
AEROFLEX FINANCE PRIVATE LIMITED

(Formally Known As: ITALICA VENTURES PRIVATE LIMITED)

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

AUDITOR

S S N & CO

CHARTERED ACCOUNTANTS

Address:- 1A, Ramchandra Niwas, Plot No 21-22, Sector 12A
Koparkhairane, Navi Mumbai - 400709.

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**AUDITORS REPORT**

To,  
The Members of  
**AEROFLEX FINANCE PRIVATE LIMITED**  
(Formally Known as : ITALICA VENTURES PRIVATE LIMITED)  
Mumbai

**Report on the Financial Statements:**

**Opinion :**

We have audited the accompanying Ind As financial statements of **AEROFLEX FINANCE PRIVATE LIMITED (Formally Known as : ITALICA VENTURES PRIVATE LIMITED)** ("the company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and 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 financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Basis of Opinion**

Our responsibility is to express an opinion on these Ind AS 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 thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and





perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements

**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 Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind AS 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. Those Board of Directors are also responsible for overseeing the company's Ind As financial reporting process

**Auditors Responsibility:**

Our objectives are to obtain reasonable assurance about whether the Ind As 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 Ind As 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 Ind As financial statements.

**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 and 4 of the Order.
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 purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, 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 Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is





disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act.

- f) On the basis of details received from the management as on 31<sup>st</sup> March 2019, and verified by us, with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls under clause ( i ) of subsection 3 of section 143 of the Companies Act, 2013, we give our report in the annexure " B " enclosed herewith on the matter.
- g) 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:
- The Company does not have any pending litigations which would impact its financial position in financial statement.
  - The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - There were no amounts which required to be transferred to the Investors Education and Protection Fund by the Company.

**FOR SSN & CO.**

CHARTERED ACCOUNTANTS

F.R.N. : 024352N

**SUSIL K GUPTA**  
(Partner)

Membership No. : 060315

Place : Mumbai

Date : 3<sup>rd</sup> May 2019







**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 FINANCE PRIVATE LIMITED (Formally Known as : ITALICA VENTURES PRIVATE LIMITED) on the accounts as at and for the year ended 31<sup>st</sup> March, 2019)

- i. As per informations & details given and verified by us, the company has no fixed assets therefore the provisions of this clause is not applicable to the company for the year.
- ii. As per informations & details given and verified by us, the company has no inventory at the year ended therefore the provisions of this clause is not applicable to the company for the year.
- iii. As per the information given and verified by us, the company has not granted unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under the section 189 of the Companies Act 2013 ("the Act"). Therefore clauses (iii) (a)(b) and (c) of paragraph 3 of the said order are not applicable to the company.
- iv. In our opinion and according to the information & explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and securities, as applicable.
- v. As per information & explanations given to us, the Company has not accepted any deposit from public during the year hence reporting under clause (v) of the order is not applicable.
- vi. Accordingly to the information & explanations given to us with regards to the nature of the company's business activities, reporting under this clause is not applicable.
- 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, GST, cess & other Material Statutory Dues as 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 & GST 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, the Company has not availed any term loan or borrowings from any financial institution, bank, Government or dues to debenture holders during the year. Accordingly, the provisions of clause 3(viii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- 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.
- 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 year ended 31<sup>st</sup> March 2019.
- xi. According to the information and explanation given to us, the company has not paid any managerial remuneration for the year therefore the provisions of this clause is not applicable.
- 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



**S S N & CO.**  
Chartered Accountants



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provisions of section 192 of the Companies Act 2013 is not applicable for the year under review.

- xvi. As per informations, explanations and details given to us, the company is required to be register under section 45-IA of the Reserve Bank of India Act 1934 and it has obtained the registration.

**FOR S S N & CO.**

CHARTERED ACCOUNTANTS

F.R.N. : 024352N



**SUSIL K GUPTA**  
(Partner)

Membership No. : 060315

Place : Mumbai

Date : 3<sup>rd</sup> May 2019





**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 FINANCE PRIVATE LIMITED (Formally Known as : ITALICA VENTURES PRIVATE LIMITED)** ("the Company") as of 31st March, 2019 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.





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.

**Meaning 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.



**S S N & CO.**  
Chartered Accountants



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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, 2019, 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 S S N & CO.**

CHARTERED ACCOUNTANTS  
F.R.N. : 024352N



**SUSIL K GUPTA**  
(Partner)

Membership No. : 060315

Place : Mumbai

Date : 3<sup>rd</sup> May 2019

# **AEROFLEX FINANCE PRIVATE LIMITED**

**(Formerly Known as : ITALICA VENTURES PRIVATE LIMITED)**

**(CIN : U65929MH2016PTC282853)**

## **BALANCE SHEET AS AT 31ST MARCH, 2019**

| PARTICULARS                          | Note No | As at<br>31.03.2019<br>AMOUNT (₹) | As at<br>31.03.2018<br>AMOUNT (₹) |
|--------------------------------------|---------|-----------------------------------|-----------------------------------|
| <b><u>ASSETS</u></b>                 |         |                                   |                                   |
| <b>FINANCIAL ASSETS</b>              |         |                                   |                                   |
| (a) Cash and cash equivalents        | "5"     | 2,12,75,718                       | 2,20,36,205                       |
| (b) Loans                            | "6"     | 14,08,746                         | -                                 |
| <b>NON FINANCIAL ASSETS</b>          |         |                                   |                                   |
| (a) Current Tax assets (net)         | "7"     | 41,179                            | -                                 |
| <b>TOTAL</b>                         |         | <b>2,27,25,643</b>                | <b>2,20,36,205</b>                |
| <b><u>EQUITY AND LIABILITIES</u></b> |         |                                   |                                   |
| <b><u>LIABILITIES</u></b>            |         |                                   |                                   |
| <b>FINANCIAL LIABILITIES</b>         |         | -                                 | -                                 |
| <b>NON FINANCIAL LIABILITIES</b>     |         |                                   |                                   |
| a) Current Tax liabilities           | "8"     | -                                 | 12,198                            |
| b) Provisions                        | "9"     | 42,949                            | -                                 |
| c) Other Non Financial Liabilities   | "10"    | 68,600                            | 25,000                            |
| <b><u>EQUITY</u></b>                 |         |                                   |                                   |
| a) Equity share capital              | "11"    | 2,10,00,000                       | 2,10,00,000                       |
| b) Other equity                      | "12"    | 16,14,094                         | 9,99,007                          |
| <b>TOTAL</b>                         |         | <b>2,27,25,643</b>                | <b>2,20,36,205</b>                |

Significant Accounting Policies

1 to 17

Notes on Financial Statement

As per our report of even date

**FOR S S N & CO.**

CHARTERED ACCOUNTANTS

F.R.N. 024352N



**SUSIL K GUPTA**

(Partner)

Membership No : 060315

Place: Mumbai

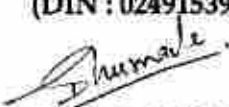
Date : 3rd May, 2019



  
**ASAD DAUD**

(Director)

(DIN : 02491539)

  
**SAMEER DHUMALE**  
COMPANY SECRETARY

(M No - A52639)

For and on behalf of the Board

  
**VIJAY KUMAR NALWAYA**

(Wholetime Director)

(DIN : 07855530)

# **AEROFLEX FINANCE PRIVATE LIMITED**

**(Formally Known as : ITALICA VENTURES PRIVATE LIMITED)**

**(CIN : U65929MH2016PTC282853)**

## **STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019**

| PARTICULARS                                                                                                                | Note No | For the year ended<br>31.03.2019<br>AMOUNT (₹) | For the year ended<br>31.03.2018<br>AMOUNT (₹) |
|----------------------------------------------------------------------------------------------------------------------------|---------|------------------------------------------------|------------------------------------------------|
| <b>REVENUES:</b>                                                                                                           |         |                                                |                                                |
| Revenue from operations                                                                                                    | "13"    | 9,206                                          | -                                              |
| Other Income                                                                                                               | "14"    | 14,34,174                                      | 12,49,327                                      |
| <b>TOTAL</b>                                                                                                               |         | <b>14,43,380</b>                               | <b>12,49,327</b>                               |
| <b>EXPENSES:</b>                                                                                                           |         |                                                |                                                |
| Finance Costs                                                                                                              |         | -                                              | -                                              |
| Employee Benefits Expenses                                                                                                 | "15"    | 3,62,591                                       | -                                              |
| Other expenses                                                                                                             | "16"    | 2,42,594                                       | 36,270                                         |
| <b>TOTAL</b>                                                                                                               |         | <b>6,05,185</b>                                | <b>36,270</b>                                  |
| <b>Profit/(loss) before exceptional item and tax</b>                                                                       |         | <b>8,38,195</b>                                | <b>12,13,057</b>                               |
| Exceptional item                                                                                                           |         |                                                |                                                |
| a) Profit/(Loss) on sale of property, plant and equip.                                                                     |         | -                                              | -                                              |
| b) Profit/(Loss) on sales of Investment                                                                                    |         | -                                              | -                                              |
| <b>Profit/(loss) before tax</b>                                                                                            |         | <b>8,38,195</b>                                | <b>12,13,057</b>                               |
| Tax expense:                                                                                                               |         |                                                |                                                |
| (1) Current tax                                                                                                            |         | 2,17,698                                       | 3,12,131                                       |
| (2) Income tax of earlier years                                                                                            |         | 5,410                                          | 14,550                                         |
| (3) Deferred tax                                                                                                           |         | -                                              | -                                              |
| <b>Profit/(loss) for the period from continuing operation</b>                                                              |         | <b>6,15,087</b>                                | <b>8,86,376</b>                                |
| Profit/(Loss) from discontinued operations.                                                                                |         | -                                              | -                                              |
| Tax expense of discontinued operations                                                                                     |         | -                                              | -                                              |
| Profit/(loss) from discontinued operation                                                                                  |         | -                                              | -                                              |
| <b>Profit/(loss) for the period</b>                                                                                        |         | <b>6,15,087</b>                                | <b>8,86,376</b>                                |
| Other Comprehensive income/(loss)                                                                                          |         |                                                |                                                |
| a) i) Item that will not be reclassified to profit or loss                                                                 |         | -                                              | -                                              |
| ii) Income tax relating to item that will not be reclassified to profit or loss                                            |         | -                                              | -                                              |
| b) i) Item that will be reclassified to profit or loss                                                                     |         | -                                              | -                                              |
| ii) Income tax relating to item that will be reclassified to profit or loss                                                |         | -                                              | -                                              |
| <b>Total Comprehensive Income for the period (Comprising profit (loss) and other Comprehensive Income for the period )</b> |         | <b>6,15,087</b>                                | <b>8,86,376</b>                                |



|                                                                        |  |      |      |
|------------------------------------------------------------------------|--|------|------|
| Earnings per equity share : (for continued Operation)                  |  |      |      |
| (1) Basic                                                              |  | 0.29 | 0.42 |
| (2) Diluted                                                            |  | 0.29 | 0.42 |
| Earnings per equity share : (for discontinued Operation)               |  |      |      |
| (1) Basic                                                              |  | -    | -    |
| (2) Diluted                                                            |  | -    | -    |
| Earnings per equity share : (for discontinued & continuing operations) |  |      |      |
| (1) Basic                                                              |  | 0.29 | 0.42 |
| (2) Diluted                                                            |  | 0.29 | 0.42 |

Significant Accounting Policies

1 to 17

Notes on Financial Statement

As per our report of even date

**FOR S S N & CO.**

CHARTERED ACCOUNTANTS

F.R.N. : 024352N

*Susil K Gupta*

**SUSIL K GUPTA**

(Partner)

Membership No : 060315

Place: Mumbai

Date : 3rd May, 2019



*Asad Daud*  
**ASAD DAUD**  
(Director)  
(DIN : 02491539)

*Sameer Dhumale*  
**SAMEER DHUMALE**  
COMPANY SECRETARY  
(M No - A52639)

For and on behalf of the Board

*Vijay Kumar Nalwaria*  
**VIJAY KUMAR NALWARIA**  
(Wholetime Director)  
(DIN : 07855530 )



**AEROFLEX FINANCE PRIVATE LIMITED**  
**(Formally Known as : ITALICA VENTURES PRIVATE LIMITED)**  
(CIN : U65929MH2016PTC282853)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019**

| PARTICULARS                                                              | As at<br>31.03.2019<br>AMOUNT (₹) | As at<br>31.03.2018<br>AMOUNT (₹) |
|--------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                            |                                   |                                   |
| Net Profit ( Loss ) before Tax                                           | 8,38,195                          | 12,13,057                         |
| Add : Depreciation                                                       | -                                 | -                                 |
| Less : Provision for Taxation ( Net )                                    | 2,17,698                          | 3,12,131                          |
| Less : Taxation of Earlier Years                                         | 5,410                             | 14,550                            |
| <b>Operating Profit before working capital changes</b>                   | <b>6,15,087</b>                   | <b>8,86,376</b>                   |
| Adjustments for :                                                        |                                   |                                   |
| (Increase)/Decrease in Loans                                             | (14,08,746)                       | -                                 |
| (Increase)/Decrease in current Tax Assets                                | (41,179)                          | -                                 |
| Increase/(Decrease) in current Tax Liabilities                           | (12,198)                          | (1,39,863)                        |
| Increase/(Decrease) in Provisions                                        | 42,949                            | -                                 |
| Increase/(Decrease) in other non financial liabilities                   | 43,600                            | (5,000)                           |
| <b>Net Cash Flow from Operating Activities</b>                           | <b>(7,60,487)</b>                 | <b>7,41,513</b>                   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                            |                                   |                                   |
| Deduction/(Addition) to Fixed Assests                                    | -                                 | -                                 |
| <b>Net Cash Flow from Investing Activities</b>                           | <b>-</b>                          | <b>-</b>                          |
| <b>C. CASH FLOW FROM FINANCEING ACTIVITIES</b>                           |                                   |                                   |
| Proceeds from Issue of Shares                                            | -                                 | -                                 |
| <b>Net Cash Flow from Financing activities</b>                           | <b>-</b>                          | <b>-</b>                          |
| <b>Net Increase in Cash &amp; Cash Equivalents ( A+B+C)</b>              | <b>(7,60,487)</b>                 | <b>7,41,513</b>                   |
| Cash and Cash Equivalents at the beginning of the year                   | 2,20,36,205                       | 2,12,94,692                       |
| Cash and Cash Equivalents at the end of the year                         | 2,12,75,718                       | 2,20,36,205                       |
| <b>Net Increase in Cash &amp; Cash Equivalents as at 31st March 2019</b> | <b>(7,60,487)</b>                 | <b>7,41,513</b>                   |

As Per Our Report of even date

**FOR S S N & CO.**

CHARTERED ACCOUNTANTS

F.R.N. : 024352N



**SUSIL K GUPTA**  
(Partner)

Membership No : 060315

Place: Mumbai

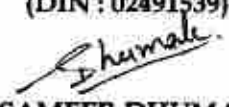
Date : 3rd May, 2019



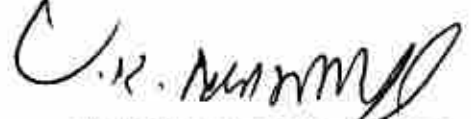
  
**ASAD DAUD**

(Director)

(DIN : 02491539)

  
**SAMEER DHUMALE**  
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(M No - A52639)

For and on behalf of the Board



**VIJAY KUMAR NALWAYA**

(Wholetime Director)

(DIN : 07855530)

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**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**

**1) COMPANY OVERVIEW:**

AEROFLEX FINANCE PRIVATE LIMITED (Formally Known as : ITALICA VENTURES PRIVATE LIMITED) (referred to as "the Company" hereinafter) was incorporated on dated 24<sup>th</sup> June 2016 under the laws of the Republic of India with its registered office at 121, B-Wing, Mittal Tower, Nariman Point Mumbai - 400021. The business of the Company is to carry on NBFC activities. The company has obtained the registration from RBI to carry on NBFC activities as required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. The company is subsidiary company of M/s SAT Industries Ltd which hold 100% of the paid up Equity share capital of company.

**2) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

**2.1 Statement of Compliance with Ind AS:**

The financial statements comply in all material aspects with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017 and the Companies (Indian Accounting Standards) Amendment Rules, 2018.

**2.2 Basis of measurement**

The financial statements of the company are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis, except for certain financial assets and liabilities that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

The financial statements are presented in Indian Rupee (INR), which is the company's functional currency and all the values are rounded off to the nearest rupee except when otherwise indicated

**2.3 Current or Non-current classification**

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii) Expected to be realized within twelve months after the reporting period. Or
- iii) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.



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A liability is classified current when

- i) It is expected to be settled in normal operating cycle;
- ii) It is due to be settled within twelve months after the reporting period; or
- iii) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

**2.4 Use of estimates and judgements:**

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**2.5 Revenue Recognition :**

Revenue is recognized to the extent that it is possible that the economic benefits will flow to the company and can be reliably measured. Interest Income is recognized on the time proportion basis taking into account the amount outstanding and applicable interest rates. Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

**2.6 Taxation:**

Income tax expense comprises current Tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in Other Comprehensive Income.

**Current Tax:**

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss because of



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items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using the tax rates that have been enacted or substantially enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on net basis.

**2.7 Provisions :**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

When some or all of the economic benefits required to settle, provisions are expected to be recovered from a third party, a receivable is recognized as an asset it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably

**2.8 Financial instruments:**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.





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**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**

**FINANCIAL ASSETS :**

**Initial recognition and measurement**

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Classification and subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. These include trade receivables, loans, deposits, balances with banks, and other financial assets with fixed or determinable payments.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

**Impairment :**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, other contractual right to receive cash or other financial assets not designated at fair value through profit or loss. The loss allowance for a financial instrument is equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increase significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal 12-month expected credit losses. 12-month expected



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credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date.

For trade receivables or any contractual right to receive cash or another financial assets that results from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. The Company has used a practical expedient permitted by Ind AS 109 and determines the expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

**De-recognition :**

The Company derecognizes financial asset when the contractual right to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

**FINANCIAL LIABILITIES :**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.





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**Classification**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue costs.

**Subsequent measurement**

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based in the effective interest method. Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**2.9 PROVISION FOR NON-PERFORMING ASSETS AND OTHER CONTINGENCIES**

The Company policy is to carry adequate amounts in the Provision for Non-Performing Assets Account and the Provision and Contingencies account to cover the amount outstanding in respect of all non-performing assets and standard assets respectively as also all other contingencies. All loans and other credit exposures where the interest and/or instalments are overdue for specified number of days and more are classified as non-performing assets in accordance with the prudential norms prescribed by the Reserve Bank of India. The provision for non-performing assets is deducted from loans and advances.



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**2.10 STANDARD ASSET PROVISIONING (COLLECTIVE ALLOWANCES)**

Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the Company's loan portfolios based on the Reserve Bank of India Directions. A higher standard asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgement. This estimate includes consideration of economic and business conditions. The amount of the collective allowance for credit losses is the amount that is required to establish a balance in the Provision for Standard Assets Account that the Company management considers adequate, after consideration of the prescribed minimum under the above mentioned directions, to absorb credit related losses in its portfolio of loan items after individual allowances or write offs.

**2.11 Cash and cash equivalents:**

Cash and cash equivalents comprise cash in hand and short-term deposits with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**2.12 Earnings Per Share**

The Company reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares (except where the results are anti-dilutive).

**2.13 Rounding off amounts**

All amounts disclosed in financial statements and notes have been rounded off to the nearest Rupees as per requirement of Schedule III of the Act, unless otherwise stated.



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## **NOTE 3. Significant accounting judgments, estimates and assumptions:**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

The key assumptions concerning the future and other key sources of estimation uncertainty at the yearend date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

## **NOTE 4 : RECENT ACCOUNTING PRONOUNCEMENTS:**

### **a) Ind AS 116 Leases :**

Ministry of Corporate Affairs has notified Ind AS 116, Leases on March 30, 2019. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The adoption of this Ind AS will not have any material impact on the Financials.



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On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

**b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over Income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment,

or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The adoption of Ind AS 12 Appendix C would not have any material impact on the financial statements.

**c) Amendment to Ind AS 12 - Income taxes :**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.



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**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**

**d) Amendment to Ind AS 19- plan amendment, curtailment or settlement :**

The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', on 30 March, 2019 in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Company does not have any material impact on account of this amendment.



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**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

| PARTICULARS                                         | As at<br>31.03.2019<br>AMOUNT (₹) | As at<br>31.03.2018<br>AMOUNT (₹) |
|-----------------------------------------------------|-----------------------------------|-----------------------------------|
| <b><u>NOTE 5 : CASH &amp; CASH EQUIVALENTS</u></b>  |                                   |                                   |
| (i) Cash on Hand                                    | 28,170                            | 30,000                            |
| (ii) Balance with Banks                             |                                   |                                   |
| - Kotak Mahidra Bank                                | 11,01,310                         | 41,348                            |
| (iii) Fixed Deposits with Bank ( Inc. Acc Interest) | 2,01,46,238                       | 2,19,64,857                       |
| <b>TOTAL</b>                                        | <b>2,12,75,718</b>                | <b>2,20,36,205</b>                |





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NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

**NOTE 6: LOANS**

|                                              | Amortised cost | CURRENT YEAR                       |                        |                                                 | Total     | Amortised cost | PREVIOUS YEAR                      |                        |                                                 |       |
|----------------------------------------------|----------------|------------------------------------|------------------------|-------------------------------------------------|-----------|----------------|------------------------------------|------------------------|-------------------------------------------------|-------|
|                                              |                | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss |           |                | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss | Total |
| <b>Loans</b>                                 |                |                                    |                        |                                                 |           |                |                                    |                        |                                                 |       |
| (A) (i) Bills Purchased and Bills Discounted | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (ii) Loans repayable on Demand               | 14,00,000      | -                                  | 8,746                  | -                                               | 14,08,746 | -              | -                                  | -                      | -                                               | -     |
| (iii) Term Loans                             | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (iv) Leasing                                 | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (v) Factoring                                | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (vi) Others (to be specified)                | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| <b>Total (A) - Gross</b>                     | 14,00,000      | -                                  | 8,746                  | -                                               | 14,08,746 | -              | -                                  | -                      | -                                               | -     |
| Less: Impairment loss allowance              | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| <b>Total (A) Net</b>                         | 14,00,000      | -                                  | 8,746                  | -                                               | 14,08,746 | -              | -                                  | -                      | -                                               | -     |
| (B) (i) Secured by tangible assets           | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (ii) Secured by intangible assets            | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (iii) Covered by Bank/Government Guarantees  | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (iv) Unsecured                               | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| <b>Total (B) - Gross</b>                     | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| Less: Impairment loss allowance              | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| <b>Total (B) Net</b>                         | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (C) (i) Loans in India                       | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (ii) Public Sector                           | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (iii) Others (to be specified)               | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| <b>Total (C) - Gross</b>                     | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| Less: Impairment loss allowance              | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| <b>Total (C) (i) - Net</b>                   | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| (C) (ii) Loans outside India                 | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| Less: Impairment loss allowance              | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| <b>Total (C) (ii) - Net</b>                  | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |
| <b>Total C (i) and C (ii)</b>                | -              | -                                  | -                      | -                                               | -         | -              | -                                  | -                      | -                                               | -     |



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**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

| PARTICULARS                                             | As at<br>31.03.2019<br>AMOUNT (₹) | As at<br>31.03.2018<br>AMOUNT (₹) |
|---------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b><u>NOTE 7 : CURRENT TAX ASSETS</u></b>               |                                   |                                   |
| Advance Tax & TDS (Net of Provisions)                   | 41,179                            | -                                 |
| <b>TOTAL</b>                                            | <b>41,179</b>                     | <b>-</b>                          |
| <b><u>NOTE 8 : CURRENT TAX LIABILITIES</u></b>          |                                   |                                   |
| Provision for Taxation ( Net of Advance tax & TDS )     | -                                 | 12,198                            |
| <b>TOTAL</b>                                            | <b>-</b>                          | <b>12,198</b>                     |
| <b><u>NOTE 9 : PROVISIONS</u></b>                       |                                   |                                   |
| Provisions for Employee Benefits                        | 42,949                            | -                                 |
| <b>TOTAL</b>                                            | <b>42,949</b>                     | <b>-</b>                          |
| <b><u>NOTE 10 : OTHER NON FINANCIAL LIABILITIES</u></b> |                                   |                                   |
| Creditors for Expenses                                  | 68,600                            | 25,000                            |
| <b>TOTAL</b>                                            | <b>68,600</b>                     | <b>25,000</b>                     |



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**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

**NOTE 11 : SHARE CAPITAL**

**a) SHARE DETAILS**

| PARTICULARS                             | As at 31 March 2019 |             | As at 31 March 2018 |             |
|-----------------------------------------|---------------------|-------------|---------------------|-------------|
|                                         | No. of Shares       | AMOUNT (₹)  | No. of Shares       | AMOUNT (₹)  |
| <b>Authorised Share Capital</b>         |                     |             |                     |             |
| Equity Shares of 10/- each              | 30,00,000           | 3,00,00,000 | 30,00,000           | 3,00,00,000 |
|                                         | 30,00,000           | 3,00,00,000 | 30,00,000           | 3,00,00,000 |
| <b>Issued, Subscribed &amp; Paid up</b> |                     |             |                     |             |
| Equity Shares of 10/- each              | 21,00,000           | 2,10,00,000 | 21,00,000           | 2,10,00,000 |
| <b>TOTAL</b>                            | 21,00,000           | 2,10,00,000 | 21,00,000           | 2,10,00,000 |

**b) Reconciliation of Number of shares :**

| PARTICULARS                                            | As at 31 March 2019 |             | As at 31 March 2018 |             |
|--------------------------------------------------------|---------------------|-------------|---------------------|-------------|
|                                                        | No. of Shares       | AMOUNT (₹)  | No. of Shares       | AMOUNT (₹)  |
| Equity Shares outstanding at the beginning of the year | 21,00,000           | 2,10,00,000 | 21,00,000           | 2,10,00,000 |
| Equity Shares Issued during the year                   | NIL                 | NIL         | NIL                 | NIL         |
| Equity Shares bought back during the year              | NIL                 | NIL         | NIL                 | NIL         |
| Equity Shares outstanding at the end of the year       | 21,00,000           | 2,10,00,000 | 21,00,000           | 2,10,00,000 |

**c) Shares held by its holding Companies:**

| Name of Shareholder               | As at 31 March 2019 |              | As at 31 March 2018 |              |
|-----------------------------------|---------------------|--------------|---------------------|--------------|
|                                   | No. of Shares held  | % of Holding | No. of Shares held  | % of Holding |
| Sat Industries Ltd & its Nominees | 21,00,000           | 100.00%      | 21,00,000           | 100.00%      |

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

| Name of Shareholder               | As at 31 March 2019 |              | As at 31 March 2018 |              |
|-----------------------------------|---------------------|--------------|---------------------|--------------|
|                                   | No. of Shares held  | % of Holding | No. of Shares held  | % of Holding |
| Sat Industries Ltd & its Nominees | 21,00,000           | 100.00%      | 21,00,000           | 100.00%      |

**e)** The Company has only one class of shares referred to as the equity shares having face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meeting.



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(Formerly Known as: ITALIA VENTURES PRIVATE LIMITED)  
(CIN : U65929MH2016PTC098551)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**

**NOTE 12 - STATEMENT OF CHANGE IN EQUITY**

**A. Equity Share Capital**

| Particulars                      | Balance at the beginning of the reporting period | Changes in equity share capital during the year | Balance at the end of the reporting period |
|----------------------------------|--------------------------------------------------|-------------------------------------------------|--------------------------------------------|
| For the year ended on 31/03/2017 | 2,10,00,000                                      | -                                               | 2,10,00,000                                |
| For the year ended on 31/03/2018 | 2,10,00,000                                      | -                                               | 2,10,00,000                                |
| For the year ended on 31/03/2019 | 2,10,00,000                                      | -                                               | 2,10,00,000                                |

**B. Other Equity**

| Particulars                                                 | Share Application Money pending allotment | Equity component of compound financial instrument | Reserves & Surplus |                 |                 | Debit through other comprehensive income | Equity effected through Comprehensive income | Revaluation Surplus | Exchange difference arising from translation of financial statements in foreign currency | Other items of other comprehensive income (specify difference nature) | Money received against share warrants | Total    |
|-------------------------------------------------------------|-------------------------------------------|---------------------------------------------------|--------------------|-----------------|-----------------|------------------------------------------|----------------------------------------------|---------------------|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------|----------|
|                                                             |                                           |                                                   | Statutory Reserve  | Capital Subsidy | Capital Reserve | Securities Premium                       | General Reserve                              | Retained Earnings   |                                                                                          |                                                                       |                                       |          |
| Balance at the beginning of the reporting period-01/04/2017 | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | 1,12,631            | -                                                                                        | -                                                                     | -                                     | 1,12,631 |
| Profit for the year                                         | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | 4,86,376            | -                                                                                        | -                                                                     | -                                     | 4,86,376 |
| Other comprehensive income                                  | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | -                   | -                                                                                        | -                                                                     | -                                     | -        |
| Amounts received against share warrants                     | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | -                   | -                                                                                        | -                                                                     | -                                     | -        |
| Issue of Equity Share                                       | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | -                   | -                                                                                        | -                                                                     | -                                     | -        |
| Changes in accounting policy / prior period errors          | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | -                   | -                                                                                        | -                                                                     | -                                     | -        |
| Retained balance at the beginning of the reporting period   | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | -                   | -                                                                                        | -                                                                     | -                                     | -        |
| Total Comprehensive Income for the year                     | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | -                   | -                                                                                        | -                                                                     | -                                     | -        |
| Dividends                                                   | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | -                   | -                                                                                        | -                                                                     | -                                     | -        |
| Transfer to retained earnings                               | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | -                   | -                                                                                        | -                                                                     | -                                     | -        |
| Any other                                                   | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | -                   | -                                                                                        | -                                                                     | -                                     | -        |
| Balance at the end of the reporting period -31.03.2018      | -                                         | -                                                 | -                  | -               | -               | -                                        | -                                            | 9,96,007            | -                                                                                        | -                                                                     | -                                     | 9,96,007 |



| Share Application Money Premium & allotment               | Equity component of financial instrument | Reserves & Surplus |                 |                 |                    | Debt Instruments through other comprehensive income | Equity Instruments through other Flow hedges Co-operative income | Revaluation Surplus | Exchange difference on translating financial statements on foreign operation | Other items of comprehensive income (specifically difference nature) | Money received against share warrants | Total     |
|-----------------------------------------------------------|------------------------------------------|--------------------|-----------------|-----------------|--------------------|-----------------------------------------------------|------------------------------------------------------------------|---------------------|------------------------------------------------------------------------------|----------------------------------------------------------------------|---------------------------------------|-----------|
|                                                           |                                          | Statutory Reserve  | Capital Subsidy | Capital Reserve | Securities premium | General Reserve                                     | Retained earnings                                                |                     |                                                                              |                                                                      |                                       |           |
| Balance at the beginning of the reporting period-01/04/18 | -                                        | -                  | -               | -               | -                  | -                                                   | 9,99,007                                                         | -                   | -                                                                            | -                                                                    | -                                     | 9,99,007  |
| Profit for the year                                       | -                                        | 1,23,017           | -               | -               | -                  | -                                                   | 4,92,070                                                         | -                   | -                                                                            | -                                                                    | -                                     | 6,15,087  |
| Other comprehensive income                                | -                                        | -                  | -               | -               | -                  | -                                                   | -                                                                | -                   | -                                                                            | -                                                                    | -                                     | -         |
| Amount received against share warrants                    | -                                        | -                  | -               | -               | -                  | -                                                   | -                                                                | -                   | -                                                                            | -                                                                    | -                                     | -         |
| Issue of Equity Share                                     | -                                        | -                  | -               | -               | -                  | -                                                   | -                                                                | -                   | -                                                                            | -                                                                    | -                                     | -         |
| Changes in accounting policy/ prior period errors         | -                                        | -                  | -               | -               | -                  | -                                                   | -                                                                | -                   | -                                                                            | -                                                                    | -                                     | -         |
| Restated balance at the beginning of the reporting period | -                                        | -                  | -               | -               | -                  | -                                                   | -                                                                | -                   | -                                                                            | -                                                                    | -                                     | -         |
| Total Comprehensive Income for the year                   | -                                        | -                  | -               | -               | -                  | -                                                   | -                                                                | -                   | -                                                                            | -                                                                    | -                                     | -         |
| Dividends                                                 | -                                        | -                  | -               | -               | -                  | -                                                   | -                                                                | -                   | -                                                                            | -                                                                    | -                                     | -         |
| Transfer to retained earnings                             | -                                        | -                  | -               | -               | -                  | -                                                   | -                                                                | -                   | -                                                                            | -                                                                    | -                                     | -         |
| Waiver by the lenders on Settlements                      | -                                        | -                  | -               | -               | -                  | -                                                   | -                                                                | -                   | -                                                                            | -                                                                    | -                                     | -         |
| Balance at the end of the reporting period -31.03.2019    | -                                        | 1,23,017           | -               | -               | -                  | -                                                   | 14,91,077                                                        | -                   | -                                                                            | -                                                                    | -                                     | 16,14,094 |

Note : Statutory Reserve represents the reserve created pursuant to the Reserve Bank of India Act 1934 in terms of section 45-1C of the RBI Act, a NBFC is required to transfer not less than 20 percent of the net profit to Reserve fund before declaring any dividend.

As Per Our Report of even date

FOR S S N & CO.



SUSIL K GUPTA

(Partner)

Membership No : 060315

Place : Mumbai

Dated : 3rd May, 2019

For and on behalf of the Board

*ASAD DAUD*

ASAD DAUD

(Director)

(DIN : 02491539)

*Vijay Kumar Nalwaya*

VIJAY KUMAR NALWAYA

(Wholetime Director)

(DIN : 0785530)

Company Secretary

(M NO - A32639)

**AEROFLEX FINANCE PRIVATE LIMITED**  
**(Formally Known as : ITALICA VENTURES PRIVATE LIMITED)**  
**(CIN : U65929MH2016PTC282853)**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019**

| PARTICULARS                                           | For the year ended<br>31.03.2019<br>AMOUNT (₹) | For the year ended<br>31.03.2018<br>AMOUNT (₹) |
|-------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| <b><u>NOTE 13 : REVENUE FROM OPERATIONS</u></b>       |                                                |                                                |
| Interest income on financial assets on amortised cost | 9,206                                          | -                                              |
| <b>TOTAL</b>                                          | <b>9,206</b>                                   | <b>-</b>                                       |
| <b><u>NOTE 14 : OTHER INCOME</u></b>                  |                                                |                                                |
| Interest on fixed deposit on amortised cost           | 14,34,174                                      | 12,49,327                                      |
| <b>TOTAL</b>                                          | <b>14,34,174</b>                               | <b>12,49,327</b>                               |
| <b><u>NOTE 15 : EMPLOYEE BENEFITS EXPENSES</u></b>    |                                                |                                                |
| Salaries & Wages Paid                                 | 3,62,591                                       | -                                              |
| <b>TOTAL</b>                                          | <b>3,62,591</b>                                | <b>-</b>                                       |
| <b><u>NOTE 16 : OTHER EXPENSES</u></b>                |                                                |                                                |
| Legal & Professional Fees                             | 1,25,215                                       | 17,670                                         |
| Filing Fees                                           | 26,000                                         | 3,600                                          |
| Audit Fees                                            | 17,700                                         | 15,000                                         |
| Membership and Subscription Charges                   | 66,375                                         | -                                              |
| Office Expenses                                       | 4,804                                          | -                                              |
| Professional Tax                                      | 2,500                                          | -                                              |
| <b>TOTAL</b>                                          | <b>2,42,594</b>                                | <b>36,270</b>                                  |





# **AEROFLEX FINANCE PRIVATE LIMITED**

**(Formally Known as : ITALICA VENTURES PRIVATE LIMITED)**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**

## **NOTE 17:**

- 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 in the ordinary course of business.
- II. Additional liability if any, arising pursuant to respective assessment under various fiscal statutes, shall be accounted for in the year of assessment.
- III. There is no contingent liability and capital commitment.
- IV. Provision for Income Tax has been made based on the assessable income as per Income Tax Act, 1961.
- V. Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006, based on the information in possession with the Company, there are no dues outstanding at the year ended, which has been identified separately relating to Micro and Small Enterprises referred to in the said Act.

## **VI. RELATED PARTY DISCLOSURES**

### **a) Holding Company :**

- SAT Industries Ltd : Holding Company.

### **b) Enterprises over which key management personal are having significant influence : NIL**

### **c) Key Management Personnel:**

- ASAD DAUD : Director  
- Ramesh Chandra Soni : Director  
- Vijay Kumar Nalwaya : Director

### **Transaction carried out with Related Parties during the year:**

| PARTICULARS        | NATURE OF TRANSACTION     | AMOUNT (₹) | Balance q/s as on 31.03.2019 |
|--------------------|---------------------------|------------|------------------------------|
| SAT INDUSTRIES LTD | Loan Taken & Repaid (Net) | 1,80,000/- | -                            |
|                    | Reimbursement of Expenses | 1,80,848/- | -                            |



**AEROFLEX FINANCE PRIVATE LIMITED**  
**(Formally Known as : ITALICA VENTURES PRIVATE LIMITED)**  
**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**

**VII. STATUTORY RESERVE :**

Special Reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). In terms of Section 45-1C of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20 per cent of its net profit to a Reserve Fund before declaring any dividend. Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

**VIII. Earnings Per Share**

| PARTICULARS                                     | As at<br>31.03.2019<br>AMOUNT (₹) | As at<br>31.03.2018<br>AMOUNT (₹) |
|-------------------------------------------------|-----------------------------------|-----------------------------------|
| Net profit after taxation for the year          | 6,15,087                          | 8,86,376                          |
| Number of Equity shares for Basic / Diluted EPS | 21,00,000                         | 21,00,000                         |
| Nominal Value of Equity Shares (₹)              | 10                                | 10                                |
| Basic / Diluted earnings per Equity Share (₹)   | 0.29                              | 0.42                              |

IX. During the Period under review, there was NIL (PY NIL) foreign exchange earnings & outgo

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

Notes from "1 " to " 17 " form an integral part of the Accounts.

As per our Report of even date attached

For and on behalf of the Board

**For S S N & CO.**


CHARTERED ACCOUNTANTS  
F.R.N. : 024352N







**SUSIL K GUPTA**  
(Partner)

Membership No : 060315  
Place : Mumbai  
Dated : 3<sup>rd</sup> May, 2018

  
**ASAD DAUD**  
(DIRECTOR)  
(DIN-02491539)

  
**VIJAY KUMAR NALWAYA**  
(WHOLETIME DIRECTOR)  
(DIN-07855530)

  
**SAMEER DHUMALE**  
COMPANY SECRETARY  
(M.N. : A52639)