
AEROFLEX FINANCE PRIVATE LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2023

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**  
Mumbai

### **Report on the Audit of the standalone Financial Statements:**

#### **Opinion:**

We have audited the accompanying standalone Ind As financial statements of **AEROFLEX FINANCE PRIVATE LIMITED** ("the company"), which comprise the standalone Ind As Balance Sheet as at 31<sup>st</sup> March 2023, the standalone Ind As Statement of Profit and Loss including standalone Ind As other Comprehensive Income, the standalone Ind As Cash Flow Statement and the standalone Ind As Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements, give the information required by the Companies Act 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, its profits including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis of Opinion**

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





accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements for the financial year ended 31 March 2023. These matters were addressed in the context of our audit of the AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone financial statements. The results of our audit procedures, including the procedures performed provide the basis for our audit opinion on the accompanying Standalone financial statements.

**Other information :**

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone financial statements and our auditors' report thereon. Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

**Management's Responsibilities for the Standalone Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, state of affairs,







profit & loss including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards and accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

1. Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve





collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
4. Conclude on the appropriateness of Management's and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements for the financial year ended 31 March 2023 and are therefore the key audit







matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. (A) 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 standalone Balance Sheet, standalone Statement of Profit and Loss including the Statement of Other Comprehensive Income, the standalone Statement of Changes in Equity and the standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023, from being appointed as a director in terms of section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls standalone financial statements of the Company with reference to these Standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - 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, in





our opinion and to the best of our information and according to the explanations given to us:

- a. The Company does not have any pending litigations which would impact its financial position in standalone financial statement.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which required to be transferred to the Investors Education and Protection Fund by the Company.
- d.
  - i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall :
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
    - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
  - iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (d) (i) and (d) (ii) above contain any material mis-statement.





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



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e. No dividend has been declared or paid by the Company during the year.

(B) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**FOR S S N & CO.**  
CHARTERED ACCOUNTANTS  
F.R.N. : 024352N

**SUSIL K GUPTA**  
(Partner)

Membership No. : 060315

Place : Mumbai

Date : 15<sup>th</sup> May, 2023

UDIN No : 23060315BGWKSH4411







**ANNEXURE " A "TO THE INDEPENDENT AUDITOR'S 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** on the accounts as at and for the year ended 31<sup>st</sup> March, 2023)

i.

a.

(A) As per informations & details given and verified by us, the company has no Property Plant & Equipment therefore the provisions of this clause is not applicable to the company for the year.

(B) As per informations & details given and verified by us, the company has no Intangible Assets therefore the provisions of this clause is not applicable to the company for the year.

As the company do not have Property Plant & Equipment and Intangible assets Therefore clause no 1 ( b to d) is not applicable to the company.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. As per informations & details given and verified by us, the company has no Inventory at the year ended therefore the provisions of this clause ii ( a & b) is not applicable to the company for the year. Further the company has not availed any working capital loan in current year or any of the previous year from any bank or financial institution on the basis of the security of the assets of the company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is registered as non deposit taking NBFC registered with Reserve Bank of India ('RBI') and as a part of its business activities is engaged in the business of lending activities in the ordinary course of its business. The following details are given as per the applicability.

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company's principal business is to give loans. Accordingly, clause 3(iii) (a) of the Order is not applicable





- b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the granting of loans and advances provided during the year are, prima facie, not prejudicial to the interest of the Company
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
  - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
  - e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company's principal business is to give loans. Accordingly, clause 3(iii) (e) of the Order is not applicable.
  - f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 & 186 of the Companies Act, 2013 therefore the clause 3(iii) of the Order is not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the business carried out by the company. Accordingly, clause 3(vi) of the Order is not applicable.







vii.

- a) According to the information and explanations given to us and on the basis of the Company has generally been regular in depositing undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, cess and other material statutory dues applicable to it, to the appropriate authorities. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of customs, duty of excise and value added tax.
- b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix.

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed any loan therefore no related repayments Accordingly, clause 3(ix)(a to f) of the Order is not applicable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution, lender or government or government authority.

x. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a&b) of the Order is not applicable to the company.

xi.

- a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.





- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us, there are no complaints received by the Company, raised by the whistle blower during the year while determining the nature, timing and extent of our audit procedures.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the note 33 to the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has in house internal audit system commensurate with the size and nature of its business. No separate internal audit reports has been prepared as per the size of the company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- a) According to the information and explanations given to us, we report that the Company is doing non deposit taking NBFC activities and has availed registration as required, under section 45-IA of the Reserve Bank of India Act, 1934.
- b) The Company has a valid registration certificate avail from Reserve Bank of India as per the Reserve Bank of India Act 1934 to do the Non-Banking Financial activities vide Registration No N-13.02301 .
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.





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Chartered Accountants



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- d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, the provisions of Section 135 is not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable

**FOR SSN & CO.**

CHARTERED ACCOUNTANTS

F.R.N. : 024352N

**SUSIL K GUPTA**

(Partner)

Membership No. : 060315

Place : Mumbai

Date : 15<sup>th</sup> May 2023

UDIN No : 23060315BGWKSH4411





**ANNEXURE " B " TO THE INDEPENDENT AUDITOR'S 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 with reference to standalone financial statements of **AEROFLEX FINANCE PRIVATE LIMITED** ("the Company") as of 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls :**

The Company's management and Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility :**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls standalone financial statements 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 with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial







controls standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 with reference to standalone financial statements.

**Meaning of Internal Financial Controls with reference to standalone financial statements.:**

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

**Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements:**

Because of the inherent limitations of internal financial controls with Reference to Standalone Financial Statements, 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 with



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Chartered Accountants



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Reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with Reference to Standalone Financial Statements 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 standalone financial statements and such internal financial controls standalone financial statements were operating effectively as at 31st March, 2023, based on the internal control standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls standalone financial statements issued by the Institute of Chartered Accountants of India.

**FOR SSN & CO.**

CHARTERED ACCOUNTANTS

F.R.N. : 024352N

**SUSIL K GUPTA**  
(Partner)

Membership No. : 060315

Place : Mumbai

Date : 15<sup>th</sup> May, 2023

UDIN No : 23060315BGWKSH4411



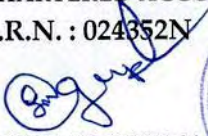

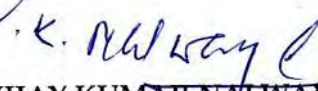


# **AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

## **BALANCE SHEET AS AT 31ST MARCH, 2023**

(₹ in Lakhs)

| PARTICULARS                                                                         | Note No | As at<br>31.03.2023<br>AMOUNT (₹)                                                     | As at<br>31.03.2022<br>AMOUNT (₹) |
|-------------------------------------------------------------------------------------|---------|---------------------------------------------------------------------------------------|-----------------------------------|
| <b><u>ASSETS</u></b>                                                                |         |                                                                                       |                                   |
| <b>FINANCIAL ASSETS</b>                                                             |         |                                                                                       |                                   |
| (a) Cash and cash equivalents                                                       | "4"     | 83.47                                                                                 | 4.79                              |
| (b) Loans                                                                           | "5"     | 205.81                                                                                | 268.50                            |
| <b>NON FINANCIAL ASSETS</b>                                                         |         |                                                                                       |                                   |
| (a) Other Non Financial Assets                                                      | "6"     | 0.17                                                                                  | 0.11                              |
| <b>TOTAL ASSETS</b>                                                                 |         | <b>289.45</b>                                                                         | <b>273.41</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                                                          | "7"     | 0.39                                                                                  | 1.20                              |
| b) Provisions                                                                       | "8"     | 0.85                                                                                  | 0.52                              |
| c) Other Non Financial Liabilities                                                  | "9"     | 0.67                                                                                  | 0.74                              |
| <b>EQUITY</b>                                                                       |         |                                                                                       |                                   |
| a) Equity share capital                                                             | "10"    | 210.00                                                                                | 210.00                            |
| b) Other equity                                                                     | "11"    | 77.54                                                                                 | 60.94                             |
| <b>TOTAL</b>                                                                        |         | <b>289.45</b>                                                                         | <b>273.41</b>                     |
| Significant Accounting Policies                                                     |         | 1 to 15                                                                               |                                   |
| Notes on Financial Statement                                                        |         |                                                                                       |                                   |
| As per our report of even date                                                      |         | For and on behalf of the Board                                                        |                                   |
| <b>FOR S S N &amp; CO.</b>                                                          |         |                                                                                       |                                   |
| CHARTERED ACCOUNTANTS                                                               |         |                                                                                       |                                   |
| F.R.N. : 024352N                                                                    |         |                                                                                       |                                   |
|  |         |    |                                   |
| <b>SUSIL K GUPTA</b>                                                                |         | <b>ASAD DAUD</b>                                                                      |                                   |
| (Partner)                                                                           |         | (Director)                                                                            |                                   |
| Membership No : 060315                                                              |         | (DIN : 02491539)                                                                      |                                   |
| Place: Mumbai                                                                       |         |  |                                   |
| Date : 15th May 2023                                                                |         | <b>VIJAY KUMAR NALWAYA</b>                                                            |                                   |
| UDIN No : 23060315BGWKSH4411                                                        |         | (Wholetime Director)                                                                  |                                   |
|                                                                                     |         | (DIN :07855530 )                                                                      |                                   |

# AEROFLEX FINANCE PRIVATE LIMITED

(CIN : U65929MH2016PTC282853)

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in Lakhs)

| PARTICULARS                                                                                                                | Note No | For the year ended<br>31.03.2023<br>AMOUNT (₹) | For the year ended<br>31.03.2022<br>AMOUNT (₹) |
|----------------------------------------------------------------------------------------------------------------------------|---------|------------------------------------------------|------------------------------------------------|
| <b>REVENUES:</b>                                                                                                           |         |                                                |                                                |
| Revenue from operations                                                                                                    | "12"    | 28.93                                          | 31.16                                          |
| Other Income                                                                                                               |         | -                                              | -                                              |
| <b>TOTAL INCOME</b>                                                                                                        |         | <b>28.93</b>                                   | <b>31.16</b>                                   |
| <b>EXPENSES:</b>                                                                                                           |         |                                                |                                                |
| Finance Costs                                                                                                              |         | -                                              | -                                              |
| Employee Benefits Expenses                                                                                                 | "13"    | 5.14                                           | 4.45                                           |
| Other expenses                                                                                                             | "14"    | 1.53                                           | 1.02                                           |
| <b>TOTAL EXPENSES</b>                                                                                                      |         | <b>6.67</b>                                    | <b>5.47</b>                                    |
| <b>Profit/(loss) before exceptional item and tax</b>                                                                       |         | <b>22.26</b>                                   | <b>25.69</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>22.26</b>                                   | <b>25.69</b>                                   |
| Tax expense:                                                                                                               |         |                                                |                                                |
| (1) Current tax                                                                                                            |         | 5.60                                           | 6.47                                           |
| (2) Income tax of earlier years                                                                                            |         | 0.06                                           | 0.64                                           |
| (3) Deferred tax                                                                                                           |         | -                                              | -                                              |
| <b>Profit/(loss) for the period from continuing operation</b>                                                              |         | <b>16.60</b>                                   | <b>18.59</b>                                   |
| Profit/(Loss) from discontinued operations.                                                                                |         | -                                              | -                                              |
| Tax expense of discontinued operations                                                                                     |         | -                                              | -                                              |
| Profit/(loss) from discontinued operation                                                                                  |         | -                                              | -                                              |
| <b>Profit/(loss) for the period</b>                                                                                        |         | <b>16.60</b>                                   | <b>18.59</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>16.60</b>                                   | <b>18.59</b>                                   |





|                                                                        |  |      |      |
|------------------------------------------------------------------------|--|------|------|
| Earnings per equity share : (for continued Operation)                  |  |      |      |
| (1) Basic                                                              |  | 0.79 | 0.89 |
| (2) Diluted                                                            |  | 0.79 | 0.89 |
| Earnings per equity share : (for discontinued Operation)               |  |      |      |
| (1) Basic                                                              |  | -    | -    |
| (2) Diluted                                                            |  | -    | -    |
| Earnings per equity share : (for discontinued & continuing operations) |  |      |      |
| (1) Basic                                                              |  | 0.79 | 0.89 |
| (2) Diluted                                                            |  | 0.79 | 0.89 |

Significant Accounting Policies  
Notes on Financial Statement

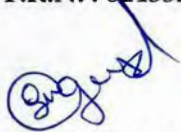
1 to 15

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

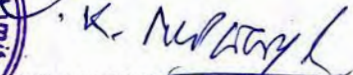
Date : 15th May 2023

UDIN No : 23060315BGWKSH4411

For and on behalf of the Board



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

**VIJAY KUMAR NALWAYA**  
(Wholetime Director)  
(DIN :07855530 )

# **AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

## **CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023**

(₹ in Lakhs)

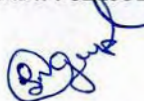
| PARTICULARS                                                   | As at<br>31.03.2023<br>AMOUNT (₹) | As at<br>31.03.2022<br>AMOUNT (₹) |
|---------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                 |                                   |                                   |
| Net Profit ( Loss ) before Tax                                | 22.26                             | 25.69                             |
| Add : Depreciation                                            | -                                 | -                                 |
| Less : Provision for Taxation                                 | 5.60                              | 6.47                              |
| Less : Taxation of Earlier Years                              | 0.06                              | 0.64                              |
| Operating Profit before working capital changes               | 16.60                             | 18.59                             |
| Adjustments for :                                             |                                   |                                   |
| (Increase)/Decrease in Loans                                  | 62.69                             | (11.36)                           |
| (Increase)/Decrease in Other Non Financial Assets             | (0.06)                            | (0.00)                            |
| Increase/(Decrease) in current Tax Liabilities                | (0.81)                            | (3.33)                            |
| Increase/(Decrease) in Provisions                             | 0.33                              | 0.02                              |
| Increase/(Decrease) in other non financial liabilities        | (0.07)                            | (0.16)                            |
| Net Cash Flow from Operatiing Activities                      | 78.68                             | 3.76                              |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                 |                                   |                                   |
| Deduction/(Addition) to Fixed Assests                         |                                   | -                                 |
| Net Cash Flow from Investing Activities                       |                                   | -                                 |
| <b>C. CASH FLOW FROM FINANCEING ACTIVITIES</b>                |                                   |                                   |
| Proceeds from Issue of Shares                                 |                                   | -                                 |
| Net Cash Flow from Financing activities                       |                                   | -                                 |
| Net Increase in Cash & Cash Equivalents ( A+B+C)              | 78.68                             | 3.76                              |
| Cash and Cash Equivalents at the beginning of the year        | 4.79                              | 1.04                              |
| Cash and Cash Equivalents at the end of the year              | 83.47                             | 4.79                              |
| Net Increase in Cash & Cash Equivalents as at 31st March 2023 | 78.68                             | 3.76                              |

As Per Our Report of even date

**FOR S S N & CO.**

CHARTERED ACCOUNTANTS

FR.N. : 024352N



**SUSIL K GUPTA**

(Partner)

Membership No : 060315

Place: Mumbai

Date : 15th May

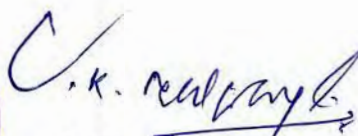
UDIN No : 23060315BGWKSH4411



**ASAD DAUD**

(Director)

(DIN : 02491539)



**VIJAY KUMAR NALWAYA**

(Wholetime Director)

(DIN : 07855530)

For and on behalf of the Board



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

## **1) COMPANY OVERVIEW :**

**AEROFLEX FINANCE 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, as required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. The RBI Certificate of Registration No is as N-13.02301 to carry on NBFC activities. The company is not permitted by RBI for accepting public deposits. 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 have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction - Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

**Basis of preparation:** 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 Lakhs Rupees with two decimals, unless otherwise stated.

### **2.2 Presentation of financial statements**

The Company prepares and present its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

## **NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

### **2.3 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.

### **NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **3.1 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. The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only





# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

## **NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

### **3.2 Taxation:**

Income tax expense comprises current Tax & deferred 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 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.

#### **Deferred Tax :**

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. The Company has identified deferred tax Asset for the carry forward losses at the year ended and has also recognized deferred tax for the Depreciation difference. The net effect of the same has been taken in Balance Sheet.

Current and deferred tax are recognized in the Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

## **NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### **3.3 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

### **3.4 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. Further as per Ind AS 37 in case of the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts.

### **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.





# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

## **NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

### **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 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.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

## **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.

### **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.





# **AEROFLEX FINANCE PRIVATE LIMITED**

**(CIN NO : U65929MH2016PTC282853)**

## **NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

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.

### **3.5 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.

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **3.6 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



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

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

## **3.7 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.

## **3.8 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 year end 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.

## **3.9 Fair value measurement :**

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date. Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.





# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

## **NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy

### **3.10 Earnings Per Share**

The Company reports basic and diluted earnings per share (EPS) in 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).



# **AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023**

(₹ in Lakhs)

| PARTICULARS                                               | As at<br>31.03.2023<br>AMOUNT (₹) | As at<br>31.03.2022<br>AMOUNT (₹) |
|-----------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b><u>NOTE 4 : CASH &amp; CASH EQUIVALENTS</u></b>        |                                   |                                   |
| (i) Cash on Hand                                          | 0.01                              | 0.01                              |
| (ii) Balance with Banks                                   |                                   |                                   |
| - Kotak Mahindra Bank                                     | 5.83                              | 4.78                              |
| (iii) Fixed Deposit with Bank (Incl. of Accrued Interest) | 77.62                             | -                                 |
| <b>TOTAL</b>                                              | <b>83.47</b>                      | <b>4.79</b>                       |





# AEROFLEX FINANCE PRIVATE LIMITED

(CIN : U65929MH2016PTC282853)

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in Lakhs)

### NOTE 5 : LOANS

|                                             | CURRENT YEAR   |                                    |                        |                                                 |          |        | PREVIOUS YEAR  |                                    |                        |                                                 |          |        |
|---------------------------------------------|----------------|------------------------------------|------------------------|-------------------------------------------------|----------|--------|----------------|------------------------------------|------------------------|-------------------------------------------------|----------|--------|
|                                             | Amortised cost | AT FAIR MARKET VALUE               |                        |                                                 |          | Total  | Amortised cost | AT FAIR MARKET VALUE               |                        |                                                 |          | Total  |
|                                             |                | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss | Subtotal |        |                | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss | Subtotal |        |
| Loans                                       |                |                                    |                        |                                                 |          |        |                |                                    |                        |                                                 |          |        |
| A) (i) Bills Purchased and Bills Discounted | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| (ii) Loans repayable on Demand              | 200.50         | -                                  | 5.31                   | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |
| (iii) Term Loans                            | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| (iv) Leasing                                | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| (v) Factoring                               | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| (vi) Others (to be specified)               | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| Total (A) - Gross                           | 200.50         | -                                  | 5.31                   | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |
| Less: Impairment loss allowance             | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| Total (A) Net                               | 200.50         | -                                  | 5.31                   | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |
| (B) OUT OF ABOVE                            |                |                                    |                        |                                                 |          |        |                |                                    |                        |                                                 |          |        |
| (i) Secured by tangible assets              | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| (ii) Secured by intangible assets           | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| (iii) Covered by Bank/Government Guarantees | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| (iv) Unsecured                              | 200.50         | -                                  | 5.31                   | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |
| Total (B) - Gross                           | 200.50         | -                                  | 5.31                   | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |
| Less: Impairment loss allowance             | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| Total (B) Net                               | 200.50         | -                                  | 5.31                   | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |
| (C) OUT OF ABOVE                            |                |                                    |                        |                                                 |          |        |                |                                    |                        |                                                 |          |        |
| (I) Loans in India                          | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| (i) Public Sector                           | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| (ii) Others (to be specified)               | 200.50         | -                                  | 5.31                   | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |
| Total (C) - Gross                           | 200.50         | -                                  | 5.31                   | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |
| Less: Impairment loss allowance             | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| Total (C) (I) - Net                         | 200.50         | -                                  | 5.31                   | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |
| (II) Loans outside India                    | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| Less: Impairment loss allowance             | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| Total (C) (II) - Net                        | -              | -                                  | -                      | -                                               | -        | -      | -              | -                                  | -                      | -                                               | -        | -      |
| Total C (I) and C (II)                      | 200.50         | -                                  | -                      | -                                               | 5.31     | 205.81 | 261.00         | -                                  | 7.50                   | -                                               | 7.50     | 268.50 |



# **AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023**

(₹ in Lakhs)

| PARTICULARS                                            | As at<br>31.03.2023<br>AMOUNT (₹) | As at<br>31.03.2022<br>AMOUNT (₹) |
|--------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b><u>NOTE 6 : OTHER NON FINANCIAL ASSETS</u></b>      |                                   |                                   |
| Prepaid Exp                                            | 0.17                              | 0.11                              |
| <b>TOTAL</b>                                           | <b>0.17</b>                       | <b>0.11</b>                       |
| <b><u>NOTE 7 : CURRENT TAX LIABILITIES</u></b>         |                                   |                                   |
| Provision for Taxation ( Net of Advance Tax & TDS )    | 0.39                              | 1.20                              |
| <b>TOTAL</b>                                           | <b>0.39</b>                       | <b>1.20</b>                       |
| <b><u>NOTE 8 : PROVISIONS</u></b>                      |                                   |                                   |
| Provisions for Employee Benefits                       | 0.85                              | 0.52                              |
| <b>TOTAL</b>                                           | <b>0.85</b>                       | <b>0.52</b>                       |
| <b><u>NOTE 9 : OTHER NON FINANCIAL LIABILITIES</u></b> |                                   |                                   |
| Creditors for Expenses                                 | 0.67                              | 0.74                              |
| <b>TOTAL</b>                                           | <b>0.67</b>                       | <b>0.74</b>                       |





# AEROFLEX FINANCE PRIVATE LIMITED

(CIN : U65929MH2016PTC282853)

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in Lakhs)

### NOTE 10 : SHARE CAPITAL

#### a) SHARE DETAILS

| PARTICULARS                             | As at 31 March 2023 |               | As at 31 March 2021 |               |
|-----------------------------------------|---------------------|---------------|---------------------|---------------|
|                                         | No. of Shares       | AMOUNT (₹)    | No. of Shares       | AMOUNT (₹)    |
| <b>Authorised Share Capital</b>         |                     |               |                     |               |
| Equity Shares of 10/- each              | 30,00,000           | 300.00        | 30,00,000           | 300.00        |
|                                         | 30,00,000           | 300.00        | 30,00,000           | 300.00        |
| <b>Issued, Subscribed &amp; Paid up</b> |                     |               |                     |               |
| Equity Shares of 10/- each              | 21,00,000           | 210.00        | 21,00,000           | 210.00        |
| <b>TOTAL</b>                            | <b>21,00,000</b>    | <b>210.00</b> | <b>21,00,000</b>    | <b>210.00</b> |

#### b) Reconciliation of Number of shares :

| PARTICULARS                                            | As at 31 March 2023 |            | As at 31 March 2021 |            |
|--------------------------------------------------------|---------------------|------------|---------------------|------------|
|                                                        | No. of Shares       | AMOUNT (₹) | No. of Shares       | AMOUNT (₹) |
| Equity Shares outstanding at the beginning of the year | 21,00,000           | 210.00     | 21,00,000           | 210.00     |
| 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           | 210.00     | 21,00,000           | 210.00     |

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

| Name of Shareholder               | As at 31 March 2023 |              | As at 31 March 2021 |              |
|-----------------------------------|---------------------|--------------|---------------------|--------------|
|                                   | 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 2023 |              | As at 31 March 2021 |              |
|-----------------------------------|---------------------|--------------|---------------------|--------------|
|                                   | 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.



# AEROFLEX FINANCE PRIVATE LIMITED

(CIN : U65929MH2016PTC282853)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(₹ in Lakhs)

### NOTE NO 11 : STATEMENT OF CHANGE IN EQUITY

#### A. Equity Share Capital

| Particulars                      | Balance at the beginning of the reporting period | Changes in equity share capital due to Prior Period Errors | Restated Balance at the beginning of the current reporting period | Changes in equity share capital during the year | Balance at the end of the reporting period |
|----------------------------------|--------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------|
| For the year ended on 31/03/2023 | 210.00                                           | -                                                          | -                                                                 | -                                               | 210.00                                     |
| For the year ended on 31/03/2022 | 210.00                                           | -                                                          | -                                                                 | -                                               | 210.00                                     |

#### B. Other Equity

|                                                                          | Share Application Money pending allotment | Equity component of compound financial instrument | Reserves & Surplus |                    |                   |                   | Debt Instruments through other comprehensive income | Equity Instruments through other Comprehensive Income | Effective portion of Cash Flow hedges | Revaluation Surplus | Exchange difference on translating financial difference on foreign operation | Other items of other comprehensive income (specify nature) | Money received against share warrants | Total |
|--------------------------------------------------------------------------|-------------------------------------------|---------------------------------------------------|--------------------|--------------------|-------------------|-------------------|-----------------------------------------------------|-------------------------------------------------------|---------------------------------------|---------------------|------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------|-------|
|                                                                          |                                           |                                                   | Capital Reserve    | Securities premium | Statutory Reserve | Retained earnings |                                                     |                                                       |                                       |                     |                                                                              |                                                            |                                       |       |
| Balance at the beginning of the reporting period-01/04/2022              | -                                         | -                                                 | -                  | -                  | 10.19             | 50.75             | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 60.94 |
| Changes in accounting policy/prior period errors                         | -                                         | -                                                 | -                  | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Restated balance at the beginning of the reporting period                | -                                         | -                                                 | -                  | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Profit for the year                                                      | -                                         | -                                                 | -                  | -                  | -                 | 16.60             | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 16.60 |
| Other comprehensive income                                               | -                                         | -                                                 | -                  | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Total Comprehensive income for the year                                  | -                                         | -                                                 | -                  | -                  | -                 | 16.60             | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 16.60 |
| Dividends                                                                | -                                         | -                                                 | -                  | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Transfer to retained earnings                                            | -                                         | -                                                 | -                  | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Transfer to Statutory reserves as per Section 45-IC of the RBI Act, 1934 | -                                         | -                                                 | -                  | -                  | 3.32              | (3.32)            | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Any other Change (to be Specify)                                         | -                                         | -                                                 | -                  | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Balance at the end of the reporting period -31.03.2023                   | -                                         | -                                                 | -                  | -                  | 13.51             | 64.03             | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 77.54 |





|                                                                          | Share Application Money pending allotment | Equity component of compound financial instrument | Reserves & Surplus<br>Capital Reserve | Securities premium | Statutory Reserve | Retained earnings | Debt Instruments through other comprehensive income | Equity Instruments through other Comprehensive Income | Effective portion of Cash Flow hedges | Revaluation Surplus | Exchange difference on translating financial difference on foreign operation | Other Items of other comprehensive income (specify nature) | Money received against share warrants | Total |
|--------------------------------------------------------------------------|-------------------------------------------|---------------------------------------------------|---------------------------------------|--------------------|-------------------|-------------------|-----------------------------------------------------|-------------------------------------------------------|---------------------------------------|---------------------|------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------|-------|
| Balance at the beginning of the reporting period-01/04/2021              | -                                         | -                                                 | -                                     | -                  | 6.47              | 35.88             | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 42.35 |
| Changes in accounting policy/prior period errors                         | -                                         | -                                                 | -                                     | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Restated balance at the beginning of the reporting period                | -                                         | -                                                 | -                                     | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Profit for the year                                                      | -                                         | -                                                 | -                                     | -                  | -                 | 18.59             | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 18.59 |
| Other comprehensive income                                               | -                                         | -                                                 | -                                     | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Total Comprehensive income for the year                                  | -                                         | -                                                 | -                                     | -                  | -                 | 18.59             | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 18.59 |
| Dividends                                                                | -                                         | -                                                 | -                                     | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Transfer to retained earnings                                            | -                                         | -                                                 | -                                     | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Transfer to Statutory reserves as per Section 45-IC of the RBI Act, 1934 | -                                         | -                                                 | -                                     | -                  | 3.72              | (3.72)            | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Any other Change (to be Specify)                                         | -                                         | -                                                 | -                                     | -                  | -                 | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -     |
| Balance at the end of the reporting period -31.03.2022                   | -                                         | -                                                 | -                                     | -                  | 10.19             | 50.75             | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 60.94 |

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 : 15th May 2023

UDIN No : 23060315BGWKS4411



**ASAD DAUD**  
(MANAGING DIRECTOR)  
(DIN: 02493539)

**VIJAY KUMAR NALWAYA**  
(Wholtime Director)  
(DIN: 07855529)

For and on behalf of the Board

# **AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023**

(₹ in Lakhs)

| PARTICULARS                                           | For the year ended<br>31.03.2023<br>AMOUNT (₹) | For the year ended<br>31.03.2022<br>AMOUNT (₹) |
|-------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| <b><u>NOTE 12 : REVENUE FROM OPERATIONS</u></b>       |                                                |                                                |
| Interest income on financial assets on amortised cost |                                                |                                                |
| - On Loans                                            | 27.69                                          | 31.16                                          |
| - On Fixed Deposit                                    | 1.24                                           |                                                |
| <b>TOTAL</b>                                          | <b>28.93</b>                                   | <b>31.16</b>                                   |
| <b><u>NOTE 13 : EMPLOYEE BENEFITS EXPENSES</u></b>    |                                                |                                                |
| Salaries & Bonus to staff                             | 4.11                                           | 3.40                                           |
| Director Remuneration                                 | 1.00                                           | 1.00                                           |
| Employee Insurance Exp                                | 0.02                                           | 0.05                                           |
| <b>TOTAL</b>                                          | <b>5.14</b>                                    | <b>4.45</b>                                    |
| <b><u>NOTE 14 : OTHER EXPENSES</u></b>                |                                                |                                                |
| Legal & Professional Fees                             | 0.91                                           | 0.28                                           |
| Filing Fees                                           | 0.12                                           | 0.02                                           |
| Audit Fees                                            | 0.18                                           | 0.18                                           |
| Membership and Subscription Charges                   | 0.12                                           | 0.17                                           |
| Professional Tax                                      | 0.03                                           | 0.03                                           |
| Office Expenses                                       | 0.14                                           | 0.02                                           |
| Web Related Expenses                                  | 0.01                                           | 0.14                                           |
| Miscellaneous Expenses                                | 0.03                                           | 0.14                                           |
| Bank Charges                                          | 0.00                                           | 0.00                                           |
| Printing and Stationery                               | -                                              | 0.05                                           |
| <b>TOTAL</b>                                          | <b>1.53</b>                                    | <b>1.02</b>                                    |





# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

## **NOTE 15 :**

- 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. The company has not traded or invested in crypto currency or virtual currency during the financial year.
- VII. As per informations available, the company has no transactions which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the tax assessment or in search or survey or under any other relevant provisions of the Income Tax Act, 1961.
- VIII. The company is not covered under the requirements of Section 135 of the Companies Act, 2013, with respect to the CSR activities.
- IX. The company is not holding any immovable property at the year ended. Also the company is not holding any leased assets which is required to be disclosed separately.
- X. The company do not hold any benami property and no proceedings has been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act 1988 and rules made there under.
- XI. The company has not been declared as willful defaulter by any bank or financial year or from any other lender during the year.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

## **NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

- XII.** The company do not had any transactions during the year with the companies which are struck off under section 248 of the companies Act 2013 or section 560 of the companies Act 1956.
- XIII.** The company has do not have any charge which are required to be registered with ROC under the terms of the loans & liabilities.
- XIV.** As per the informations & details available on records and the disclosure given by the management, the company has complied with the number of layers prescribed under clause (87) of section 2 of the companies Act read with the Companies (Restriction on number of layers) Rules 2017.
- XV.** As per the informations & details available on records and the disclosure given by the management, the company has not advanced, loaned or invested to any other person or entity or foreign entities with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security or like to or on behalf of the company. Further the company has not received any funds from any person, entity including the foreign entity with the understanding that the company shall directly or indirectly lend, invest or guarantee, security or like manner on behalf of the funding party.
- XVI.** The company do not have any Tangible or Intangible assets under work in progress during the year and at the year ended.
- XVII.** Based on the size, activity, perceived riskiness of the company under the disclosure as required under Scale Based Regulation (SBR) framework, the company is classified under Base Layer ( BL) of the regulatory structure.
- XVIII.** All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of schedule III to the companies act, 2013, unless otherwise stated.
- XIX.** **CAPITAL MANAGEMENT:**  
The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.





# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

## **XX. Fair value measurement**

### **Fair value hierarchy :**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1 :** Quoted prices (unadjusted) in active market for identical assets or liabilities.

**Level 2 :** Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instruments are observable, the instrument is included in level 2.

**Level 3 :** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The Company has determined that the carrying values of cash and cash equivalents, bank balances, short term loans, trade payables, and other current liabilities are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values.

There has been no change in the valuation methodology for level 3 inputs during the year. The company has not classified any material financial instruments under level 3 of the fair value hierarchy.

There were no transfers between level 1 and level 2 during the year. The Fair Value hierarchy of all the financial assets and financial liabilities has been measured at fair value on recurring basis for Level -2 for the year ended 31<sup>st</sup> March 2023 as well as in previous year ended on 31<sup>st</sup> March 2022.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

## **XXI. RISK MANAGEMENT :**

A summary of the major risks faced by the Company, its measurement, monitoring and management are described as under:

- A. **Liquidity and funding risk :** Liquidity risk is the risk that the company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The company's objective is to maintain at all times, optimum levels of liquidity to meet obligations. The company closely monitors its liquidity position and has a loan recovery module and cash management system.
- B. **Market Risk :** Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three type of risk interest rate risk, price risk and currency rate risk. Financial instrument affected by market risk includes borrowings and investments. As per the size and activity of the company, it is not much exposed to the market risk.
- C. **Credit Risk :** Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to the Company. Credit risk refers to the risk of default on its obligations by a counter party to the company resulting in a financial loss to the company. Credit risk is measured as the amount at risk due to repayment default by customers or counterparties to the Company. Various metrics such as installment default rate, overdue position, installment moratorium, restructuring, one time resolution plan, debt management efficiency are used as leading indicators to assess credit risk. managed by a robust control framework by the risk and debt management unit. This is achieved by continuously aligning credit and debt management policies and resourcing, obtaining external data from credit bureaus and reviews of portfolios and delinquencies by senior and middle management team comprising of risk, analytics, debt management and risk containment along with business. The same is periodically reviewed by the Board.

## **XXII. REMUNERATION TO AUDITORS:**

(₹ in Lakhs)

| Particulars         | As at 31 <sup>st</sup> March 2023 | As at 31 <sup>st</sup> March 2022 |
|---------------------|-----------------------------------|-----------------------------------|
| Statutory Audit Fee | 0.18                              | 0.18                              |





# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

## **NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

### **XXIII. 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-IC 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. The company has complied with the same during the year.

### **XXIV. 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

The Company has no transactions with related parties during the year:

### **XXV. Ratios Analysis :**

| Sr No | Particulars of Ratio                  | Numerator & Denominator                                              | Ratio as on 31 <sup>st</sup> March 2023 | Ratio as on 31 <sup>st</sup> March 2022 |
|-------|---------------------------------------|----------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| 1     | Capital to risk-weighted assets ratio | Tier 1 Capital + Tier 2 Capital / Total Risk Weighted Assets         | 1.33                                    | 0.97                                    |
| 2     | Tier I CRAR                           | Tier 1 Capital / Total Risk Weighted Assets                          | 1.33                                    | 0.97                                    |
| 3     | Tier 2 CRAR                           | Tier 2 Capital / Total Risk Weighted Assets                          | 0                                       | 0                                       |
| 4     | Liquidity Coverage Ratio              | High-Quality Liquid Asset Amount (HQLA) / Total Net Cash Flow Amount | 1.06                                    | 1.28                                    |

Ratio working has been done based on the informations that all the loan are received & recovered as per the terms and there is no NPA of the loan and the company do not see any risk in recovery of the loans so given by the company. There is variation in Capital to risk-weighted assets ratio & Tier I CRAR ratio mainly due to reduction in total risk weighted assets as compare to previous year.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

**NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

## **XXVI. Earnings Per Share :**

| <b>PARTICULARS</b>                                  | <b>As at<br/>31.03.2023<br/>AMOUNT (₹)</b> | <b>As at<br/>31.03.2022<br/>AMOUNT (₹)</b> |
|-----------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Net profit after taxation for the year (₹ in Lakhs) | 16.60                                      | 18.59                                      |
| 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 (₹)        | 0.79                                       | 0.89                                       |

**XXVII.** During the year under review, there was NIL (PY NIL) foreign exchange earnings & outgo

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

**Notes from "1 " to " 15 " form an integral part of the Accounts.**

**As per our Report of even date attached**

**For S S N & CO.**

**CHARTERED ACCOUNTANTS**

**F.R.N. : 024352N**



**SUSIL K GUPTA**

**(Partner)**

**Membership No : 060315**

**Place : Mumbai**

**Dated : 15<sup>th</sup> May 2023**

**UDIN No : 23060315BGWKSH4411**



**For and on behalf of the Board**



**ASAD DAUD**

**(DIRECTOR)**

**(DIN-02491539)**

**VIJAY KUMAR NALWAYA**

**(WHOLETIME DIRECTOR)**

**(DIN-07855530)**

