

**SSN & CO.**  
Chartered Accountants



1A, Ramchandra Niwas,  
Plot: 21 - 22, Sector - 12 A  
Koparkhairane,  
Navi Mumbai - 400709.  
Tel: +91 22 65236958,  
E mail: - casusilgupta@gmail.com

## INDEPENDENT AUDITORS REPORT

To,  
The Members of  
**AEROFLEX FINANCE PRIVATE LIMITED**  
Mumbai

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

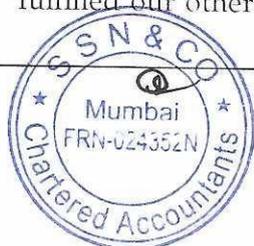
#### Opinion:

We have audited the accompanying standalone IndAS financial statements of **AEROFLEX FINANCE PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, the Statement of Profit and Loss including other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements and a summary of material accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the 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 2024, 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 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 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 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 financial statements for the financial year ended 31 March 2024. 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 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 financial statements. The results of our audit procedures, including the procedures performed provide the basis for our audit opinion on the accompanying 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 financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether 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 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 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, including the Accounting Standards specified under Section 133 of the Act.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements :**

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

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

1. Identify and assess the risks of material misstatement of the 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.



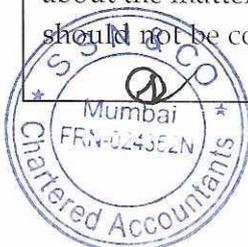


2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 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 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 financial statements, including the disclosures, and whether the 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 financial statements for the financial year ended 31 March 2024 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.

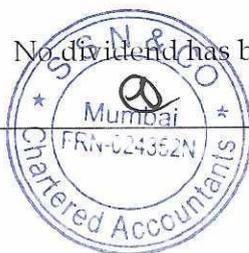
**Report on other Legal and Regulatory Requirements:**

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 Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid 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, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024, from being appointed as a director in terms of section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls financial statements of the Company with reference to these 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:
    - i. We have been informed that there is no material pending litigations which would impact its financial position in financial statement.





- ii. The Company has debited Rs 215.20 lakhs towards the bad-debts of the principal amount of the loans given which has become irrecoverable (ie Impairment of the financial instrument), the company has further written off the interest amount for Rs 20.68 lakhs as bad-debts which has been accrued on the loans impaired of Rs 215.20 lakhs. The company has further debited Rs 19.39 lakhs towards the provision for bad-debts towards principal & interest accrued thereon of such loans which for which the recovery is doubtful at the year ended. The company did not have any derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which required to be transferred to the Investors Education and Protection Fund by the Company.
- iv.
- a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("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.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall whether 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
- c) 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.
- v. No dividend has been declared or paid by the Company during the year.



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



1A, Ramchandra Niwas,  
Plot: 21 - 22, Sector - 12 A  
Koparkhairane,  
Navi Mumbai - 400709.  
Tel: +91 22 65236958,  
E mail: - casusilgupta@gmail.com

- vi. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act
- vii. In respect of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 proviso Rule 3(1) of the Companies (Accounts) Rules, 2014 we herewith report based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

SUSIL K GUPTA  
(Partner)  
Membership No. : 060315  
Place : Mumbai  
Date : 2<sup>nd</sup> May 2024  
UDIN No : 24060315BKKBKHY3374





**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, 2024)

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.

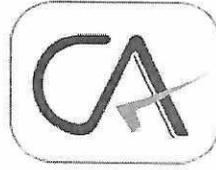
a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company's principal business is to give loans. Accordingly, clause 3(iii) (a) of the Order is not applicable.





- 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. Further, the Company has not stood guarantee or provided security to any parties.
- 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 except the loans which has been identified by the company as bad-debts. Further the company has made provision for bad debts in case of such parties which has not paid the installments and may be prospectively bad debts in succeeding period. 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 are overdue loans & advance which as per the company management are not recoverable has been identified as bad debts and has also made provision for some loans which are identified as prospective non recoverable due to overdue outstanding recoverable. We have been informed that the company is taking reasonable action for the loans not recovered since ninety days { Ref Note No 25(d) & 27.6}. 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 lending & investing. 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 records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year. The company has not paid interest on the loan availed from its holding company. We have been informed that no interest is payable on the said loan as per the terms of the loan.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.





(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has applied the loan so availed for the purposes for which the same has been obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, the reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order are not applicable to the Company.

x.

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

(b) The company made right issue of fully paid equity shares of the company during the year. As per informations & details given to us, the company has complied with the requirement of section 62 of the companies Act 2013 and the fund so raised has been applied for the purposes for which the same has been raised. The company has not made any private placement of its shares or securities therefore the provisions of section 42 of the companies Act 2013 is not applicable.

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 has been disclosed in the Note no 29 to the 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.
- 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.



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



1A, Ramchandra Niwas,  
Plot: 21 - 22, Sector - 12 A  
Koparkhairane,  
Navi Mumbai - 400709.  
Tel: +91 22 65236958,  
E mail: - casusilgupta@gmail.com

- 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.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**FOR S S N & CO.**

CHARTERED ACCOUNTANTS

F.R.N. : 024352N

SUSIL K GUPTA

(Partner)

Membership No. : 060315

Place : Mumbai

Date : 2<sup>nd</sup> May 2024

UDIN No : 24060315BKKBKHY3374





**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 financial statements of **AEROFLEX FINANCE PRIVATE LIMITED** ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

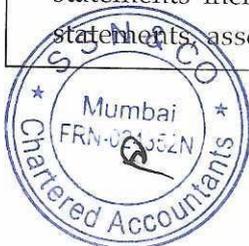
**Management's Responsibility for Internal Financial Controls :**

The Company's management and Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to 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 financial statements based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls 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 financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

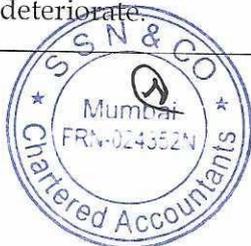
**Meaning of Internal Financial Controls with reference to financial statements.:**

A company's internal financial control with reference to financial statements. is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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



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



1A, Ramchandra Niwas,  
Plot: 21 - 22, Sector - 12 A  
Koparkhairane,  
Navi Mumbai - 400709.  
Tel: +91 22 65236958,  
E mail: - casusilgupta@gmail.com

**Opinion :**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system financial statements and such internal financial controls financial statements were operating effectively as at 31st March, 2024, based on the internal control 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 financial statements issued by the Institute of Chartered Accountants of India.

**FOR S S N & CO.**

CHARTERED ACCOUNTANTS

F.R.N. : 024352N

SUSIL K GUPTA

(Partner)

Membership No. : 060315

Place : Mumbai

Date : 2<sup>nd</sup> May 2024

UDIN No : 24060315BKKBKHY3374



\*\*\*\*\*

**AEROFLEX FINANCE PRIVATE LIMITED**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

\*\*\*\*\*

**AUDITOR**

**S S N & CO**

CHARTERED ACCOUNTANTS

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

~~~~~

vk

**AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

**BALANCE SHEET AS AT 31ST MARCH, 2024**

₹ in Lakhs

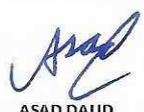
| PARTICULARS                                                                            | Note No | As at<br>31 Mar 2024 | As at<br>31 March 2023 |
|----------------------------------------------------------------------------------------|---------|----------------------|------------------------|
| <b>ASSETS</b>                                                                          |         |                      |                        |
| <b>FINANCIAL ASSETS</b>                                                                |         |                      |                        |
| Cash and cash equivalents                                                              | 3       | 166.10               | 83.47                  |
| Bank balances other than cash and cash equivalent                                      | 4       | 644.74               | -                      |
| Derivative financial instruments                                                       |         |                      |                        |
| Trade Receivables                                                                      |         |                      |                        |
| Loans                                                                                  | 5       | 1,256.68             | 205.81                 |
| Investments                                                                            |         |                      |                        |
| Other financial assets                                                                 | 6       | 29.67                | -                      |
| <b>Total FINANCIAL ASSETS</b>                                                          |         |                      |                        |
| <b>NON FINANCIAL ASSETS</b>                                                            |         |                      |                        |
| Current Tax Assets (Net)                                                               |         |                      |                        |
| Deferred tax assets (net)                                                              |         |                      |                        |
| Property, Plant and Equipment                                                          |         |                      |                        |
| Intangible Assets under development                                                    |         |                      |                        |
| Intangible Assets                                                                      |         |                      |                        |
| Other non-financial assets                                                             | 7       | 0.97                 | 0.17                   |
| <b>Total Non-Current Assets</b>                                                        |         |                      |                        |
| <b>TOTAL ASSETS</b>                                                                    |         | <b>2,098.17</b>      | <b>289.45</b>          |
| <b>LIABILITIES AND EQUITY</b>                                                          |         |                      |                        |
| <b>Financial liabilities</b>                                                           |         |                      |                        |
| Derivative financial instruments                                                       |         |                      |                        |
| Payables                                                                               |         |                      |                        |
| Trade Payables                                                                         |         |                      |                        |
| (A) Total outstanding dues of micro enterprises and small enterprises                  | 8       | 1.58                 | -                      |
| (B) Total outstanding dues of creditors other than micro & small enterprises           | 8       | 1.67                 | 1.52                   |
| Other payables                                                                         |         |                      |                        |
| Total outstanding dues of micro enterprises and small enterprises                      |         |                      |                        |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |         |                      |                        |
| Debt securities                                                                        |         |                      |                        |
| Borrowings(other than debt securities)                                                 | 9       | 649.77               | -                      |
| Deposits                                                                               |         |                      |                        |
| Subordinated liabilities                                                               |         |                      |                        |
| Other financial liabilities                                                            | 10      | 1.71                 | -                      |
| <b>Total Current Liabilities</b>                                                       |         |                      |                        |
| <b>Non-Financial Liabilities</b>                                                       |         |                      |                        |
| Current Tax liabilities (Net)                                                          | 11      | 12.91                | 0.39                   |
| Deferred tax Liability (Net)                                                           |         |                      |                        |
| Provisions                                                                             |         |                      |                        |
| Other non-financial liabilities                                                        | 12      | 572.13               | -                      |
| <b>Total Non-Financial Liabilities</b>                                                 |         |                      |                        |
| <b>EQUITY</b>                                                                          |         |                      |                        |
| a) Equity share capital                                                                | 13      | 710.00               | 210.00                 |
| b) Other equity                                                                        | 14      | 148.40               | 77.54                  |
| <b>TOTAL</b>                                                                           |         | <b>2,098.17</b>      | <b>289.45</b>          |

The accompanying notes are an integral part of these Consolidated Financial Statements ( Note No. "1 to 33" )

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 : 2nd May 2024  
UDIN No : 24060315BKBKHY3374

For and on behalf of the Board

  
ASAD DAUD  
(Director)  
(DIN : 02491539)  
VIJAY KUMAR NALWAYA  
(Wholtime Director)  
(DIN :07855530)

**AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

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

₹ in Lakhs

| PARTICULARS                                                                                                          | Note No | As at<br>31 March 2024 | As at<br>31 March 2023 |
|----------------------------------------------------------------------------------------------------------------------|---------|------------------------|------------------------|
| <b>REVENUES:</b>                                                                                                     |         |                        |                        |
| Interest Income                                                                                                      | 15      | 608.27                 | 28.93                  |
| Other Income                                                                                                         |         | -                      | -                      |
| <b>TOTAL INCOME</b>                                                                                                  |         | <b>608.27</b>          | <b>28.93</b>           |
| <b>EXPENSES:</b>                                                                                                     |         |                        |                        |
| Finance Costs                                                                                                        | 16      | 226.99                 | -                      |
| Fees and commission expense                                                                                          |         |                        |                        |
| Employee Benefits Expenses                                                                                           | 17      | 8.55                   | 5.14                   |
| Depreciation and amortization expense                                                                                |         |                        |                        |
| Other expenses                                                                                                       | 18      | 270.18                 | 1.53                   |
| <b>TOTAL EXPENSES</b>                                                                                                |         | <b>505.72</b>          | <b>6.67</b>            |
| <b>Profit/(loss) before exceptional item and tax</b>                                                                 |         | <b>102.55</b>          | <b>22.26</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>102.55</b>          | <b>22.26</b>           |
| Tax expense:                                                                                                         |         |                        |                        |
| (1) Current tax                                                                                                      |         | 30.69                  | 5.60                   |
| (2) Income tax of earlier years                                                                                      |         | -                      | 0.06                   |
| (3) Deferred tax                                                                                                     |         | -                      | -                      |
| <b>Profit/(loss) for the period from continuing operation</b>                                                        |         | <b>71.86</b>           | <b>16.60</b>           |
| Profit/(Loss) from discontinued operations.                                                                          |         | -                      | -                      |
| Tax expense of discontinued operations                                                                               |         | -                      | -                      |
| Profit/(loss) from discontinued operation                                                                            |         | -                      | -                      |
| <b>Profit/(loss) for the period</b>                                                                                  |         | <b>71.86</b>           | <b>16.60</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                                          |         | -                      | -                      |
| Total Comprehensive Income for the period ( Comprising profit (loss) and other Comprehensive Income for the period ) |         | <b>71.86</b>           | <b>16.60</b>           |
| Earnings per equity share : (for continued Operation)                                                                |         |                        |                        |
| (1) Basic                                                                                                            |         | 1.01                   | 0.79                   |
| (2) Diluted                                                                                                          |         | 1.01                   | 0.79                   |
| Earnings per equity share : (for discontinued Operation)                                                             |         |                        |                        |
| (1) Basic                                                                                                            |         | -                      | -                      |
| (2) Diluted                                                                                                          |         | -                      | -                      |
| Earnings per equity share : (for discontinued & continuing operations)                                               |         |                        |                        |
| (1) Basic                                                                                                            |         | 1.01                   | 0.79                   |
| (2) Diluted                                                                                                          |         | 1.01                   | 0.79                   |

The accompanying notes are an integral part of these Consolidated Financial Statements ( Note No. "1 to 33" )

As per our report of even date

FOR S S N &amp; CO.

CHARTERED ACCOUNTANTS

F.R.N. : 024352N

SUSIL K GUPTA

(Partner)

Membership No : 060315

Place: Mumbai

Date : 2nd May 2024

UDIN No : 24060315BKBKHY3374



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, 2024**

₹ in Lakhs

| PARTICULARS |                                                                           | As at<br>31 Mar 2024    | As at<br>31 March 2023 |
|-------------|---------------------------------------------------------------------------|-------------------------|------------------------|
| <b>A.</b>   | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                |                         |                        |
|             | Net Profit ( Loss ) before Tax                                            | 102.55                  | 22.26                  |
|             | Add : Depreciation                                                        | -                       | -                      |
|             | Less : Provision for Taxation                                             | 30.69                   | 5.60                   |
|             | Less : Taxation of Earlier Years                                          | -                       | 0.06                   |
|             | <b>Operating Profit before working capital changes</b>                    | <b>71.86</b>            | <b>16.60</b>           |
|             | Adjustments for :                                                         |                         |                        |
|             | (Increase)/Decrease in Loans                                              | (1,050.87)              | 62.69                  |
|             | (Increase)/Decrease in Currnet Assets                                     | (29.67)                 | -                      |
|             | (Increase)/Decrease in Other Non Financial Assets                         | (0.80)                  | (0.06)                 |
|             | Increase/(Decrease) in current Tax Liabilities                            | 12.52                   | (0.81)                 |
|             | Increase/(Decrease) in Other Current Liabilities                          | 1.72                    | -                      |
|             | Increase/(Decrease) in Borrowings                                         | 649.77                  | -                      |
|             | Increase/(Decrease) in Provisions                                         | -                       | 0.33                   |
|             | Increase/(Decrease) in other non financial liabilities                    | 572.13                  | (0.07)                 |
|             | Increase/(Decrease) in other financial liabilities                        | 1.71                    | -                      |
|             | <b>Net Cash Flow from Operatiing Activities</b>                           | <b>TOTAL (A) 228.38</b> | <b>78.68</b>           |
| <b>B.</b>   | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                |                         |                        |
|             | Deduction/(Addition) to Fixed Assests                                     | -                       | -                      |
|             | <b>Net Cash Flow from Investing Activities</b>                            | <b>TOTAL (B) -</b>      | <b>-</b>               |
| <b>C.</b>   | <b>CASH FLOW FROM FINANCEING ACTIVITIES</b>                               |                         |                        |
|             | Proceeds from Issue of Shares                                             | 500.00                  | -                      |
|             | Expesnes towards equity Investment                                        | (1.00)                  | -                      |
|             | <b>Net Cash Flow from Financing activities</b>                            | <b>TOTAL (C) 499.00</b> | <b>-</b>               |
|             | <b>Net Increase in Cash &amp; Cash Equivalents ( A+B+C)</b>               | <b>727.38</b>           | <b>78.68</b>           |
|             | Cash and Cash Equivalentts at the beginning of the year                   | 83.47                   | 4.79                   |
|             | Cash and Cash Equivalentts at the end of the year                         | 810.85                  | 83.47                  |
|             | <b>Net Increase in Cash &amp; Cash Equivalentts as at 31st March 2024</b> | <b>727.38</b>           | <b>78.68</b>           |

The accompanying notes are an integral part of these Standalone Financial Statements ( Note No. "1 to 33" )

As per our report of even date

FOR S S N &amp; CO.

CHARTERED ACCOUNTANTS

F.R.N. : 024352N

SUSIL K GUPTA  
(Partner)

Membership No : 060315

Place: Mumbai

Date : 2nd May 2024

UDIN No : 24060315BKBKHY3374



For and on behalf of the Board

  
ASAD DAUD  
(Director)  
(DIN : 02491539)  
VIJAY KUMAR NALWALA  
(Wholetime Director)  
(DIN :07855530)

**AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024**

₹ in Lakhs

**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 31/03/2024 | 210.00                                           | -                                                          | -                                                                 | 500.00                                          | 710.00                                     |
| For the year ended on 31/03/2023 | 210.00                                           | -                                                          | -                                                                 | -                                               | 210.00                                     |

**B. Other Equity**

| Particulars                                                              | 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 |                                                     |                                                       |                                       |                     |                                                                              |                                                            |                                       |        |
| Balance at the beginning of the reporting year-01/04/2023                | -                                         | -                                                 | -                  | -                  | 13.51             | 64.03                                               | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 77.54  |
| Changes in accounting policy/ prior period errors                        | -                                         | -                                                 | -                  | -                  | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -      |
| Restated balance at the beginning of the reporting period                | -                                         | -                                                 | -                  | -                  | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -      |
| Profit for the year                                                      | -                                         | -                                                 | -                  | -                  | -                 | 71.86                                               | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 71.86  |
| Other comprehensive income                                               | -                                         | -                                                 | -                  | -                  | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 71.86  |
| <b>Total Comprehensive income for the year</b>                           | -                                         | -                                                 | -                  | -                  | -                 | 71.86                                               | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 71.86  |
| Dividends                                                                | -                                         | -                                                 | -                  | -                  | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -      |
| Transfer to retained earnings                                            | -                                         | -                                                 | -                  | -                  | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -      |
| Transfer to Statutory reserves as per Section 45-1C of the RBI Act, 1934 | -                                         | -                                                 | -                  | -                  | 14.37             | (14.37)                                             | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -      |
| Any other Change (to be Specify)                                         | -                                         | -                                                 | -                  | -                  | -                 | (1.00)                                              | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | (1.00) |
| Balance at the end of the reporting year -31.03.2024                     | -                                         | -                                                 | -                  | -                  | 27.88             | 120.51                                              | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | 148.40 |



|                                                                          | Share Application Money pending allotment | Equity component of 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 |                                                     |                                                       |                                       |                     |                                                                              |                                                            |                                       |              |
| Balance at the beginning of the reporting year- 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                                               | -                                         | -                                        | -                  | -                  | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -            |
| <b>Total Comprehensive income for the year</b>                           | -                                         | -                                        | -                  | -                  | <b>16.60</b>      | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | <b>16.60</b> |
| Dividends                                                                | -                                         | -                                        | -                  | -                  | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -            |
| Transfer to retained earnings                                            | -                                         | -                                        | -                  | -                  | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -            |
| Transfer to Statutory reserves as per Section 45-1C of the RBI Act, 1934 | -                                         | -                                        | -                  | 3.32               | (3.32)            | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -            |
| Any other Change (to be Specify)                                         | -                                         | -                                        | -                  | -                  | -                 | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | -            |
| <b>Balance at the end of the reporting year -31.03.2023</b>              | -                                         | -                                        | -                  | <b>13.51</b>       | <b>64.03</b>      | -                                                   | -                                                     | -                                     | -                   | -                                                                            | -                                                          | -                                     | <b>77.54</b> |

For and on behalf of the Board



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

*V.K. NALWAYA*  
VJAY KUMAR NALWAYA  
(Wholesale Director)  
(DIN :07855530)

As per our report of even date  
FOR S S N & CO.  
CHARTERED ACCOUNTANTS  
F.R.N. : 024352N  
*SUSIL K GDPTA*  
(Partner)  
Membership No. : 060315  
Place: Mumbai  
Date : 2nd May 2024  
UDIN No. : 240603158KBKH2374



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

## **1. COMPANY OVERVIEW :**

AEROFLEX FINANCE PRIVATE LIMITED (referred to as "the Company" hereinafter) is a Private limited company incorporated under the provision of Companies Act, 2013 with its registered office at 121, B-Wing, Mittal Tower, Nariman Point Mumbai - 400021.

The company has been incorporated on dated 24<sup>th</sup> June 2016. The company is wholly owned subsidiary company of M/s SAT Industries Ltd.

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 Financial Statements were approved in accordance with a resolution passed in Board Meeting held on 2nd May, 2024.

## **2. SUMMARY OF MATERIAL ACCOUNTING POLICIES :**

The material accounting policies adopted by the company are as under :

### **2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

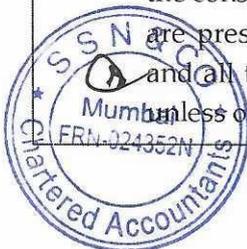
#### **Statement of Compliance with Ind AS:**

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.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

### **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 Schedule III to the Companies Act 2013. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows.

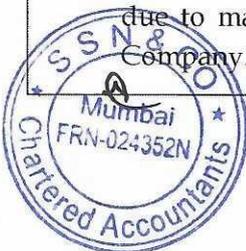
The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognized amounts without being contingent 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 Significant accounting judgments, estimates and assumptions:**

The preparation of financial statements in conformity with Ind AS requires that the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, as on the date of financial statement for the reporting period. 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 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. 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 judgments, evaluate and estimates various 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.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

## **2.4 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 recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

**(i) Trading gains and losses (as per Ind AS 109):**

Trading Income includes all gains and losses from changes in fair value for financial assets and financial liabilities held for trading. Gains and losses on sale of securities are recognized on trade date basis.

**(ii) Interest income on investments (as per Ind AS 109):**

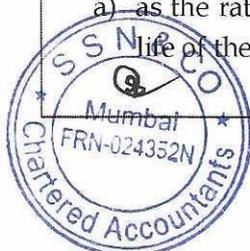
Interest incomes of investments classified as FVTPL and amortized are recognized on EIR basis. It is recognized on accrual basis and based on time apportioned, taking into account the amount outstanding and the rate applicable.

**(iii) Interest income on loans and advances (as per Ind AS 109):**

For all financial instruments measured at amortised cost, interest income Is recorded using the EIR, which is the rate that discounts the estimated future receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

**EIR in case of a financial asset is computed:**

a) as the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.



# AEROFLEX FINANCE PRIVATE LIMITED

( CIN NO : U65929MH2016PTC282853)

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

- b) By considering all the contractual terms of the financial instrument in estimating the cash flows. Including all fees received between parties to the contract that are an integral part of the EIR method, transaction costs, and all other premiums or discounts. Any subsequent changes in the estimation of the future cash flows are recognized in Interest income with the corresponding adjustment to the carrying amount of the assets. Interest income on credit impaired assets is recognized by applying the EIR method to the net amortized cost (net of provision) of the financial asset.

### **2.5 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.

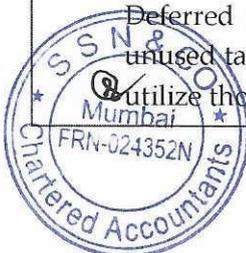
#### **Current Tax:**

The Income tax currently payable is based on the taxable profit for the year as per Income Tax Act 1961. 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.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

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

### **2.6 PROVISIONS AND CONTINGENT LIABILITIES :**

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. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not in wholly within the control of the Company. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is termed and disclosed as contingent liability.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

## **2.7 PROVISION FOR NON-PERFORMING ASSETS :**

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.

## **2.8 STANDARD ASSET PROVISIONING (COLLECTIVE ALLOWANCES)**

Provisions are established on a collective basis against loan assets classified as "Standard" to absorb credit losses on the aggregate exposures in each of the Company's loan portfolios based on the Reserve Bank of India Directions. A higher standard asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgement. This estimate includes consideration of economic and business conditions. The amount of the collective allowance for credit losses is the amount that is required to establish a

balance in the Provision for Standard Assets Account that the Company management considers adequate, after consideration of the prescribed minimum under the above mentioned directions, to absorb credit related losses in its portfolio of loan items after individual allowances or write offs

## **2.9 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.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

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 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.

#### **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.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

## **Impairment of Financial Assets :**

The Company applies the expected credit loss (ELC) 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.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above, the Company categories its loans into Stage 1. Stage 2 and Stage 3 as described below:

Stage 1- Performing financial assets for which there has been no significant deterioration in credit quality since initial recognition;

Stage 2 - Underperforming financial assets for which there has been a significant deterioration in credit quality since initial recognition but which are not credit-impaired; and

Stage 3 - Non-performing financial assets for which there has been a significant deterioration in credit quality since initial recognition and which have become credit-impaired.

For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the EIR to the amortised cost (net of provision) rather than the gross carrying amount.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

If an event (for e.g. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

In case of the company credit rating is not available for stage 1 assets, which are performing, then lowest rating of performing assets shall be used for the purposes of ECL calculation on a conservative basis.

### **Forward looking estimate :**

While estimating the ECL, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses the relationship between key economic trends with the estimate of PD

### **Probability of default**

The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period. if the facility has not been previously derecognized and is still in the portfolio.

### **Loss given default**

Loss given default inputs are determined by class of financial instrument based on historical experience of loss and recovery rates for similar financial instruments and other relevant industry data. Where appropriate, LGD inputs are adjusted to reflect the impact of collateral and other integral credit enhancements.

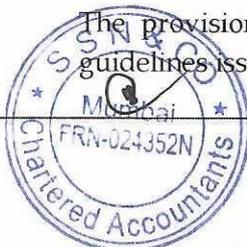
### **Exposure at default**

The exposure at default is an estimate of the exposure at a future default date.

### **Write off of loan assets**

Credit-impaired financial asset individually assessed for impairment are typically written-off when further cash flows are deemed uncollectible and when all commercially reasonable means of recovering outstanding principle and interest balances have been exhausted. Such a determination is based on factors such as the occurrence of significant changes in the obligor's financial position such that the obligor can no longer pay the obligation, or that the proceeds from collateral will not be sufficient to pay amounts due.

The provision calculated using the ECL model is compared with the prudential guidelines issued by RBI and higher of the two is provided in the books of account.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853 )**

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

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

### **De-recognition of Financial Assets :**

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 recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Trade payables amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. They are recognised initially at their fair value.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

## **b. Subsequent measurement**

The subsequent measurement of financial liabilities including borrowings depends on their classifications as follows:

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

Liabilities classified under fair value through profit or loss includes financial liabilities held-for-trading and financial liabilities designated at fair value through Statement of Profit and Loss.

Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. This category Includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships.

Subsequent to initial recognition, financial liabilities including borrowings at FVTPL are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognized in Statement of Profit and Loss.

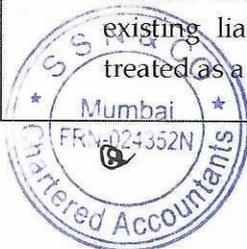
### **• Financial liabilities at amortised cost**

Financial liabilities that are not earned at fair value through profit or loss are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognised, and through the amortization process. Trade and other payables measured at amortized cost using the EIR method.

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

## **c. Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

The difference between the carrying value of the original financial liability and the consideration is recognized in Statement of Profit and Loss. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

### **2.10 FAIR VALUE MEASUREMENT:**

Fair value is the price that would be received, to sell an asset, or paid, to transfer a liability, in an orderly transaction between market participants at the measurement date. The 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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 categorization (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

The fair value measurement is based on the presumption that the transaction to sell an asset or transfer a liability would take place either:

a) In the principal market for an asset or liability or



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

## **NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

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

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The fair value hierarchy has the following levels :

**Level 1:** The financial instrument which is measured at a quoted price. Also includes application money pending allotment on the reporting date.

**Level 2:** The financial instrument that is not quoted in an active market. Such instrument is measured using various valuation techniques. The inputs for these valuation techniques are:

- a) Quoted price of similar instrument in an active market;
- b) Quoted price of identical or similar instrument in a market that is not active;
- c) Inputs other than quoted price that are observable for an instrument (e.g. yield curves, credit spreads, implied volatilities, etc.);
- d) Market-corroborated inputs.

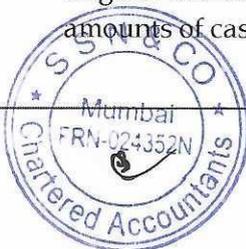
**Level 3:** The financial instrument for which one or more significant inputs are not based on observable market data.

### **2.11 OFFSETTING OF FINANCIAL INSTRUMENTS :**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realized the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### **2.12 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.



# AEROFLEX FINANCE PRIVATE LIMITED

( CIN NO : U65929MH2016PTC282853)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

## **2.13 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 2024**

₹ in Lakhs

**NOTE 3 : CASH & CASH EQUIVALENTS**

| PARTICULARS                                                                                | As at 31 Mar 2024 | As at 31 March 2023 |
|--------------------------------------------------------------------------------------------|-------------------|---------------------|
| (a) Cash on Hand                                                                           | 0.05              | 0.01                |
| (b) Balance with Banks<br>in Current Accounts                                              | 166.05            | 5.83                |
| (c) Fixed Deposit with Bank (Incl. of Accrued Interest) ( Maturity for Less than 3 Month ) | -                 | 77.62               |
| <b>TOTAL</b>                                                                               | <b>166.10</b>     | <b>83.47</b>        |

**NOTE 4 : BANK BALANCE OTHRES**

₹ in Lakhs

| PARTICULARS                                    | As at 31 Mar 2024 | As at 31 March 2023 |
|------------------------------------------------|-------------------|---------------------|
| Bank Deposit with less than 12 months maturity | 630.00            | -                   |
| Interest accrued on Fixed Deposits             | 14.74             | -                   |
| <b>Total</b>                                   | <b>644.74</b>     | <b>-</b>            |



**AEROFLEX FINANCE PRIVATE LIMITED**

[CIN : U65929MH2016PTC282853]

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024**

(' in Lakhs)

**NOTE 5 : LOANS**

|                                                    | CURRENT YEAR   |                                    |                        |                                                 | PREVIOUS YEAR  |                                    |                        |                                                 | Total  |
|----------------------------------------------------|----------------|------------------------------------|------------------------|-------------------------------------------------|----------------|------------------------------------|------------------------|-------------------------------------------------|--------|
|                                                    | Amortised cost | AT FAIR MARKET VALUE               |                        |                                                 | Amortised cost | AT FAIR MARKET VALUE               |                        |                                                 |        |
|                                                    |                | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss |                | Through Other Comprehensive Income | Through profit or loss | Designated at fair value through profit or loss |        |
| <b>Loans</b>                                       |                |                                    |                        |                                                 |                |                                    |                        |                                                 |        |
| <b>A) (i) Bills Purchased and Bills Discounted</b> | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| (ii) Loans repayable on Demand                     | 1,274.37       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |
| (iii) Term Loans                                   | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| (iv) Leasing                                       | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| (v) Factoring                                      | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| (vi) Others (to be specified)                      | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| <b>Total (A) - Gross</b>                           | 1,274.37       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |
| Less: Impairment loss allowance                    | 17.69          | -                                  | -                      | -                                               | 17.69          | -                                  | -                      | -                                               | -      |
| <b>Total (A) Net</b>                               | 1,256.68       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |
| <b>(B) OUT OF ABOVE</b>                            |                |                                    |                        |                                                 |                |                                    |                        |                                                 |        |
| (i) Secured by tangible assets                     | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| (ii) Secured by intangible assets                  | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| (iii) Covered by Bank/Government Guarantees        | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| (iv) Unsecured                                     | 1,256.68       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |
| <b>Total (B) - Gross</b>                           | 1,256.68       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |
| Less: Impairment loss allowance                    | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| <b>Total (B) Net</b>                               | 1,256.68       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |
| <b>(C) OUT OF ABOVE</b>                            |                |                                    |                        |                                                 |                |                                    |                        |                                                 |        |
| (i) Loans in India                                 | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| (ii) Public Sector                                 | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| (iii) Others (to be specified)                     | 1,256.68       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |
| <b>Total (C) - Gross</b>                           | 1,256.68       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |
| Less: Impairment loss allowance                    | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| <b>Total (C) (i) - Net</b>                         | 1,256.68       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |
| <b>(ii) Loans outside India</b>                    | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| Less: Impairment loss allowance                    | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| <b>Total (C) (ii) - Net</b>                        | -              | -                                  | -                      | -                                               | -              | -                                  | -                      | -                                               | -      |
| <b>Total C (i) and (ii) - Net</b>                  | 1,256.68       | -                                  | -                      | -                                               | 200.50         | -                                  | -                      | -                                               | 205.81 |



**NOTE 6 : OTHER CURRENT FINANCIAL ASSETS :**

₹ in Lakhs

| PARTICULARS                               | As at 31 Mar 2024     | As at 31 March 2023 |
|-------------------------------------------|-----------------------|---------------------|
| Interest accrued on loan, deposit etc.    | 31.37                 | -                   |
| Less: Provision Doubtful Interest on Loan | 31.37<br>1.70         | -                   |
| <b>TOTAL</b>                              | <b>TOTAL</b><br>29.67 | -                   |

**NOTE 7 : OTHER CURRENT NON-FINANCIAL ASSETS :**

₹ in Lakhs

| PARTICULARS    | As at 31 Mar 2024    | As at 31 March 2023 |
|----------------|----------------------|---------------------|
| Other Advances | 0.65                 | -                   |
| Prepaid Exp    | 0.32                 | 0.17                |
| <b>TOTAL</b>   | <b>TOTAL</b><br>0.97 | 0.17                |



**AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024**

**NOTE 8 : TRADE PAYABLE**

(Rs. In lakhs)

| PARTICULARS                                                                            | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------------------------------------------------------------|----------------------|----------------------|
| Total outstanding dues of micro enterprises and small enterprises                      | 1.58                 | -                    |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1.67                 | 1.52                 |
| <b>TOTAL</b>                                                                           | <b>3.25</b>          | <b>1.52</b>          |

Note : There are no unbilled and Not due trade payables, hence the same are not disclosed in the ageing schedule

**Trade payables ageing schedule as at 31st March 2024**

| PARTICULARS                                     | Outstanding for following YEARS from due date of payment |                  |           |           |                  | Total       |
|-------------------------------------------------|----------------------------------------------------------|------------------|-----------|-----------|------------------|-------------|
|                                                 | Less than 6 Months                                       | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 year |             |
| (i) Undisputed -Micro & small enterprises       | 1.58                                                     | -                | -         | -         | -                | 1.58        |
| (ii) Undisputed Others                          | 1.67                                                     | -                | -         | -         | -                | 1.67        |
| (iii) Disputed dues – Micro & small enterprises | -                                                        | -                | -         | -         | -                | -           |
| (iv) Disputed dues - Others                     | -                                                        | -                | -         | -         | -                | -           |
| <b>Total</b>                                    | <b>3.25</b>                                              | <b>-</b>         | <b>-</b>  | <b>-</b>  | <b>-</b>         | <b>3.25</b> |

**Trade payables ageing schedule as at 31st March 2023**

| PARTICULARS                                     | Outstanding for following YEARS from due date of payment |                  |           |           |                  | Total       |
|-------------------------------------------------|----------------------------------------------------------|------------------|-----------|-----------|------------------|-------------|
|                                                 | Less than 6 Months                                       | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 year |             |
| (i) Undisputed -Micro & small enterprises       | -                                                        | -                | -         | -         | -                | -           |
| (ii) Undisputed Others                          | 1.52                                                     | -                | -         | -         | -                | 1.52        |
| (iii) Disputed dues – Micro & small enterprises | -                                                        | -                | -         | -         | -                | -           |
| (iv) Disputed dues - Others                     | -                                                        | -                | -         | -         | -                | -           |
| <b>Total</b>                                    | <b>1.52</b>                                              | <b>-</b>         | <b>-</b>  | <b>-</b>  | <b>-</b>         | <b>1.52</b> |



**AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024**

**NOTE 9 : BORROWINGS**

₹ in Lakhs

| PARTICULARS                                               | As on 31st March 2024 |                                      |                                                 | As on 31st March 2023 |                   |                                      |                                                 |                 |
|-----------------------------------------------------------|-----------------------|--------------------------------------|-------------------------------------------------|-----------------------|-------------------|--------------------------------------|-------------------------------------------------|-----------------|
|                                                           | At Amortised Cost     | At fair value Through profit or loss | Designated at fair value through profit or loss | Total                 | At Amortised Cost | At fair value Through profit or loss | Designated at fair value through profit or loss | Total           |
|                                                           | 1                     | 2                                    | 3                                               | (4)=(1)+(2)+(3)       | 1                 | 2                                    | 3                                               | (4)=(1)+(2)+(3) |
| (a) Term loans                                            |                       |                                      |                                                 |                       |                   |                                      |                                                 |                 |
| i) From banks                                             | -                     | -                                    | -                                               | -                     | -                 | -                                    | -                                               | -               |
| ii) From other parties                                    | -                     | -                                    | -                                               | -                     | -                 | -                                    | -                                               | -               |
| (b) Deferred payment liabilities                          | -                     | -                                    | -                                               | -                     | -                 | -                                    | -                                               | -               |
| (c) Loans from related parties                            | 361.00                | -                                    | -                                               | 361.00                | -                 | -                                    | -                                               | -               |
| (d) Finance lease obligations                             | -                     | -                                    | -                                               | -                     | -                 | -                                    | -                                               | -               |
| (e) Liability component of compound financial instruments | -                     | -                                    | -                                               | -                     | -                 | -                                    | -                                               | -               |
| (f) Loans repayable on demand                             | -                     | -                                    | -                                               | -                     | -                 | -                                    | -                                               | -               |
| i) From banks                                             | -                     | -                                    | -                                               | -                     | -                 | -                                    | -                                               | -               |
| ii) From other parties                                    | 288.71                | 0.06                                 | -                                               | 288.77                | -                 | -                                    | -                                               | -               |
| (g) Other loans (specify nature)                          | -                     | -                                    | -                                               | -                     | -                 | -                                    | -                                               | -               |
| <b>Total (A)</b>                                          | <b>649.71</b>         | <b>0.06</b>                          |                                                 | <b>649.77</b>         |                   |                                      |                                                 |                 |
| Borrowings in India                                       | 649.71                | 0.06                                 |                                                 | 649.77                |                   |                                      |                                                 |                 |
| Borrowings outside India                                  | -                     | -                                    |                                                 | -                     |                   |                                      |                                                 |                 |
| <b>Total (B) to tally with (A)</b>                        | <b>649.71</b>         | <b>0.06</b>                          |                                                 | <b>649.77</b>         |                   |                                      |                                                 |                 |



**NOTE 10 : OTHER FINANCIAL CURRENT LIABILITIES**

₹ in Lakhs

| PARTICULARS           | As at 31 Mar 2024 | As at 31 March 2023 |
|-----------------------|-------------------|---------------------|
| Statutory Liabilities | 1.71              | -                   |
| <b>TOTAL</b>          | <b>1.71</b>       | <b>-</b>            |

**NOTE 11 : CURRENT TAX LIABILITIES**

₹ in Lakhs

| PARTICULARS                      | As at 31 Mar 2024 | As at 31 March 2023 |
|----------------------------------|-------------------|---------------------|
| Income Tax (Net of advance tax ) | 12.91             | 0.39                |
| <b>TOTAL</b>                     | <b>12.91</b>      | <b>0.39</b>         |

**NOTE 12 : OTHER NON-FINANCIAL CURRENT LIABILITIES**

₹ in Lakhs

| PARTICULARS                                                      | As at 31 Mar 2024 | As at 31 March 2023 |
|------------------------------------------------------------------|-------------------|---------------------|
| Other Liabilities:-Performance interest bearing security deposit | 572.13            | -                   |
| <b>TOTAL</b>                                                     | <b>572.13</b>     | <b>-</b>            |



**AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024****NOTE 13 : SHARE CAPITAL**

₹ in Lakhs

**SHARE DETAILS**

| PARTICULARS                  | As at 31 March 2024 |               | As at 31 March 2023 |               |
|------------------------------|---------------------|---------------|---------------------|---------------|
|                              | No. of Shares       | AMOUNT (₹)    | No. of Shares       | AMOUNT (₹)    |
| Authorised Share Capital     |                     |               |                     |               |
| Equity Shares of 10/- each   | 80,00,000           | 800.00        | 30,00,000           | 300.00        |
|                              | <b>80,00,000</b>    | <b>800.00</b> | <b>30,00,000</b>    | <b>300.00</b> |
| Issued, Subscribed & Paid up |                     |               |                     |               |
| Equity Shares of 10/- each   | 71,00,000           | 710.00        | 21,00,000           | 210.00        |
| <b>TOTAL</b>                 | <b>71,00,000</b>    | <b>710.00</b> | <b>21,00,000</b>    | <b>210.00</b> |

**Reconciliation of Number of shares :**

| PARTICULARS                                            | As at 31 Mar 2024 |            | As at 31 March 2023 |            |
|--------------------------------------------------------|-------------------|------------|---------------------|------------|
|                                                        | 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                   | 50,00,000         | 500.00     | -                   | -          |
| Equity Shares bought back during the year              | -                 | -          | -                   | -          |
| Equity Shares outstanding at the end of the year       | 71,00,000         | 710.00     | 21,00,000           | 210.00     |

**Shares held by its holding Companies:**

| Name of Shareholder               | As at 31 Mar 2024  |              | As at 31 March 2023 |              |
|-----------------------------------|--------------------|--------------|---------------------|--------------|
|                                   | No. of Shares held | % of Holding | No. of Shares held  | % of Holding |
| Sat Industries Ltd & its Nominees | 71,00,000          | 100.00%      | 21,00,000           | 100.00%      |

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

| Name of Shareholder               | As at 31 Mar 2024  |              | As at 31 March 2023 |              |
|-----------------------------------|--------------------|--------------|---------------------|--------------|
|                                   | No. of Shares held | % of Holding | No. of Shares held  | % of Holding |
| Sat Industries Ltd & its Nominees | 71,00,000          | 100.00%      | 21,00,000           | 100.00%      |

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.

**NOTE 14 : OTHER EQUITY**

₹ in Lakhs

| PARTICULARS                                                                     | As at 31 Mar 2024 | As at 31 March 2023 |
|---------------------------------------------------------------------------------|-------------------|---------------------|
| <b>1. STATUTORY RESERVE</b>                                                     |                   |                     |
| As per the last year accounts                                                   | 13.51             | 10.19               |
| Add: Addition during the year                                                   | 14.37             | 3.32                |
| <b>Total (A)</b>                                                                | <b>27.88</b>      | <b>13.51</b>        |
| <b>2. RETAINED EARNINGS</b>                                                     |                   |                     |
| As per the last year accounts                                                   | 64.03             | 50.75               |
| Add: Surplus for the year                                                       | 71.86             | 16.60               |
|                                                                                 | 135.89            | 67.35               |
| Less : Transfer to Statutory reserves as per Section 45-IC of the RBI Act, 1934 | 14.37             | 3.32                |
| Less : Expenses towards equity investment                                       | 1.00              | -                   |
|                                                                                 | 120.52            | 64.03               |
| <b>TOTAL (A+B)</b>                                                              | <b>148.40</b>     | <b>77.54</b>        |



**AEROFLEX FINANCE PRIVATE LIMITED**

(CIN : U65929MH2016PTC282853)

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024**

**NOTE 15 : REVENUE FROM OPERATIONS**

₹ in Lakhs

| PARTICULARS                      | As at 31 Mar 2024                                      |                                                |                                                                                     | As at 31 March 2023                                    |                                                |                                                                                     |
|----------------------------------|--------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------------------------------|
|                                  | On Financial Assets measured at fair value through OCI | On Financial Assets measured at Amortised Cost | Interest Income on Financial Assets classified at fair value through profit or loss | On Financial Assets measured at fair value through OCI | On Financial Assets measured at Amortised Cost | Interest Income on Financial Assets classified at fair value through profit or loss |
| Interest on Loans                | -                                                      | 569.11                                         | -                                                                                   | -                                                      | 27.69                                          | -                                                                                   |
| Interest income from investments | -                                                      | -                                              | -                                                                                   | -                                                      | -                                              | -                                                                                   |
| Interest on deposits with Banks  | -                                                      | 39.16                                          | -                                                                                   | -                                                      | 1.24                                           | -                                                                                   |
| Other interest Income            | -                                                      | -                                              | -                                                                                   | -                                                      | -                                              | -                                                                                   |
| <b>TOTAL</b>                     | -                                                      | <b>608.27</b>                                  | -                                                                                   | -                                                      | <b>28.93</b>                                   | -                                                                                   |

**NOTE 16 : FINANCE COST**

| PARTICULARS                          | As at 31 Mar 2024                                                      |                                                     | As at 31 March 2023                                                    |                                                     |
|--------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------|
|                                      | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost |
| Interest on deposits                 | -                                                                      | -                                                   | -                                                                      | -                                                   |
| Interest on borrowings               | 213.46                                                                 | -                                                   | -                                                                      | -                                                   |
| Interest on debt securities          | -                                                                      | -                                                   | -                                                                      | -                                                   |
| Interest on subordinated liabilities | -                                                                      | -                                                   | -                                                                      | -                                                   |
| Other interest expense               | 13.53                                                                  | -                                                   | -                                                                      | -                                                   |
| <b>TOTAL</b>                         | <b>226.99</b>                                                          | -                                                   | -                                                                      | -                                                   |

**NOTE 17 : EMPLOYEE BENEFITS EXPENSES**

₹ in Lakhs

| PARTICULARS                    | As at 31 Mar 2024 | As at 31 March 2023 |
|--------------------------------|-------------------|---------------------|
| Salary, Bonus & Other Benefits | 8.55              | 5.14                |
| <b>TOTAL</b>                   | <b>8.55</b>       | <b>5.14</b>         |

**NOTE 18 : OTHER EXPENSES**

₹ in Lakhs

| PARTICULARS                                                  | As at 31 Mar 2024 | As at 31 March 2023 |
|--------------------------------------------------------------|-------------------|---------------------|
| Legal & Professional Fees                                    | 1.61              | 0.91                |
| Filing Fees                                                  | 3.91              | 0.12                |
| Audit Fees                                                   | 0.35              | 0.18                |
| Membership and Subscription Charges                          | 8.19              | 0.12                |
| Professional Tax                                             | 0.03              | 0.03                |
| Office Expenses                                              | 0.06              | 0.14                |
| Web Related Expenses                                         | 0.83              | 0.01                |
| Bad-debts towards Principal Recovery of Loans                | 215.12            | -                   |
| Bad-debts towards Interest Recovery of Loans                 | 20.68             | -                   |
| Provision for Doubtful Loan Recovery of Interest & Principal | 19.39             | -                   |
| Conveyance Expenses                                          | 0.01              | -                   |
| Miscellaneous Expenses                                       | 0.00              | 0.03                |
| Bank Charges                                                 | 0.00              | 0.00                |
| <b>TOTAL</b>                                                 | <b>270.18</b>     | <b>1.53</b>         |



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

## **19. REMUNERATION TO AUDITORS:**

(₹ in Lakhs)

| PARTICULARS         | As at 31 <sup>st</sup> March 2024 | As at 31 <sup>st</sup> March 2023 |
|---------------------|-----------------------------------|-----------------------------------|
| Statutory Audit Fee | 0.20                              | 0.15                              |

## **20. EARNINGS PER SHARE :**

| PARTICULARS                                         | As at<br>31.03.2024<br>AMOUNT (₹) | As at<br>31.03.2023<br>AMOUNT (₹) |
|-----------------------------------------------------|-----------------------------------|-----------------------------------|
| Net profit after taxation for the year (₹ in Lakhs) | 71.86                             | 16.60                             |
| Number of Equity shares for Basic / Diluted EPS     | 71,00,000                         | 21,00,000                         |
| Nominal Value of Equity Shares (₹)                  | 10                                | 10                                |
| Basic / Diluted earnings per Equity Share (₹)       | 1.01                              | 0.79                              |

21. 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.

22. 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.

## **23. 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.

## **24. 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.



# AEROFLEX FINANCE PRIVATE LIMITED

( CIN NO : U65929MH2016PTC282853)

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

**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 2024 as well as in previous year ended on 31<sup>st</sup> March 2023.

### **25. 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.



# AEROFLEX FINANCE PRIVATE LIMITED

( CIN NO : U65929MH2016PTC282853)

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

- 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 companies 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. The company is much exposed to credit risk as there are unsecured loans given to various individual parties. There is high level of the credit risk with respect to such unsecured loans provided by the company. Recovery of the such defaults in unsecured loans given by the company 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.
- D. The Company has debited Rs 215.20 lakhs towards the bad-debts of the principal amount of the loans given which has become irrecoverable (ie Impairment of the financial instrument), the company has also written off the interest amount for Rs 20.68 lakhs as bad-debts which has been accrued on the loans impaired of Rs 215.20 lakhs. The company has further debited Rs 19.39 lakhs towards the provision for bad-debts towards principal & interest accrued thereon of such loans which for which the recovery is doubtful at the year ended.



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

## **26. RATIOS ANALYSIS:**

| <b>Sr No</b> | <b>Particulars of Ratio</b>           | <b>Numerator &amp; Denominator</b>                                   | <b>Ratio as on 31<sup>st</sup> March 2024</b> | <b>Ratio as on 31<sup>st</sup> March 2023</b> |
|--------------|---------------------------------------|----------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| 1            | Capital to risk-weighted assets ratio | Tier 1 Capital + Tier 2 Capital / Total Risk Weighted Assets         | 0.65                                          | 1.33                                          |
| 2            | Tier I CRAR                           | Tier 1 Capital / Total Risk Weighted Assets                          | 0.65                                          | 1.33                                          |
| 3            | Tier 2 CRAR                           | Tier 2 Capital / Total Risk Weighted Assets                          | 0.00                                          | 0.00                                          |
| 4            | Liquidity Coverage Ratio              | High-Quality Liquid Asset Amount (HQLA) / Total Net Cash Flow Amount | 1.11                                          | 1.06                                          |

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.

27. Disclosure pursuant to RBI circular DOR.CRE.REC.No.60/03.10.00112021-22 dated October 22, 2021 on 'Seale Based Regulation (SBR): A Revised Regulatory Framework' for NBFCs read with RBI/2022 23/26 DOR.ACC.REC.No.20/21.04.01812022-23 dated April 19, 2022 on Disclosures in Financial Statements- Notes to Accounts of NBFCs

**27.1 Exposure to real estate sector :**

The company has no exposure to the real Estate sector.

**27.2 Exposure to capital Market :**

The company has no exposure to the Capital Market

**27.3 Exposure to capital Market :**

The company has no exposure to the Capital Market

**27.4 Intra-group exposures**

The company has no Intra group exposure during the year period & previous year.

**27.5 Unhedged foreign currency exposure**

The company does not have any unhedged foreign currency exposure.



# AEROFLEX FINANCE PRIVATE LIMITED

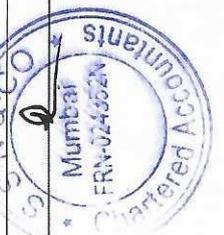
(CIN NO : U65929MH2016PTC282853)

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

### 27.6 Sector wise exposure:

The company has sector wise exposure as follows :

| Sectors                              | As on 31 <sup>st</sup> March 2024                                                  |               |                                                                    | As on 31 <sup>st</sup> March 2023                                                  |               |                                                                    |
|--------------------------------------|------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------|
|                                      | Total Exposure<br>(includes on balance<br>sheet and off-balance<br>sheet exposure) | Gross<br>NPAs | Percentage of<br>Gross NPAs to<br>total exposure<br>in that sector | Total Exposure<br>(includes on balance<br>sheet and off-balance<br>sheet exposure) | Gross<br>NPAs | Percentage of<br>Gross NPAs to<br>total exposure<br>in that sector |
| i) Agriculture and Allied Activities | -                                                                                  | -             | -                                                                  | -                                                                                  | -             | -                                                                  |
| ii) Industry                         |                                                                                    |               |                                                                    |                                                                                    |               |                                                                    |
| a) Manufacturing                     | 100.00                                                                             | -             | -                                                                  | 154.00                                                                             | -             | -                                                                  |
| b) Trading                           | -                                                                                  | -             | -                                                                  | -                                                                                  | -             | -                                                                  |
| c) Others                            | -                                                                                  | -             | -                                                                  | -                                                                                  | -             | -                                                                  |
| Total of Industry                    | <b>100.00</b>                                                                      | -             | -                                                                  | <b>154.00</b>                                                                      | -             | -                                                                  |
| iii) Services                        |                                                                                    |               |                                                                    |                                                                                    |               |                                                                    |
| a) Tourism, Hotel & Restaurants      | 50.00                                                                              | -             | -                                                                  | -                                                                                  | -             | -                                                                  |
| b) Computer Software                 | -                                                                                  | -             | -                                                                  | -                                                                                  | -             | -                                                                  |
| c) Trade - Wholesale Trade           | 479.87                                                                             | -             | -                                                                  | -                                                                                  | -             | -                                                                  |
| d) Commercial Real Estate            | -                                                                                  | -             | -                                                                  | 34.60                                                                              | -             | -                                                                  |
| Total of Services                    | <b>529.87</b>                                                                      | -             | -                                                                  | <b>34.60</b>                                                                       | -             | -                                                                  |
| iv) Retail Loans                     |                                                                                    |               |                                                                    |                                                                                    |               |                                                                    |
| a) Housing Loans                     | -                                                                                  | -             | -                                                                  | -                                                                                  | -             | -                                                                  |
| b) Vehicle / Auto Loans              | -                                                                                  | -             | -                                                                  | -                                                                                  | -             | -                                                                  |
| c) Others Retail Loan                | 644.51                                                                             | 17.69         | 2.74%                                                              | 17.20                                                                              | -             | -                                                                  |
| Total of Retail Loans                | <b>644.51</b>                                                                      | <b>17.69</b>  | <b>2.74%</b>                                                       | <b>17.20</b>                                                                       | -             | -                                                                  |
| v) Others, if any (please specify)   | -                                                                                  | -             | -                                                                  | -                                                                                  | -             | -                                                                  |



# AEROFLEX FINANCE PRIVATE LIMITED

( CIN NO : U65929MH2016PTC282853)

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

27.7 There has been no instance of breach of covenant of loan availed or debt securities Issued on the company during the financial year

27.8 **Divergence in Asset Classification and Provisioning:**

- a) There is no provisioning requirement to be disclosed for financial year 2022-23
- b) The company does not have any non-performing assets (NPAs) during the year

28. **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% 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.

29. **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

Details of transactions with related parties are given in below mentioned table :



# AEROFLEX FINANCE PRIVATE LIMITED

(CIN NO : U65929MH2016PTC282853)

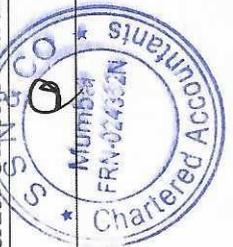
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

## A) RELATED PARTY DISCLOSURE:

| Particulars                     | Parent (as per ownership or control) |            | Key Management Personnel |            | Relatives of Key Management Personnel |            | Others     |            | Total      |            |
|---------------------------------|--------------------------------------|------------|--------------------------|------------|---------------------------------------|------------|------------|------------|------------|------------|
|                                 | 31.03.2024                           | 31.03.2023 | 31.03.2024               | 31.03.2023 | 31.03.2024                            | 31.03.2023 | 31.03.2024 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| Borrowings                      | 361.00                               | -          | -                        | -          | -                                     | -          | -          | -          | 361.00     | -          |
| Deposits                        | -                                    | -          | -                        | -          | -                                     | -          | -          | -          | -          | -          |
| Placement of deposits           | -                                    | -          | -                        | -          | -                                     | -          | -          | -          | -          | -          |
| Advances                        | -                                    | -          | -                        | -          | -                                     | -          | -          | -          | -          | -          |
| Investments                     | -                                    | -          | -                        | -          | -                                     | -          | -          | -          | -          | -          |
| Purchase of fixed/ other assets | -                                    | -          | -                        | -          | -                                     | -          | -          | -          | -          | -          |
| Sale of fixed/ other assets     | -                                    | -          | -                        | -          | -                                     | -          | -          | -          | -          | -          |
| Interest paid                   | -                                    | -          | -                        | -          | -                                     | -          | -          | -          | -          | -          |
| Interest received               | -                                    | -          | -                        | -          | -                                     | -          | -          | -          | -          | -          |
| Remuneration                    | -                                    | -          | 1.00                     | 1.00       | -                                     | -          | -          | -          | 1.00       | 1.00       |

## B) LOANS TO DIRECTORS, SENIOR OFFICERS AND RELATIVES OF DIRECTORS:

| PARTICULARS                                            | As on                       |                             |
|--------------------------------------------------------|-----------------------------|-----------------------------|
|                                                        | 31 <sup>st</sup> March 2024 | 31 <sup>st</sup> March 2023 |
| Directors and their relatives                          | -                           | -                           |
| Entities associated with directors and their relatives | -                           | -                           |
| Senior Officers and their relatives                    | -                           | -                           |



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

## **30. DISCLOSURE OF COMPLAINTS :**

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

| <b>Sr. No</b> | <b>PARTICULARS</b>                                                                                          | <b>As at 31.03.2024</b> | <b>As at 31.03.2023</b> |
|---------------|-------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|               | Complaints received by the NBFC from its customers                                                          |                         |                         |
| <b>1</b>      | Number of complaints pending at beginning of the year                                                       | -                       | -                       |
| <b>2</b>      | Number of complaints received during the year                                                               | -                       | -                       |
| <b>3</b>      | Number of complaints disposed during the year                                                               |                         |                         |
| 3.1           | Of which, number of complaints rejected by the NBFC                                                         | -                       | -                       |
| <b>4</b>      | Number of complaints pending at the end of the year                                                         | -                       | -                       |
|               | Maintainable complaints received by the NBFC from Office of Ombudsman                                       |                         |                         |
| <b>5*</b>     | Number of maintainable complaints received by the NBFC from Office of Ombudsman                             |                         |                         |
| 5.1           | Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman                            | N.A                     | N.A                     |
| 5.2           | Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman | N.A                     | N.A                     |
| 5.3           | Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC         | N.A                     | N.A                     |
| <b>6*</b>     | Number of Awards unimplemented within the stipulated time (other than those appealed)                       | N.A                     | N.A                     |

\* It shall only be applicable to NBFCs which are included under The Reserve Bank Integrated Ombudsman Scheme, 2021

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.



# AEROFLEX FINANCE PRIVATE LIMITED

(CIN NO : U65929MH2016PTC282853)

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

2) Top five grounds (2) of complaints received by the NBFCs from customers

| Grounds of complaints, (i.e. complaints relating to) | Number of complaints pending at the beginning of the year | Number of complaints received during the year | % increase/ decrease in the number of complaints received over the previous year | Number of complaints pending at the end of the year | Of 5, number of complaints pending beyond 30 days |
|------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------|
| 1                                                    | 2                                                         | 3                                             | 4                                                                                | 5                                                   | 6                                                 |
| <b>AS ON YEAR ENDED 31<sup>ST</sup> MARCH 2024</b>   |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Ground - 1                                           |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Ground - 2                                           |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Ground - 3                                           |                                                           |                                               | NIL                                                                              |                                                     |                                                   |
| Ground - 4                                           |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Ground - 5                                           |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Total                                                |                                                           |                                               |                                                                                  |                                                     |                                                   |
| <b>AS ON YEAR ENDED 31<sup>ST</sup> MARCH 2023</b>   |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Ground - 1                                           |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Ground - 2                                           |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Ground - 3                                           |                                                           |                                               | NIL                                                                              |                                                     |                                                   |
| Ground - 4                                           |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Ground - 5                                           |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Total                                                |                                                           |                                               |                                                                                  |                                                     |                                                   |

Note - (2) The list of grounds of complaints given below are indicative only

|                                                                                     |                                          |                    |                                                                                              |                       |
|-------------------------------------------------------------------------------------|------------------------------------------|--------------------|----------------------------------------------------------------------------------------------|-----------------------|
| 1. Credit Cards                                                                     | 2. Difficulty in operation of accounts   | 3. Mis-selling     | 4. Recovery Agents/ Direct Sales Agents                                                      | 5. Loans and advances |
| 6. Levy of charges without prior notice/ excessive charges/ for closure of accounts | 7. Non-observance of fair practices code | 8. Staff behaviour | 9. Facilities for customers visiting the office/ adherence to prescribed working hours, etc. | 10. Others            |



# AEROFLEX FINANCE PRIVATE LIMITED

( CIN NO : U65929MH2016PTC282853)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

## 31. OTHER DISCLOSURES :

- 31.1 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.
- 31.2 Additional liability if any, arising pursuant to respective assessment under various fiscal statues, shall be accounted for in the year of assessment.
- 31.3 There is no contingent liability and capital commitment.
- 31.4 Provision for Income Tax has been made based on the assessable income as per Income Tax Act, 1961.
- 31.5 The company has not traded or invested in crypto currency or virtual currency during the financial year.
- 31.6 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.
- 31.7 The company is not covered under the requirements of Section 135 of the Companies Act, 2013, with respect to the CSR activities.
- 31.8 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.
- 31.9 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.
- 31.10 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 FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

- 31.11** 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.
- 31.12** The company has do not have any charge which are required to be registered with ROC under the terms of the loans & liabilities.
- 31.13** 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.
- 31.14** 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.
- 31.15** The company do not have any Tangible or Intangible assets under work in progress during the year and at the year ended.
- 31.16** 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.
- 32.** During the year under review, there was NIL (PY NIL) foreign exchange earnings & outgo



# **AEROFLEX FINANCE PRIVATE LIMITED**

**( CIN NO : U65929MH2016PTC282853)**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024**

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

Notes from "1 " to " 33 " form an integral part of the Accounts.

As per our Report of even date attached

For and on behalf of the Board

**For S S N & CO.**

CHARTERED ACCOUNTANTS

F.R.N. : 024352N



**SUSIL K GUPTA**

(Partner)

Membership No : 060315

Place : Mumbai

Dated : 2<sup>nd</sup> May 2024

UDIN No : 24060315BKHKHY3374



**ASAD DAUD**

(DIRECTOR)

(DIN-02491539)



**VIJAY KUMAR NALWAYA**

(WHOLETIME DIRECTOR)

(DIN-07855530)

