
(i) Investments		603.97	-94.40	509.57
(i) Loans & Advances		-	-	-
(ii) Other financial assets		55.41	-0.23	55.18
(e) Deferred tax assets (net)		-	99.77	99.77
(f) Non-current tax assets (net)		-	9.16	9.16
Current assets				
(a) Inventories		512.89	-	512.89
(b) Financial assets		-	-	-
(i) Investments		604.79	-5.03	599.76
(ii) Trade receivables	2	1,099.95	-43.93	1,056.02
(iii) Cash and cash equivalents	3	139.10	-1.63	137.48
(iv) Other financial assets		186.03	-185.62	0.40
(c) Other current assets		78.97	183.94	262.91
TOTAL ASSETS		3,660.94	23.50	3,684.44

(Amount in ₹ Lakhs)

Particulars	Note	Previous GAAP	Adjustments	Ind AS
EQUITY & LIABILITIES				
Equity				
(a) Equity share capital		1,059.01	-	1,059.01
(b) Other equity	46.1	1,814.33	13.95	1,828.29
Non-current liabilities				
(a) Financial liabilities		0.26	-1.49	-1.23
(i) Lease liabilities		-	-	-

(b) Other non-current liabilities	-	8.80	8.80
(c) Deferred tax liabilities (net)	17.26	-	17.26
(d) Provisions	18.47	-18.47	-
Current liabilities		23.07	23.07
(a) Financial liabilities		-	-
(i) Borrowings		-	-
(ii) Lease Liabilities	265.89	-	265.89
(iii) Trade payables		3.32	3.32
- Total outstanding dues of MSME		-	-
- Total outstanding dues of creditors other than MSME	114.13	12.00	126.13
(ii) Other financial liabilities	295.20	-10.31	284.89
(b) Other current liabilities	-	42.54	42.54
(c) Provisions	4.47	19.60	24.07
(d) Current tax liabilities (Net)	71.93	-69.50	2.42
TOTAL EQUITY & LIABILITIES		3,660.94	3,684.44

46.4. Total comprehensive income for the year ended 31 March 2023

(Amount in ₹ Lakhs)

Particulars	Note	Previous GAAP	Adjustments	Ind AS
INCOME				
Income from operations		2,168.80	-	2,168.80
Other income	1-2	238.92	-26.37	212.54
TOTAL INCOME		2,407.72	-26.37	2,381.35
EXPENDITURES				
Cost of materials consumed		1,410.56	-	1,410.56
Change in inventories of finished goods and work in process		-139.88	-	-139.88
Employee benefit expenses		392.55	1.84	394.39
Finance costs	1	38.02	5.89	43.91
Depreciation and amortization expenses	1	26.96	1.17	28.13
Other expenses	1-3	444.40	-3.78	440.62
TOTAL EXPENSES		2,172.62	5.12	2,177.73
Profit/(Loss) before exceptional items and tax				
Profit of Associate Company - Enerqual Technology Private Limited		-	1.62	1.62
Profit before tax		235.10	-29.87	205.23
Tax Expense				
Current Tax		47.10	15.38	62.48
Provision for tax		-	-	-
Deferred Tax	3	2.17	-1.59	0.58

Profit for the year		185.83	-43.66	142.17
Other comprehensive income				
Remeasurements of defined benefit asset		-	-8.92	-8.92
Income tax relating to above mentioned item		-	2.48	2.48
Total comprehensive (loss) for the year		185.83	-50.10	135.73

46.5. Impact of Ind AS adoption on cash flow statement for the year ended 31 March 2023

(Amount in ₹ Lakhs)

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	-361.19	-121.07	-482.26
Net cash flow from investing activities	433.31	-48.89	384.41
Net cash flow from financing activities	-52.95	169.96	117.02
Net (decrease) in cash and cash equivalents	19.17	-	19.18
Cash and cash equivalents as at 1 April 2022	118.31	-	118.31
Cash and cash equivalents as at 31 March 2023	137.48	-	137.48

46.6. Notes to first-time adoption:
Note 1: Measurement of rental expense

Under the previous GAAP, any escalation in operating lease rentals were straight-lined over the lease term. Under Ind AS, at the commencement date, a lessee shall recognise a right-of-use asset and a lease liability. At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate. A lessee shall apply the depreciation requirements in Ind AS 16, Property, Plant and Equipment, in depreciating the right-of-use asset.

Note 2: Measurement of investments in mutual funds and other equity instruments

Under Indian GAAP, current investments were stated at lower of cost and fair value.

Under Ind AS, these financial assets have been classified as Fair Value Through Profit and Loss ('FVTPL') on the date of transition to Ind AS and fair value changes after the date of transition have been recognised in the statement of profit or loss.

Note 3: Expected credit loss

Under the previous GAAP, provisioning for trade receivables were done on case to case basis. Historically there are no amounts provided for provision for doubtful debts.

Under Ind AS, at initial recognition, an entity shall measure trade receivables at their transaction price if the trade receivable do not contain a significant financing component and subsequently shall measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables.

Note 4: Prior period

During the current period, the Company has recorded provision for gratuity and compensated absences and depreciation on investment properties for earlier periods which was erroneously missed in previous year/period.

Note 5: Deferred tax

Under the previous GAAP, deferred tax is calculated using the income statement approach, which focuses on difference between taxable profits and accounting profits for the period. Ind AS 12 - "Income tax" requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Application of Ind AS has resulted in recognition of deferred tax on new temporary differences and on the adjustments arising due to adjustments made on transition.

Note 6: Remeasurements of post-employment benefit obligations

Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. Under Ind AS, remeasurements i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of the statement of profit and loss.

Note 7: Minority Interest

Due to Ind AS adjustments in statement of profit and loss of subsidiary companies, since the profit after tax is changed, there is resultant change in share of minority interest.

Note 8: Profit of Associate Company

Under the previous GAAP, profit of associate company has been adjusted directly through appropriation of reserves.

Under Ind AS, the same has been rectified and adjusted through statement of profit and loss account.

For **BANCERS & Co. LLP**
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
CA Anmol Chhabra
Partner
(Membership No. 434305)
Place: Bhopal
Date: May 30, 2024
UDIN: 24434305BKEQ0R3339

Sd/- Amit A. Raje Chairman & Managing Director	Sd/- Arati Nath Chief Executive Officer	Sd/- Pradeep V. Narkhede Chief Financial Officer	Sd/- K.R. Tanuj Reddy Company Secretary
--	--	--	---

If undelivered please return to:

CIN: L31200MP1982PLC002030

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

Tel No +91 755 4276335, **E-mail id:** treddy@aartechsolonics.com

Website: www.aartechsolonics.com