

INDEPENDENT AUDITOR'S REPORT

To the Members of ASTRA RAFAEL COMSYS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **ASTRA RAFAEL COMSYS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 auditors 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters

For **KIRTANE & PANDIT LLP**
Chartered Accountants
FRN-105215 W/W 100057

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CA. SHAM SUNDER. K
Partner
M. No. 203380

were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We determined that there are no key audit matters to communicate in our report.

Responsibility of Management for Standalone Financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

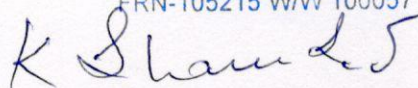
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement where 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 a part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- 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

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basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our audit report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

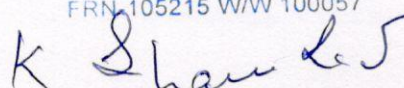
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by 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 companies Act, 2013, we give in the **Annexure A** statement on the matters specified in the paragraph 3 and 4 of the Order, to extent applicable.

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) We do not have any observation or comment on the financial statements or matters which may have any adverse effect on the functioning of the company.

For KIRTANE & PANDIT LLP
Chartered Accountants
FRN 105215 W/W 100057



CA. SHAM SUNDER. K
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M No 203380

- (f) On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) We do not have any Qualification, reservation or adverse remarks relating to maintenance of accounts and other matters concerned herewith.
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls as per the provisions of the Companies Act 2013, the company need not report on those matters.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Kirtane & Pandit LLP
Chartered Accountants
F R No. 0105215W

K. Sham Sunder K

CA Sham Sunder K
Partner

Membership No.203380

UDIN: *23203380BGNAPS3911*

Place: Hyderabad

Date: *16/05/2022*



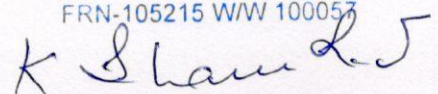
"ANNEXURE A" TO THE AUDITORS' REPORT

(Referred to in para I under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Astra Rafael Comsys Private Limited)

The annexure referred to in our Independent Auditor's report to the members of the company on the standalone financial statements for the year ended 31 March 2023, we report that:

- i. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
(b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
(c) The title deeds of immovable properties are held in the name of the company.
- ii. a) Physical verification at reasonable periods in respect of finished goods are reported to have been made by management and certified by them accordingly. In our opinion the frequency of verification is reasonable.
b) No material discrepancies noticed on physical verification of the inventory as compared to books records.
- iii. a) The company has not granted loans secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the companies act 2013('the Act').
b) Accordingly, paragraph 3(iii)(a) &(b) of the order is not applicable to the Company in respect of repayment of the principal amount.
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of section 185 and 186 of the Act.
- v. The company has not accepted any deposits as applicable under the directives by the Reserve Bank of India and provisions of sections 73 to 76 or any provisions of the Act and rules framed there under. Accordingly, the provisions of clause 3(v) of said orders are not applicable.
- vi. To the best of our knowledge and explanation given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities rendered by the Company. Accordingly, the provisions of clause 3(vi) of the said Order are not applicable.
- vii. (a) According to the records of the company, undisputed statutory dues including provident fund, employee's state insurance, Income tax, Goods and

For KIRTANE & PANDIT LLP
Chartered Accountants
FRN-105215 W/W 100057



CA. SHAM SUNDER. K
Partner
M. No. 203380

Service Tax and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees state insurance, Income tax, Goods and Service Tax and other statutory dues which were outstanding, at the year-end for the period of more than 6 months from the date they become payable.

(b) According to the information and explanations given to us, there are no materials dues of Income Tax, Goods and Service Tax and other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

- viii. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of principal and interest to any bank/financial institutions during the year. The Company has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has not been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act:
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, according to explanations and information given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and as required by the applicable accounting Standards, the details of the transactions with the related parties have been disclosed in the notes to the financial Statements.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

For KIRTANE & PANDIT LLP
Chartered Accountants
FRN-105215 W/W 100057

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CA. SHAM SUNDER. K
Partner
M No 203380

- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
- xvii. The Company has incurred cash loss of Rs. 4.11 Crores (FY 2022-23) and Rs. 3.30 Crores (FY 2021-22)
- xviii. Clause 3(xviii) relating to resignation of auditor during the year is not applicable and hence has not been commented upon.
- xix. Based upon the audit procedures performed and the information and explanation given by the management and based on the management's plan, there is no material uncertainty as on the date of audit regarding the Company's capability of meeting its liabilities as and when they fall due. As such, Clause 3(xix) has not been commented upon.
- xx. Clause 3(xx) relating to transfer of unspent amount under section 135 (5) of the Companies Act is not applicable to the Company and as such has not been commented upon.
- xxi. As these are standalone financial statements, clause 3(xxi) is not applicable and hence not commented upon.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No: 0105215W

K. Sham Sunder K.

CA Sham sunder K

Partner

Membership no.203380

UDIN: *23023380 BAWAPS3911*

Place: Hyderabad

Date: *16/05/2023*



ASTRA RAFAEL COMSYS PRIVATE LIMITED

BALANCE SHEET AS AT 31st MARCH 2023

All amounts in INR Lakhs, unless otherwise stated

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2	2474.82	2505.47
Capital Work-in-progress		3255.53	47.79
Intangible assets		4.12	5.97
Financial assets			
i. Other financial assets	3	9.81	9.53
Deferred tax assets (Net)	4	627.35	442.99
Total non-current assets		6371.64	3011.75
Current assets			
Inventories	6	12430.59	5185.71
Financial assets			
i. Investments	7	70.89	720.01
ii. Cash and cash equivalents	8A	2.43	9.17
iii. Other bank balances	8B	654.03	612.91
iv. Trade Receivables	8C	1246.11	12.37
Current tax assets (net)	9	4.42	3.95
Other current assets	5	2976.73	2155.61
Total current assets		17385.18	8699.73
Total assets		23756.82	11711.48
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	4000.00	4000.00
Other equity	11	(1940.63)	(1347.84)
Total equity		2059.37	2652.16
LIABILITIES			
Non Current Liabilities			
i. Long term liabilities	12 (b)	3251.44	-
		3251.44	
Current liabilities			
Financial liabilities			
i. Borrowings	15	108.98	-
ii. Trade payables	12 (a)		
a) Total outstanding dues of Micro Enterprises and Small Enterprises		316.31	11.72
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		3171.07	187.28
iv. Other financial liabilities	13	842.42	952.80
Other current liabilities	14	14007.22	7907.52
Total current liabilities		18446.01	9059.32
Total liabilities		21697.44	9059.32
Total equity and liabilities		23756.82	11711.48

Summary of significant accounting policies

The notes are an integral part of these financial statements.

As per our Report of even date
For KIRTANE & PANDIT LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 0105215W

K S Sunder K
(CA Sham Sunder K)
Partner
Membership Number: 203380
UDIN: 23203380R9WAPS3911

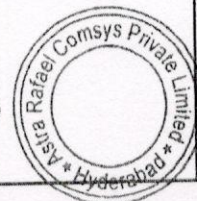
For and on behalf of the Board of Directors

(S.GURUNATH REDDY) (M.VENKATESHWAR REDDY)
Director Director
DIN : 00003828 DIN : 00421401

Place : Hyderabad
Date : 16.05.2023



(B.ROOPENDRA PRASAD)
Company Secretary
FCS : 11830



Astra Rafael Comsys Private Limited

Statement of profit and loss for the year ended March 31, 2023

All amounts in INR Lakhs, unless otherwise stated

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income :			
Revenue from operations	16	622.65	2540.80
Other income	17	50.10	34.56
Total income		672.75	2575.37
Expenses :			
Cost of Material Consumed	18	2675.60	2068.90
Changes in Inventories	19	(2423.35)	(118.00)
Employees benefits Expenses	20	410.47	592.54
Depreciation and amortisation Expenses	21	363.65	239.27
Other Expenses	22	423.53	362.60
Total Expenses		1449.90	3145.31
Profit/(loss) before tax		(777.15)	(569.94)
Tax expense			
- Current tax		-	-
- Deferred tax		184.36	110.20
Net profit / (loss) for the year		(592.79)	(459.74)
Other comprehensive income :			
Items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(592.79)	(459.74)
Earnings per equity share			
Basic earnings per share	24	(1.48)	(1.15)
Diluted earnings per share		(1.48)	(1.15)

Summary of significant accounting policies
The notes are an integral part of these financial statements.

As per our Report of even date
For KIRTANE & PANDIT LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 0105215W

K. Shamsud
(CA Sham Sunder K)
Partner
Membership Number: 203380
UDIN: 23203380B9WAPS3911

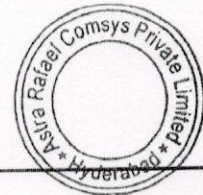
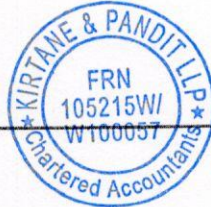
For and on behalf of the Board of Directors

(S. GURUNATHA REDDY)
Director
DIN : 00003828

(M. VENKATESHWAR REDDY)
Director
DIN : 00421401

(B. ROOPENDRA PRASAD)
Company Secretary
FCS : 11830

Place : Hyderabad
Date : 16.05.2023



Astra Rafael Comsys Private Limited

Statement of changes in equity for the year ended March 31, 2023

All amounts in INR Lakhs, unless otherwise stated

A. Equity Share Capital

Particulars	Note No.	Amount
As at April 1, 2021		4000.00
Changes in equity share capital due to prior period errors		-
Restated balance at the beginning of the year		-
Changes in equity share capital during the year		-
As at March 31, 2022	10	4000.00
Changes in equity share capital due to prior period errors		-
Restated balance at the beginning of the year		-
Changes in equity share capital during the year		-
As at March 31, 2023		4000.00

B. Other Equity

Particulars	Note No.	Reserves and Surplus
		Retained Earnings
Balance as at 1 April 2021		(888.10)
Profit for the year		(459.74)
Other comprehensive income		-
Balance as at 31 March 2022	11	(1347.84)
Profit for the year		(592.79)
Other comprehensive income		-
Balance as at 31 March 2023		(1940.63)

As per our Report of even date
For KIRTANE & PANDIT LLP
 CHARTERED ACCOUNTANTS
 Firm Registration Number: 0105215W

K. Sham Sunder K

(CA Sham Sunder K)
 Partner
 Membership Number: 203380



Place : Hyderabad
 Date : 16.05.2023

For and on behalf of the Board of Directors

(S. Gurunatha Reddy)

(S.GURUNATHA REDDY)
 Director
 DIN : 00003828

(M. Venkateshwar Reddy)

(M. VENKATESHWAR REDDY)
 Director
 DIN : 00421401

(B. Roopendra Prasad)

(B.ROOPENDRA PRASAD)
 Company Secretary
 FCS : 11830



Astra Rafael Comsys Private Limited

Cash Flow statement for the year ended March 31, 2023

All amounts in INR Lakhs, unless otherwise stated

Particulars	March 31, 2023	March 31, 2022
Cash flow from Operating Activities		
Net Profit Before Tax	(777.15)	(569.94)
Adjustments for:		
Depreciation and amortisation expense	363.65	239.27
Interest income	(35.22)	(25.28)
(Gain)/loss on fair valuation of financial assets	(11.55)	(7.23)
(Gain)/loss on sale of investments (net)	(3.14)	(1.91)
Operating Profit Before Working Capital Changes	(463.41)	(365.10)
Changes in assets and liabilities:		
(Increase) / Decrease in other financial assets	(0.28)	(4.69)
(Increase) / Decrease in other current assets	(821.11)	109.16
(Increase) / Decrease in Inventories	(7244.88)	(78.45)
Increase/(Decrease) in trade receivables	(1233.73)	51.83
Increase/(Decrease) in trade payable	3288.37	(698.05)
(Increase) / Decrease in other current tax assets (net)	(0.47)	2.36
Increase/(Decrease) in other current liabilities	6099.70	1062.65
Cash generated from/(used in) operating activities	(375.81)	79.71
Income tax paid	-	-
Net cash generated from/(used in) operating activities (A)	(375.81)	79.71
Cash flow from Investing Activities		
Payments for property, plant and equipment	(3538.89)	(863.43)
Proceeds from sale of Fixed Assets	-	-
Capital Advances and Other Financial Liabilities	(110.37)	909.25
Profit on sale of current investments	14.75	(724.05)
Proceeds from sale of current investments	649.06	263.74
Interest received	(5.89)	3.24
Increase/(Decrease) in Long term liabilities	3251.44	-
Net cash flow/(used in) Investing Activities (B)	260.09	(411.26)
Cash flow from Financing Activities		
Proceeds from issue of share capital	-	-
Increase/(decrease) in short term borrowings	108.98	-
Net cash from / (used in) Financing Activities (C)	108.98	-
Net Increase in Cash & Cash Equivalents (A + B + C)	(6.74)	(331.55)
Cash & Cash Equivalents at the Beginning	9.17	340.72
Cash & Cash Equivalents at the End	2.43	9.17

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on 'Cash Flow Statement'.

As per our Report of even date
For KIRTANE & PANDIT LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 0105215W

K. Sham Sunder K

(CA Sham Sunder K)
Partner
Membership Number: 203380

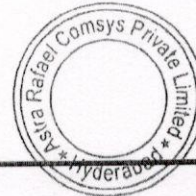
(S. GURUNATHA REDDY)
(S. GURUNATHA REDDY)
Director
DIN : 00003828

(M. VENKATESHWAR REDDY)
(M. VENKATESHWAR REDDY)
Director
DIN : 00421401

Place : Hyderabad
Date : 16.05.2023



(B. ROOPENDRA PRASAD)
(B. ROOPENDRA PRASAD)
Company Secretary
FCS : 11830



Note 1: Significant accounting policies

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

Note 1.1 Basis of preparation of financials statements

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis.

Note 1.2 : Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of the assets and liabilities, the disclosure of the contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of these changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Note 1.3 : Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities (other than advance consideration paid or received in foreign currency) denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Note 1.4 : Revenue recognition

Revenue is recognised at fair value of the consideration received and receivable. Amount disclosed as revenue are net of value added taxes.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below.

(i) Revenue from sale of services:

Timing of recognition: Revenue from sale of services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of total services to be provided (percentage of completion method).

Measurement of revenue: Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(ii) Revenue from Sale of Products :

Timing of recognition: Revenue from sale of products is recognised when the control of products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the company has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

Note 1.5 : Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. 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 income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Note 1.6 : Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Note 1.7 : Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Note 1.8 : Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 1.9 : Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Note 1.10 : Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchase. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on weighted average basis. Costs of purchased inventory is determined after deducting rebates and discounts.

Note 1.11 : other financial assets

i) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the company measures a financial asset 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.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets

A financial asset is derecognized only when

- The company has transferred the rights to receive cash flow from the financial asset or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) Income recognition

Interest income

Interest income is recognised using the effective interest rate method. The effective interest rate is 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. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial asset but does not consider the expected credit losses.

vi) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

Note 1.12 : Offsetting 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 realize 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 entity or the counterparty.

Note 1.13 : Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation/amoritsation methods, estimated useful lives and residual value

Depreciation is provided on written down value method basing on the useful life of the assets prescribed under Schedule II of the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in statement profit and loss under other income.

Note 1.14 : Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within credit period after recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Note 1.15 : Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable.

Note 1.16 : Employee benefits**(i) Short term obligations**

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period.

Note 1.17 : Earnings per share**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year .

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

All amounts in INR Lakhs, unless otherwise stated

Astra Rafael Comsys Private Limited
Notes to financial statements for the year ended 31 March 2023

Note 2 : Property, Plant and Equipment

Particulars	Gross carrying value			Accumulated depreciation/amortisation			Net carrying amount		
	As at 1 Apr 2022	Additions	Deletions	As at 31 Mar 2023	As at 1 Apr 2022	For the Year	On disposals	As at 31 Mar 2022	As at 31 Mar 2023
Tangible assets:									
Own assets:									
Land	351.90	-	-	351.90	-	-	-	351.90	351.90
Computers	26.94	1.91	-	28.84	22.11	2.79	-	4.82	3.94
Building	1014.93	-	-	1014.93	231.56	74.47	-	783.37	708.90
Plant & Machinery	1400.78	316.06	-	1716.83	156.82	245.97	-	1243.95	1314.04
Airconditioners	29.01	-	-	29.01	16.26	3.32	-	12.75	9.43
Computer Servers	78.10	-	-	78.10	57.94	7.98	-	20.16	12.18
Electrical Installations	85.62	-	-	85.62	44.87	10.56	-	40.75	30.18
Furnitures & Fixtures	74.62	8.06	-	82.69	38.05	9.76	-	36.58	34.87
Office Equipment	37.13	5.13	-	42.26	25.93	6.94	-	11.20	9.39
Total	3099.02	331.16	-	3430.17	593.55	361.80	-	2505.47	2474.82
Capital progress	47.79	3255.53	47.79	3255.53	-	-	-	47.79	3255.53
Intangible assets	80.99	-	-	80.99	75.02	1.85	-	5.97	4.12

Note : 2(a) Capital Work in Progress ageing schedule as per Schedule III of companies act, 2013

Particulars	Amount in CWIP for a period of			Total as at March 31, 2023 Amount
	Less than 1 Year	1-2 Years	2-3 Years More than 3 Years	
Projects in Progress	3,243.58	11.95	-	3,255.53
Projects temporarily suspended	-	-	-	-

Astra Rafael Comsys Private Limited
Notes forming part of the financial statements
All amounts in INR Lakhs, unless otherwise stated

Note 3 : Other non-current financial assets (carried at amortised cost)

Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Unsecured, considered good Security deposits	9.81	9.53
Total non-current other financial assets	9.81	9.53

Note 4 : Deferred tax assets (Net)

Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Deferred tax asset	630.25	449.31
Deferred tax liability	(2.91)	(6.33)
Net Deferred tax asset	627.35	442.99

Movement in deferred tax asset

Particulars	Property, Plant & Equipment	Other Items
As at April 1, 2022	-	-
Charged / (credited) to profit or loss	4.50	(447.49)
to other comprehensive income	-	-
As at March 31, 2022	4.50	(447.49)
Charged / (credited) to profit or loss	(4.33)	(623.02)
to other comprehensive income	-	-
As at March 31, 2023	(4.33)	(623.02)

Note 5 : Other non-current assets and current assets

Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Unsecured, considered good		
Current:		
Prepaid expenses	8.79	6.02
Balance with government authorities	2320.73	770.72
Employee Mediclaim Receivable	0.16	-
Advance for Raw Material	642.35	1368.85
Advance for services	4.70	10.02
Total current assets	2976.73	2155.61

Note 6 : Inventories

Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Raw material	9889.24	5067.71
Work in Progress	1827.70	118.00
Finished Goods	713.65	-
Total Inventories	12430.59	5185.71

Note 7 : Current Investments		
Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Investments carried at fair value through profit and loss Investments in Mutual Funds (quoted)		
a) 280178.918 Units of ICICI Prudential Ultra Short term Fund Direct Plan Growth	70.89	720.01
Total current Investments	70.89	720.01
Aggregate of quoted investments and market value thereof	70.89	720.01
Note 8A : Cash and Bank Balances - Cash and Cash Equivalents		
Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Balances with Banks in Current accounts	2.23	8.88
Cash on hand	0.20	0.28
Total Cash and cash equivalents	2.43	9.17
Note 8B : Other Bank Balances		
Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Fixed Deposits with bank	643.74	612.91
HDFC Life Insurance Co Ltd	10.29	-
Total Other Bank Balances	654.03	612.91
Note 8C : Trade Receivables		
Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Unsecured Considered good	1246.11	12.37
Total Trade Receivables	1246.11	12.37
Note 9. Current tax assets (net)		
Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Advance income tax (net of provision for income tax)	4.42	3.95
Total Current tax assets (net)	4.42	3.95

Astra Rafael Comsys Private Limited
Notes forming part of the financial statements

All amounts in INR Lakhs, unless otherwise stated

Note 10 : Equity share capital

Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Authorised share capital: 4,00,00,000 (2023 : 4,00,00,000 and 2022 : 4,00,00,000) equity shares of Rs. 10/- each	4000.00	4000.00
Total	4000.00	4000.00
Issued,subscribed and paidup capital: 4,00,00,000 (2023 : 4,00,00,000 and 2022 : 4,00,00,000) equity shares of Rs. 10/- each fully paid	4000.00	4000.00
Total	4000.00	4000.00

Details of shares held by each shareholder holding more than 5% shares in the company and shares held by Promoters

Promoters Name	No. of Shares	% Change during the Year
Astra Microwave Products Limited % of holding of equity shares	2,00,00,000 50.00%	-
Rafael Advanced Defense Systems Ltd % of holding of equity shares	1,96,00,000 49.00%	-
B. Malla Reddy Number of shares % of holding of equity shares	80,000 0.20%	- -
Total	3,96,80,000	-

Movement in equity share capital

Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Number of shares at the beginning of the year	4,00,00,000	4,00,00,000
Add: Number of shares issued and subscribed during the year	-	-
Number of shares at the end of the year	4,00,00,000	4,00,00,000

Terms and rights attached to equity shares:

The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Note 11 : Other equity

Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Reserves and surplus:		
Retained earnings	(1940.63)	(1347.84)
Total	(1940.63)	(1347.84)

Retained earnings	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Opening balance	(1347.84)	(888.10)
Add: Net profit for the year	(592.79)	(459.74)
Closing balance	(1940.63)	(1347.84)

Note 12(a) : Trade Payables		
Particulars	As at	
	March 31, 2023 Amount	March 31, 2022 Amount
Dues to micro enterprises and small enterprises (Refer below)	316.31	11.72
Dues to creditors other than micro enterprises and small enterprises	3171.07	187.28
Total	3487.37	199.00
Note 12 (b) : Long Term Liabilities		
Particulars	As at	
	March 31, 2023 Amount	March 31, 2022 Amount
Long Term Liabilities	3251.44	-
Total	3251.44	-
The disclosures pursuant to the said MSMED Act are as follows:		
Particulars	March 31, 2023	March 31, 2022
	Amount	Amount
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	316.31	11.72
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-
Note 13: Other financial liabilities		
Particulars	As at	
	March 31, 2023 Amount	March 31, 2022 Amount
Capital creditors	808.39	918.77
Retention monies	34.03	34.03
Total	842.42	952.80
Note 14: Other current liabilities		
Particulars	As at	
	March 31, 2023 Amount	March 31, 2022 Amount
Payroll taxes payable	14.31	5.79
Statutory taxes payable	582.01	13.21
Employee payable	82.58	45.82
Deferred Revenue	931.85	-
Advances Received from Customers	12366.48	7842.70
Total	14007.22	7907.52
Note 15: Borrowings		
Particulars	As at	
	March 31, 2023 Amount	March 31, 2022 Amount
From Bank HDFC Bank	108.98	-
Total	108.98	-

Astra Rafael Comsys Private Limited
Notes forming part of the financial statements

All amounts in INR Lakhs, unless otherwise stated

Note 16: Revenue from Operations

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
Sale of Services	67.99	225.21
Sale of Goods	554.66	2372.64
Less : Sales - Exchange Fluctuation - Ind As 21	-	(57.05)
Total	622.65	2540.80

Note 17: Other Income

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
Interest income from financial assets at amortised cost	35.22	25.28
Income from sale of scrap	0.18	0.14
Net gain on sale of current investments	3.14	1.91
Net gain on sale of Asset	-	-
Miscellaneous Income	0.01	-
Net gain on financial assets mandatorily measured at Fair Value through profit and loss	11.55	7.23
Total	50.10	34.56

Note 18: Cost of Material Consumed

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
A) Indigenous Raw Material		
Opening stock of Raw Material	4060.04	4111.61
Add : Purchases	6405.94	1816.27
Less : Closing Stock of Rawmaterial	8382.24	4060.04
Total Indigenous Raw Material Consumed	2083.75	1867.84
A) Imported Raw Material		
Opening stock of Raw Material	1007.67	995.64
Add : Purchases	1091.19	213.09
Less : Closing Stock of Rawmaterial	1507.01	1007.67
Total Imported Raw Material Consumed	591.85	201.06
Total	2675.60	2068.90

Note 19: Changes in Inventories

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
A) Inventories at the Beginning of the period		
Finished Goods	-	-
Work In Progress	118.00	-
Total Opening Stock	118.00	-
A) Inventories at the End of the Period		
Finished Goods	713.65	-
Work In Progress	1827.70	118.00
Total Closing Stock	2541.35	118.00
Total	(2423.35)	(118.00)

Astra Rafael Comsys Private Limited
Notes forming part of the financial statements

All amounts in INR Lakhs, unless otherwise stated

Note 16: Revenue from Operations

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
Sale of Services	67.99	225.21
Sale of Goods	554.66	2372.64
Less : Sales - Exchange Fluctuation - Ind As 21	-	(57.05)
Total	622.65	2540.80

Note 17: Other Income

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
Interest income from financial assets at amortised cost	35.22	25.28
Income from sale of scrap	0.18	0.14
Net gain on sale of current investments	3.14	1.91
Net gain on sale of Asset	-	-
Miscellaneous Income	0.01	-
Net gain on financial assets mandatorily measured at Fair Value through profit and loss	11.55	7.23
Total	50.10	34.56

Note 18: Cost of Material Consumed

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
A) Indigenous Raw Material		
Opening stock of Raw Material	4060.04	4111.61
Add : Purchases	6405.94	1816.27
Less : Closing Stock of Rawmaterial	8382.24	4060.04
Total Indigenous Raw Material Consumed	2083.75	1867.84
A) Imported Raw Material		
Opening stock of Raw Material	1007.67	995.64
Add : Purchases	1091.19	213.09
Less : Closing Stock of Rawmaterial	1507.01	1007.67
Total Imported Raw Material Consumed	591.85	201.06
Total	2675.60	2068.90

Note 19: Changes in Inventories

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
A) Inventories at the Beginning of the period		
Finished Goods	-	-
Work In Progress	118.00	-
Total Opening Stock	118.00	-
A) Inventories at the End of the Period		
Finished Goods	713.65	-
Work In Progress	1827.70	118.00
Total Closing Stock	2541.35	118.00
Total	(2423.35)	(118.00)

Note 20: Employee benefit expenses		
Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
Salaries and other benefits	363.76	566.71
Contribution to PF & ESI	12.33	7.26
Gratuity	8.83	7.37
Leave Encashment	17.48	8.87
Staff Training Expenses	0.17	0.12
Staff welfare expenses	7.90	2.20
Total	410.47	592.54
Note 21: Depreciation and amortisation expenses		
Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
Depreciation of property, plant and equipment	363.65	239.27
Total	363.65	239.27
Note 22: Other expenses		
Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
Travelling and conveyance	22.70	5.23
Vehicle Hire Charges	31.28	19.44
Printing and stationery	1.13	0.56
Telephone and communication charges	6.17	5.39
Operating lease rent	24.13	22.04
Royalty Expenses	31.20	122.64
Books & Periodicals	0.16	0.12
Insurance	16.51	15.51
Rates and taxes	0.21	0.31
Auditors remuneration	0.75	0.75
Legal and professional charges	19.92	25.31
Repairs and maintenance	31.66	20.70
Consumables	0.90	1.06
Calibration Charges	0.32	1.26
Registrations and Renewals	1.09	0.04
Tools and Spares	5.05	0.76
Annual Maintenance Charges	14.86	4.89
Miscellaneous expenses	3.33	3.90
Freight & Documentation Charges	6.42	0.59
Electricity Charges	34.88	23.35
Security charges	12.63	9.41
Membership Fee	0.21	0.28
Participation Fee	0.06	0.05
Factory License Fee	0.44	1.24
Property Tax	2.57	2.57
Business Promotion Expenses	39.02	1.00
Bank charges and commission	39.95	37.90
Foreign exchange fluctuations	76.00	36.31
Total	423.53	362.60

Astra Rafael Comsys Private Limited
Notes forming part of the financial statements
All amounts in INR Lakhs, unless otherwise stated

Note 23 : Reconciliation of tax expenses and accounting profit multiplied by tax rate:

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
Profit / (loss) before income tax expense	(777.15)	(569.94)
Income tax rate	-	-
Income tax expense	-	-
Deferred tax	184.36	110.20
Income tax expense	184.36	110.20

Note 24 : Earnings Per Share

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
Profit / (loss) after tax	(592.79)	(459.74)
No. of Equity Shares outstanding at the beginning of the year	400.00	400.00
Weighted Average No. of Equity Shares issued during the period	-	-
Total number of Shares outstanding at the end of the year (used as denominator for calculating EPS)	400.00	400.00
Face value per share	10	10
Earnings per share - basic / diluted (in Rs.)	(1.48)	(1.15)

Note: There are no dilutive potential equity shares outstanding during the year

Note 25 : Payment to auditor

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
To statutory auditors		
Statutory Audit fee	0.75	0.75
Tax Audit fee	0.75	0.75
Total	1.50	1.50

Note 26 : Segment Reporting

Particulars	Year ended	
	March 31, 2023	March 31, 2022
	Amount	Amount
The Company's business activities falls with in a single segment		
A) Geographical Segment Revenue by location of customers		
Revenue from domestic customers	351.04	0.14
Revenue from foreign customers	271.79	2597.85
B) Geographical Segment Assets		
Non-current assets other than deferred tax assets located in India	5744.29	2568.76
Non-current assets other than deferred tax assets located outside India	-	-
C) Geographical Segment - Major customers		
Total amount of revenue from each major customer		
From Rafael Advanced Defense Systems Ltd	271.79	2597.85
From Centre for Air Borne Systems	350.86	-

Note 27 : Related Party Disclosure :

A. Name of related parties and nature of relationships:

Names of related parties	Description of relationship
Astra Microwave Products Limited Rafael Advanced Defense Systems Ltd Kalyani Rafael Advanced Systems Pvt Ltd	JV Company JV Company JV of Rafael
Key Managerial Persons (KMP) MALLA REDDY BHUMIREDDY SONNAPUREDDY GURUNATHA REDDY MARAM VENKATESHWAR REDDY YOAV WERMUTH Yael RADO BESTHA ROOPENDRA PRASAD	Director Director Director Director Director Company Secretary

B. Details of transactions during the year:

Name of the related parties	Nature of transactions	Year ended	
		March 31, 2023	March 31, 2022
		Amount	Amount
Rafael Advanced Defense Systems Ltd	Sale of services	67.99	225.21
	Sale of Goods	203.80	2372.64
	Purchase of Fixed Assets	2215.71	800.22
	Purchase of Raw Material	428.70	140.69
	Advance received	4553.29	2720.03
	Royalty	31.20	122.64
Astra Microwave Products Ltd	Purchase of Raw Material	5292.00	1324.82
	Purchase of Fixed Assets	1190.76	-
Kalyani Rafael Advanced Systems Pvt Ltd	Purchase of Raw Material	155.41	-
Bestha Roopendra Prasad	Company Secretary's Remuneration	9.00	7.86

C. Details of outstanding balances as at the year end receivable/(payable):

Name of the related parties	Nature of balance	As at	
		March 31, 2023	March 31, 2022
		Amount	Amount
Astra Microwave Products Limited	Purchase of Raw Material	2294.47	163.48
	Purchase of Fixed Asset	1403.90	-
	Advance Receivable	600.25	1496.60
Rafael Advanced Defense Systems Ltd		581.46	34.08
	Purchase of Raw Material	2647.76	-
	Purchase of Fixed Asset	12.30	-
	Advance Receivable	11926.48	7842.70
	Advance Payable	66.86	-
	Supply of Goods	31.20	122.64
Kalyani Rafael Advanced Systems Pvt Ltd	Royalty	5.60	-
	Purchase of Raw Material	19.45	63.27
	Advance Receivable against Raw material	-	-

Note 28 : Financial instruments and risk management - Fair values

The management assessed that trade receivables, cash and cash equivalents, other financial assets, short term borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities or interest bearing nature of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

a) Financial instruments by category

I. Financial Assets :

Particulars	As at			
	March 31, 2023		March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
At fair value through profit and loss				
Investments - Current	70.89	70.89	720.01	720.01
At Amortised Cost				
Financial assets - Non Current	9.81	9.81	9.53	9.53
Financial assets - Current	656.45	656.45	622.07	622.07
Grand Total	737.16	737.16	1351.61	1351.61

II. Financial Liabilities :

Particulars	As at			
	March 31, 2023		March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
At Amortised Cost				
Financial Liabilities - Current	7581.24	7581.24	1151.80	1151.80
Grand Total	7581.24	7581.24	1151.80	1151.80

b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities measured at fair value after initial recognition.

Particulars	Fair value measurement using			
	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments - Current	March 31, 2023	70.89	-	-
	March 31, 2022	720.01	-	-
	March 31, 2021	250.55	-	-
	March 31, 2020	209.32	-	-
	March 31, 2019	1405.47	-	-
	March 31, 2018	-	-	-
	April 1, 2017	-	-	-

Note 29 : Capital and other Commitments

Particulars	As at	
	March 31, 2023	March 31, 2022
	Amount	Amount
Estimated amount of capital contracts remaining to be executed and not provided for	-	-

Note 30 : Contingent Liability

A Bank guarantee facility of INR 10 Crores and Cash Credit facility of INR 30 Crores has been given by HDFC Bank Ltd to the Company.

The following assets are placed as securities for Cash Credit facility of INR 30 Crores and Bank guarantee of INR 10 Crores :-

Primary:

Current assets - Exclusive Charge, both present and future.

Secondary:

1) Movable fixed assets - Plant & Machinery

2) Factory Land and Building.

3) Corporate Guarantee by M/s Astra Microwave products Ltd and M/s Rafael Advanced Defense systems Ltd

Note 31 : Financial Risk Management

The Company is exposed to market risk (fluctuations in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings and trade receivables.

The analysis exclude the impact of movements in market variables on the carrying values of the non-financial assets and liabilities.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/ other payables and trade/other receivables. The risks primarily relate to fluctuations in US Dollar and EURO against the functional currencies of the Company. The Company's exposure to foreign currency changes for all other currencies is not material. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. The Company has not entered into derivative instruments during the year.

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Increase/(decrease) in profit before tax	
	March 31, 2023	March 31, 2022
Unhedged USD exposure (in INR)	7286.50	1075.99
Change in USD		
5% increase	(364.32)	(53.80)
5% decrease	364.32	53.80
Unhedged EURO exposure (in INR)	-	-
Change in EURO		
5% increase	-	-
5% decrease	-	-

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars and EURO, where the functional currency of the entity is a currency other than US dollars and EURO.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

iii) Price risk

The Company invests its surplus funds primarily for short tenor in debt mutual funds measured at fair value through profit or loss. The following table demonstrate the sensitivity to a reasonably possible change in the price of the investments before tax:

Particulars	Increase/(decrease) in	
	March 31, 2023	March 31, 2022
Change in price:		
increase by 1%	0.71	7.20
decrease by 1%	(0.71)	(7.20)

The assumed increase/decrease for sensitivity analysis is based on the currently observable market environment

B) Credit risk

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to maturity financial assets.

Regarding credit exposure from customers, the Company has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Cash and other collaterals are obtained from customers when considered necessary under the circumstances.

The carrying amount of trade receivables, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others.

The credit quality of financial assets is satisfactory, taking into account the allowance for credit losses if any.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company also holds deposits as security from certain customers to mitigate credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external agencies.

C) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. Company's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level accordance with practice and limits set by the company.

(i) Maturities of Financial Liabilities

Contractual maturities of financial liabilities as at :

Particulars	As at			
	March 31, 2023		March 31, 2022	
	0-12 Months	Above 12 months	0-12 Months	Above 12 months
	Amount	Amount	Amount	Amount
Trade Payable	3487.37	-	199.00	-
Long Term Liabilities	-	3251.44	-	-
Other financial liabilities	842.42	-	952.80	-
Grand Total	4329.80	3251.44	1151.80	-

Note 32 : Capital management

For the purpose of the capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital. The Company includes within debt, interest bearing loans and borrowings.

Particulars	March 31, 2023	March 31, 2022
Borrowings		
Current - Short term borrowings	108.98	-
Non current - Long term borrowings	-	-
Current maturities of long term borrowings	-	-
Total Debt	108.98	-
Equity		
Equity share capital	4000.00	4000.00
Other equity	(1940.63)	(1347.84)
Total capital	2059.37	2652.16
Gearing ratio in % (Debt/ capital)	5.29%	0.00%

Note 33 : Additional Regulatory Information required by Schedule III

- (i) Title deeds of immovable properties not held in the name of the company
The title deeds of all the immovable properties (other than properties where the company is lessee and the lease agreements are duly executed in favour of lessee), as disclosed in notes to the financial statements, are held in the name of the company.
- (ii) Details of benami property held
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.
- (iii) Borrowing secured against current assets
The company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with books of accounts as set out below.

Quarter	Name of the Bank	Particulars of securities provided	Amount as per books of account	Amount as reported in quarterly statement	Amount of difference - (Excess)/Short	Reason for Material discrepancies
June 30, 2022	HDFC Bank	Inventories	-	-	-	-
		Trade Receivables	-	-	-	-
September 30, 2022	HDFC Bank	Inventories	-	-	-	-
		Trade Receivables	-	-	-	-
December 31, 2022	HDFC Bank	Inventories	11376.68	11376.68	-	-
		Trade Receivables	1359.38	1359.38	-	-
March 31, 2023	HDFC Bank	Inventories	12430.45	12430.45	-	-
		Trade Receivables	1246.11	1246.11	-	-

(iv) Wilful defaulter

The company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

(v) Relationship with struck off companies

The company has no transactions with the companies struck off under Companies Act,2013 or Companies Act,1956.

(vi) Registration of charges or satisfaction with Registrar of Companies

The company has filed modification of charge with Registrar of Companies on 05.01.2023 with charge ID - 100287787 for additional loan obtained from HDFC Bank. No satisfaction of charge has been filed with Registrar of companies.

Modification Date	Purpose	Amount
05th January 2023	Working Capital Loan	2500.00
29th October 2021		700.00
23rd August 2019		800.00
Total		4000.00

(vii) Compliance with number of layers of companies

The provision of number of layers prescribed under the Companies Act,2013 is not applicable to the company.

(viii) Compliance with approved scheme(s) of arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year

(ix) Utilisation of borrowed funds and share premium

(A) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall :

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(x) Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in books of account.

(xi) Details of crypto currency or virtual currency

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(xii) Valuation of PPE, Intangible asset or Investment property

The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during current or previous year

(xiii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purpose for which such loans were taken.

Financial Ratios as per Schedule III of Companies Act,2013

Ratio	March 31, 2023	March 31, 2022
a) Current Ratio	0.94	0.96
b) Debt Equity Ratio	0.05	-
c) Debt Service Coverage Ratio	(7.13)	NA
d) Return on Equity	(0.29)	(0.17)
e) Inventory Turnover Ratio	0.03	0.38
f) Trade Receivables Turnover Ratio	0.99	66.37
g) Trade Payable Turnover Ratio	4.07	3.70
h) Net Capital Turnover Ratio	0.30	0.96
i) Net Profit Ratio	(0.95)	(0.18)
j) Return on Capital Employed	(0.29)	(0.17)
k) Return on Investment	(0.02)	(0.04)

Note 34 : Ageing of Trade Receivables

For FY 2022-23

Particulars	Outstanding for following periods from due date of payment					Total as at March 31,2023
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Amount
(i) Undisputed Trade Receivables - Considered good	1246.11	-	-	-	-	1246.11
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-

For FY 2021-22

Particulars	Outstanding for following periods from due date of payment					Total as at March 31,2022
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Amount
(i) Undisputed Trade Receivables - Considered good	12.37	-	-	-	-	12.37
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-

Note 35 : Ageing of Trade Payables

For FY 2022-23

Particulars	Outstanding for following periods from due date of payment					Total as at March 31,2023
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Amount
(i) MSME	316.26	0.05	-	-	-	316.31
(ii) Others	6351.92	68.77	810.20	-	-	7230.90
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

For FY 2021-22

Particulars	Outstanding for following periods from due date of payment					Total as at March 31,2022
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Amount
(i) MSME	11.72	-	-	-	-	11.72
(ii) Others	1096.07	-	9.45	0.52	-	1106.05
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Note 36 : Previous Year's figures have been regrouped/reclassified wherever necessary to correspond with the current years classification/disclosures.

As per our Report of even date
For KIRTANE & PANDIT LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 0105215W

K Sham Sunder K

(CA Sham Sunder K)
Partner
Membership Number: 203380



Place : Hyderabad
Date : 16.05.2023

For and on behalf of the Board of Directors

(S. GURUNATHA REDDY)
(S. GURUNATHA REDDY)
Director
DIN : 00003826

(M. VENKATESHWAR REDDY)
(M. VENKATESHWAR REDDY)
Director
DIN : 00421401

(B.ROOPENDRA PRASAD)
(B.ROOPENDRA PRASAD)
Company Secretary
FCS : 11830

