
AEROFLEX INTERNATIONAL LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2016

AUDITOR

D M JAIN & CO

CHARTERED ACCOUNTANTS

Address:- B-506, Shubham Centre No.- 2, Chakala,
Andheri (East), Mumbai - 400099.

Regd. Office: - 004/C-6, Sector No - 8, Shanti Nagar,
Mira Road (E), Thane - 401107.



D M JAIN & CO.
CHARTERED ACCOUNTANTS
B-506, Shubham Centre No.- 2, Chakala,
Andheri (East), Mumbai - 400099.
Tel: 28121740, Mobile: 9821429516,
Email: - dineshcaicwa@gmail.com

AUDITORS REPORT

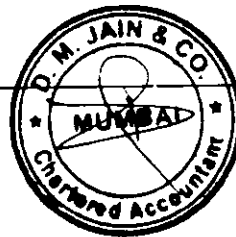
To,
The Members of
AEROFLEX INTERNATIONAL LIMITED
MUMBAI

Report on the Financial Statements:

We have audited the accompanying financial statements of **AEROFLEX INTERNATIONAL LIMITED** ("The Company"), which comprise the Balance Sheet as at 31st March 2016, and the Statement of Profit and Loss & Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the Preparation of these financial statement that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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Auditors Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

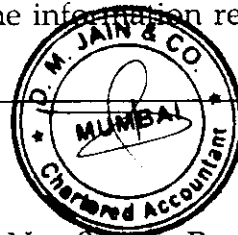
We conducted our audit in accordance with the Standards on Auditing Specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the



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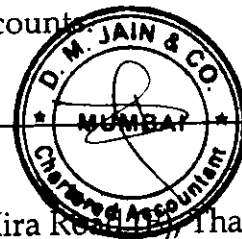
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manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2016 and
- b) In the case of the Profit and Loss Account, of the LOSSES for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

Report on other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 paragraphs 3 & 4 of the Order.
2. As required by section 143(3) of the Act, we report that :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) We have been informed that the Company does not have Branch offices.
 - d) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.



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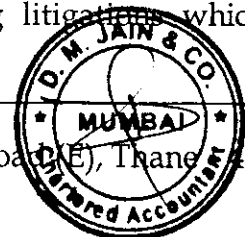


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In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the act read with Rule 7 of Company (Accounts) Rules, 2014.

- e) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of matters or financial transactions which have any adverse effect on the functioning of the company. In our opinion & as per the written representation given by the management there is no such matters or transaction which has adverse effect on the functioning of the company.
- f) On the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of section 164(2) of the Act.
- g) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books, there is no such qualification or adverse remark for the same.
- h) On the basis of written representation received from the management as on 31st March 2016 with respect to the report on the Internal financial control over financial reporting of the company and operating effectiveness of such control under clause (i) of subsection 3 of section 143 of the Companies Act, 2013, and as per the details verified by us, we give our report in the annexure " B " enclosed herewith on the matter.
- i) 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, we report that:
- i. The Company does not have any pending litigation which would impact its financial position.

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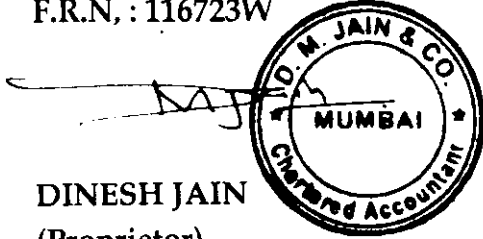


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- ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which required to be transferred to the investors Education and protection fund by the Company.

FOR D M JAIN & CO.
CHARTERED ACCOUNTANTS
F.R.N. : 116723W



DINESH JAIN
(Proprietor)

Membership No. : 102108

Place : Mumbai

Date : 5th May 2016



D M JAIN & CO.

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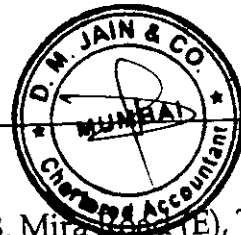
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ANNEXURE " A "REFERRED TO IN THE AUDITORS REPORT:

(As referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report to the members of AEROFLEX INTERNATIONAL LIMITED on the accounts as at and for the year ended 31st March, 2016)

- i.
 - a. The company has maintained proper records, showing full particulars including quantitative details and situations of all fixed assets.
 - b. The Fixed assets are physically verified by the management during the year by way of a regular program of verification, which in our opinion are reasonable, having regard to size of the company and nature of its assets. No material discrepancies were noticed on such verifications.
- ii. As per informations & details given and verified by us, the company has no inventory. Accordingly this Clause is not applicable.
- iii. As per the information given to us, the company has granted loans, secured or unsecured to companies, firms, or other parties covered in the register maintained under the section 189 of the Companies Act 2013 ("the Act").
 - a. The company has granted ₹ 14,04,400/- and Recovered ₹ 18,35,000/- during the year from the parties covered in the register maintained under the section 189 of the Companies Act 2013. The total Loan outstanding at the year Ended is ₹ 77,66,600/-. The Company has not received any interest on the loans & advances so granted to the parties. We cannot Comment on the terms and conditions of the aforesaid unsecured loan given are prima facie prejudicial or not to the interest of the company as no details of the purpose of loans has been provided to us.
 - b. According to the information given to us by the management, there is no default in recovery of the said loans and advances.



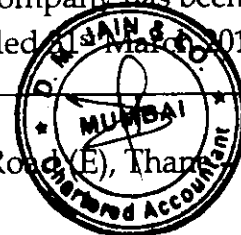
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- iv. As per information & explanations given to us, the Company has not given loans, investments, guarantees and securities to the parties covered under the provisions of section 185 and 186 of the Companies Act 2013.
- v. As per information & explanations given to us, the Company has not accepted any deposit from public therefore directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or other relevant provisions of the Companies Act 2013 & rules there under are not applicable to the company.
- vi. Accordingly to the information & explanations given to us, maintenance of the cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act & rules there under are not applicable to the company.
- vii.
- a. According to the information and explanations given to us and the records of the company verified by us, in our opinion the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, cess & other Material Statutory Dues wherever applicable to it with the appropriate authorities.
- b. According to the information & explanations given to us there are no dues of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty & VAT which have not been deposited with appropriate authorities on account of any dispute.
- viii. Based on our audit procedures and on the basis of information and explanation given to us by the management, we are of the opinion that the Company has not defaulted in repayment of its loans or borrowings to any financial institution, bank, Government or dues to debenture holders during the year.
- ix. According to the records of the company examined by us and the information and explanations given to us, we hereby report that the company has not raised money by way of initial or further public offer. In our opinion the term loans taken by the company has been applied for the purpose for which the same has been obtained.
- x. Based upon the audit procedures performed and information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit for the year ended **31st March 2016**.

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- xi. The company has not paid any managerial remuneration to its directors during the year, Accordingly this Clause is not applicable to the company for the year.
- xii. The company is not a Nidhi company therefore the provisions of this clause is not applicable.
- xiii. As per informations, explanations and details given to us, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and the details of the same has been disclosed in the Financial statement as required by the applicable accounting standards.
- xiv. According to the information & explanations given to us and the records examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information & explanations and details given to us by the management and the records examined by us, the Company has not entered into any non cash transactions with the directors or persons connected with him where the provisions of section 192 of the Companies Act 2013 is applicable during the year under review.
- xvi. As per informations, explanations and details given to us, the company is not required to register under section 45-IA of the Reserve Bank of India Act 1934 therefore the provisions of this clause is not applicable to the Company.

FOR D M JAIN & CO.

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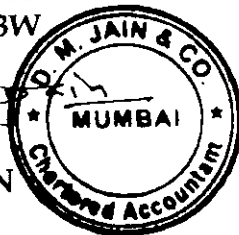
DINESH JAIN

(Proprietor)

Membership No. : 102108

Place : Mumbai

Date : 5th May 2016





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ANNEXURE " B "REFERRED TO IN THE AUDITORS REPORT:

Report on the Internal Financial controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of AEROFLEX INTERNATIONAL LIMITED ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

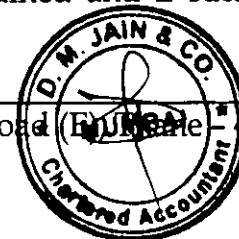
Management's Responsibility for Internal Financial Controls :

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 Companies Act, 2013.

Auditors' Responsibility :

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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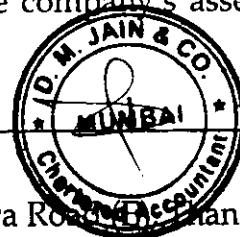
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgments, including the assessment of the risks of material misstatement of the 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 my / our audit opinion on the Company's internal financial controls system over financial reporting.

Significance elements of Internal Financial Controls Over Financial Reporting :

A company's internal financial control over financial reporting 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 control over financial reporting includes 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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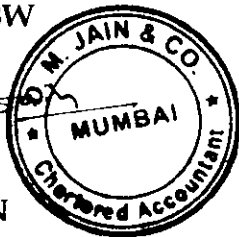
Inherent Limitations of Internal Financial Controls Over Financial Reporting :

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

Opinion :

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting 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.

FOR D M JAIN & CO.
CHARTERED ACCOUNTANTS
F.R.N. : 116723W



DINESH JAIN
(Proprietor)
Membership No. : 102108
Place : Mumbai
Date : 5th May 2016

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

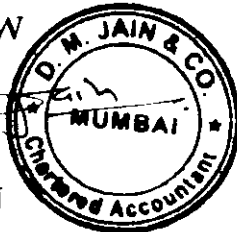
BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	Note No	As at 31.03.2016 AMOUNT (₹)	As at 31.03.2015 AMOUNT (₹)
I. EQUITY AND LIABILITIES			
A. Shareholder's Funds			
Share Capital	"2"	1,00,00,000	1,00,00,000
Reserves and Surplus	"3"	(15,36,293)	(9,68,015)
B. Non Current Liabilities			
Other Long Term Liabilities	"4"	32,130	37,748
C. Current Liabilities			
Other Current Liabilities	"5"	97,242	35,392
TOTAL		85,93,079	91,05,125
II. ASSETS			
D. Non Current Assets			
Fixed Assets			
Tangible Assets	"6"	1,54,412	1,92,536
Long Term Loans & Advances	"7"	68,42,200	57,77,200
Other Non Current Assets	"8"	1,26,709	1,70,152
E. Current Assets			
Cash and cash equivalents	"9"	42,256	32,718
Short Term Loans and Advances	"10"	14,27,502	29,32,519
TOTAL		85,93,079	91,05,125

Significant Accounting Policies
Notes on Financial Statement


1 to 14

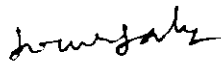
As per our report of even date
FOR D M JAIN & CO
CHARTERED ACCOUNTANTS
F.R.N - 116723W



DINESH JAIN
(Proprietor)
Membership No : 102108
Place: Mumbai
Date: 5th May 2016

For and on behalf of the Board


SHEHNAZ D ALI
(Director)
(DIN-00185452)


HARIKANT TURGALIA
(Director)
(DIN-00049544)

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

PARTICULARS	Note No	As at 31.03.2016 AMOUNT (₹)	As at 31.03.2015 AMOUNT (₹)
REVENUES:			
Other Income	"11"	7,14,927	9,18,000
	TOTAL	7,14,927	9,18,000
EXPENSES:			
Depreciation & Amortization Expenses	"12"	27,768	17,412
Other expenses	"13"	12,45,081	12,35,579
	TOTAL	12,72,849	12,52,991
Profit/ (Loss) Before Tax		(5,57,922)	(3,34,991)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Net Profit/(Net Loss) for the year		(5,57,922)	(3,34,991)
Earning per equity share:		(0.56)	(0.33)

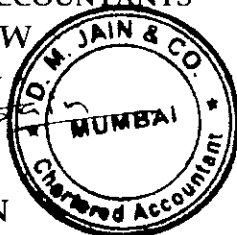
Significant Accounting Policies
Notes on Financial Statement

1 to 14

As per our report of even date

For and on behalf of the Board

FOR D M JAIN & CO
CHARTERED ACCOUNTANTS
F.R.N - 116723W



DINESH JAIN
(Proprietor)

Membership No : 102108

Place: Mumbai

Date: 5th May 2016

SHEHNAZ D ALI
(Director)
(DIN-00185452)

HARIKANT TURGALIA
(Director)
(DIN-00049544)

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

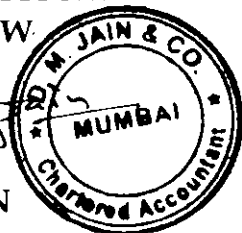
PARTICULARS	As at 31.03.2016 AMOUNT (₹)	As at 31.03.2015 AMOUNT (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before Tax	(5,57,922)	(3,34,991)
Add : Depreciation	27,768	17,412
Operating Profit before working capital changes	(5,30,154)	(3,17,579)
Adjustments for :		
(Increase)/Decrease in Other Non current Assets	43,443	43,443
(Increase)/Decrease in Long term Advances	(10,65,000)	(13,99,200)
(Increase)/Decrease in Short term Loans & Advance	15,05,017	(80,519)
(Increase)/Decrease in other current assets	-	20,00,000
Increase/(Decrease) in other long term liabilities	(5,618)	(5,618)
Increase/(Decrease) in other current liabilities & provisions	61,850	(2,698)
Net Cash Flow from Operatiing Activities	9,538	2,37,829
B. CASH FLOW FROM INVESTING ACTIVITIES		
Deduction/(Addition) to Fixed Assesst	-	-
Net Cash Flow from Investing Activities	-	-
C. CASH FLOW FROM FINANCEING ACTIVITIES		
Proceeds from Short term borrowings	-	(2,95,500)
Net Cash Flow from Financing activities	-	(2,95,500)
Net Increase in Cash & Cash Equivalents (A+B+C)	9,538	(57,671)
Cash and Cash Equivalents at the beginning of the period	32,718	90,389
Cash and Cash Equivalents at the end of the period	42,256	32,718
Net Increase in Cash & Cash Equivalents as at 31st March 2016	9,538	(57,671)

As per our report of even date

FOR D M JAIN & CO

CHARTERED ACCOUNTANTS

F.R.N - 116723W

**DINESH JAIN**

(Proprietor)

Membership No : 102108

Place: Mumbai

Date: 5th May 2016

For and on behalf of the Board


SHEHNAZ D ALI

(Director)

(DIN-00185452)


HARIKANT TURGALIA

(Director)

(DIN-00049544)

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a) Corporate Information:

The main business of the Company is of Manufacture and Trader of the, fabricate, assemble, machinery, work on process, repair, alter, convert, buy, deal in, import, export or consult for plants, machineries, sub-assembles, machine parts, tools, gauges, jigs, instruments, appliances, components, accessories and finished or semi finished engineering products made of Steel, thermoplastic, polymer and/or any other materials for industrial, agricultural or domestic use.

b) Accounting Convention:

The financial statements are prepared under the historical cost convention, in accordance with generally accepted accounting principles in India (GAAP), the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies act 2013 as adopted consistently by the company. The accounting is on the basis of a going concern concept and the accounting policies adopted in the preparation of financial statements are consistent with those of the previous year unless otherwise specified.

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and services provided and the time between the acquisition of assets for processing and rendition of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities

c) Use of Estimates:

The Preparation of financial statements in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and the results of operations during the reporting year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Differences between the actual results and estimates are recognized in the year in which the results are known/materialized.



AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

d) **Fixed Assets:**

Fixed Assets are stated at cost of acquisition, installation or construction cost including other direct expenses incurred to bring the assets to its working condition for its intended use less accumulated depreciation, amortization/impairment losses if any.

e) **Depreciation:**

Depreciation on all fixed assets has been provided as prescribed in Schedule II to the Companies Act, 2013 for the useful life of the assets as applicable W.E.F. 01st April 2014. The depreciation has been calculated for the remaining useful life of the assets as on 1st April 2014 for all the assets purchased prior to this date. Difference in the depreciation of earlier year due to useful life of the assets has been identified separately & adjusted accordingly. Depreciation has been provided on pro-rata basis from the date on which assets are put to use.

f) **Inventories:**

Inventories are valued at cost, as certified by the management. The company has no inventory at the year ended.

g) **Taxation:**

Provision for current Income Tax has not been made in the absence of the assessable income for the year. Deferred Tax Assets for the timing difference of the depreciation has not been recognized for the year as the same is not justified as per the performance of the company and the same will be reviewed in successive years.

h) **Contingent Liabilities:**

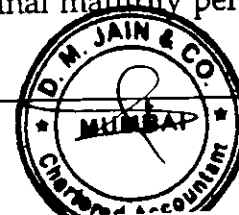
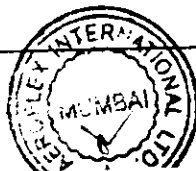
There is no contingent liability as informed to us, and same is not provided in the Accounts.

i) **Income Recognition:**

Revenues are recognized for the year in which the income arises and accrues. Income arisen out of the activities other than the main object clause of the company, has been shown separately under other income, although it was part of the main activities carried on by the company during the year.

j) **Cash and Cash Equivalent**

Cash and Cash Equivalents for the purpose of cash flow statement comprise of cash on hand and cash at bank including fixed deposit with original maturity period of three months or less.



AEROFLEX INTERNATIONAL LIMITED

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NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Cash Flow Statements

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of the non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Company are segregated.

k) Foreign Currency Transactions:

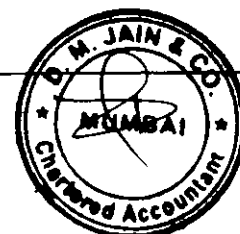
Foreign currency transactions are recorded in the reporting currency by applying to the foreign exchange rate on the date of the transaction. Exchange Differences arising on the settlement/conversion of monetary items are recognized separately as exchange difference. Monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year ended exchange rates and those covered by foreign exchange contracts are translated at the rate ruling on the date of the transaction as increased or decreased by the proportionate difference between the forward rate and the exchange rate on the date of the transaction, such difference having been recognized over the life of the contract.

l) Repairs & Maintenance Expenses for leased Premises:

The company has incurred major expenses for repairs & furnishing of the rented office premises taken on lease in previous year and the same has been written off equally over the period of lease from the date on which the same is put to use.

m) Earnings Per Share:

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



AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 2 : SHARE CAPITAL

a) SHARE DETAILS

PARTICULARS	As at 31 March 2016		As at 31 March 2015	
	No. of Shares	AMOUNT (₹)	No. of Shares	AMOUNT (₹)
Authorised Share Capital				
Equity Shares of 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Issued, Subscribed & Paid up				
Equity Shares of 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
TOTAL	10,00,000	1,00,00,000	10,00,000	1,00,00,000

b) Reconciliation of Number of shares :

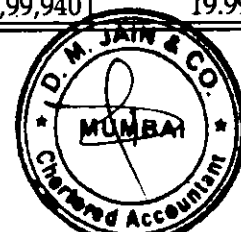
PARTICULARS	Equity Shares		Preference Shares	
	No. of Shares	AMOUNT (₹)	No. of Shares	AMOUNT (₹)
Shares outstanding at the beginning of the year	10,00,000	1,00,00,000	NIL	NIL
Shares Issued during the year	NIL	NIL	NIL	NIL
Shares bought back during the year	NIL	NIL	NIL	NIL
Shares outstanding at the end of the year	10,00,000	1,00,00,000	NIL	NIL

c) Shares held by its holding Companies:

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sat Industries Ltd	9,99,940	99.99%	-	0.00%
Italica Furniture Pvt Ltd	-	0.00%	8,00,000	80.00%

d) Name of the shareholders holding more than 5% shares in the company:

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sat Industries Ltd	9,99,940	99.99%	-	0.00%
Italica Furniture Pvt Ltd	-	0.00%	8,00,000	80.00%
Sat Invest Pvt Ltd	-	0.00%	1,99,940	19.99%



AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

PARTICULARS	As at 31.03.2016 AMOUNT (₹)	As at 31.03.2015 AMOUNT (₹)
<u>NOTE 3 : RESERVE AND SURPLUS</u>		
Surplus As Per Last Balance Sheet	(9,68,015)	(6,33,024)
Depreciation adjusted as per useful life of assets	(10,356)	-
(+) Net Profit/(Net Loss) for the year	(5,57,922)	(3,34,991)
TOTAL	(15,36,293)	(9,68,015)
<u>NOTE 4 : OTHER LONG TERM LIABILITIES</u>		
Creditors for Expenses	32,130	37,748
TOTAL	32,130	37,748
<u>NOTE 5 : OTHER CURRENT LIABILITIES</u>		
Creditors against Expenses	97,242	35,392
TOTAL	97,242	35,392



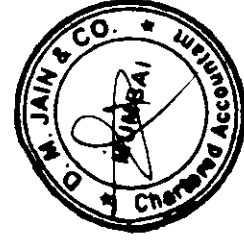
AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 6: FIXED ASSETS

PARTICULARS	Gross Block		Accumulated Depreciation			Net Block		
	As at 01/04/2015	Additions/ (Disposals)	As at 31/03/2016	As at 01/04/2015	Depreciation adjusted	Provided For the year	As at 31/03/2016	As at 31/03/2015
Tangible Assets (Own Assets)								
Furniture & Fixtures	1,29,400	-	1,29,400	12,538	-	12,281	1,04,581	1,16,862
Office Equipments	81,311	-	81,311	5,637	10,356	15,487	49,831	75,674
Total	2,10,711	-	2,10,711	18,175	10,356	27,768	1,54,412	1,92,536
Previous year	2,10,711	-	2,10,711	763	-	17,412	1,92,536	2,09,948

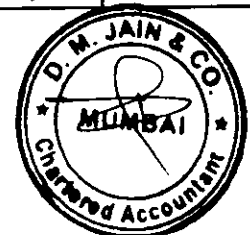


AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

PARTICULARS	As at 31.03.2016 AMOUNT (₹)	As at 31.03.2015 AMOUNT (₹)
<u>NOTE 7 : LONG TERM LOANS & ADVANCES</u>		
Security Deposit	4,80,000	4,80,000
To Related Parties : Loans & Advances	63,62,200	52,97,200
TOTAL	68,42,200	57,77,200
<u>NOTE 8 : OTHER NON CURRENTS ASSETS</u>		
<u>Unamortised Expenses :</u>		
Office Repairs and Maintenance	1,26,709	1,70,152
TOTAL	1,26,709	1,70,152
<u>NOTE 9 : CASH & CASH EQUIVALENTS</u>		
(i) Cash on Hand	1,377	281
(ii) Balance with Banks - Ratnakar Bank Ltd	40,879	32,437
TOTAL	42,256	32,718
<u>NOTE 10 : SHORT TERM LOANS & ADVANCES</u>		
To Related Parties : Loans & Advances	14,04,400	29,00,000
To Others : Advance Tax & TDS (Net of Provision)	14,286	18,360
Prepaid Expenses	8,816	14,159
TOTAL	14,27,502	29,32,519

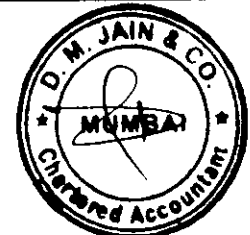


AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

PARTICULARS	As at 31.03.2016 AMOUNT (₹)	As at 31.03.2015 AMOUNT (₹)
<u>NOTE 11 : OTHER INCOME</u>		
Income From Content Development	7,14,287	9,18,000
Interest on IT Refund	640	-
TOTAL	7,14,927	9,18,000
<u>NOTE 12 : DEPRECIATION AND AMORTIZATION EXP</u>		
Depreciation for the Year	27,768	17,412
TOTAL	27,768	17,412
<u>NOTE 13 : OTHER EXPENSES</u>		
Office Rent	9,60,000	9,60,000
Content Development Charges	47,500	62,000
Office Expenses	41,576	43,755
Telephone Expenses	36,921	25,550
Profesional Fee Paid	24,000	34,712
Audit fee	11,450	11,236
ROC Filling fees	3,600	7,800
Printing & Stationery Exp	2,240	1,100
Electricity Expenses	51,552	37,140
AMC Charges	14,088	1,208
Profesional Tax	7,500	5,000
Repairs & Maintenance Exp W/off	43,443	43,443
Website Expenses	873	437
Bank Charges	338	1,573
Interest on late Payments	-	625
TOTAL	12,45,081	12,35,579



AEROFLEX INTERNATIONAL LIMITED

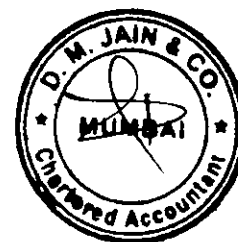
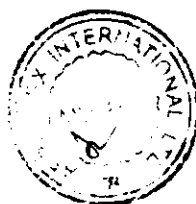
(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 14:

- I. In the opinion of the Board of Directors, the current assets are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate and are not in excess of the amount considered reasonably necessary.
- II. Additional liability if any, arising pursuant to respective assessment under various fiscal statues, shall be accounted for in the year of assessment. Also interest liability for the delay payment of the statutory dues has been accounted for in the year in which the same are being paid.
- III. The Company does not have any debtors balance outstanding for more than six months.
- IV. Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006, based on the information in possession with the Company, no supplier has been identified as being covered under Micro, Small & Medium Enterprises Development Act, 2006. Accordingly, there are no dues outstanding as on 31st March 2016 which has been identified separately as relating to Micro and Small Enterprises referred to in the said Act.
- V. Earnings Per Share

PARTICULARS	As at	As at
	31.03.2016	31.03.2015
	AMOUNT (₹)	AMOUNT (₹)
Net profit after taxation for the year	(5,57,922)	(3,34,991)
Number of Equity shares for Basic / Diluted EPS	10,00,000	10,00,000
Nominal Value of Equity Shares (₹)	10	10
Basic / Diluted earnings per Equity Share (₹)	(0.56)	(0.33)



AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

VI. RELATED PARTY DISCLOSURES :

i) Enterprises over which key management personal are having significant influence

- Park Continental Pvt Ltd : Common Director (Resigned during the year)
- SAT invest Pvt. Ltd : Common Director

ii) Key Management Personnel :

- Shehnaz D Ali : Director
- Harikant Turgalia : Director

Transaction carried out with Related Parties during the year :

PARTICULARS	NATURE OF TRANSACTION	AMOUNT (₹)	Balance o/s as on 31.03.2016
Park Continental Pvt Ltd	Loan Given Loan Recovered	14,04,400/- 10,19,000/-	77,66,600/- (Dr)
Sat Invest Pvt Ltd	Loan Recovered	8,16,000/-	NIL

VII. During the Year under review, there was NIL foreign exchange inflow & outgo.

VIII. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Notes from "1 " to " 14 " form an integral part of the Accounts.

As per our Report of even date attached

For D M JAIN & CO.

CHARTERED ACCOUNTANTS

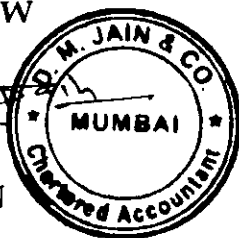
F.R.N. : 116723W

DINESH JAIN
(Proprietor)


Membership No : 102108


Place : Mumbai

Dated : 5th May 2016



For and on behalf of the Board


SHEHNAZ D ALI
(Director)
(DIN- 00185452)


HARIKANT TURGALIA
(Director)
(DIN- 00049544)