ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
Regd. Office: NO. 9, SERVICE ROAD, HAL II STAGE, INDIRANAGAR, BENGALURU - 560 008
CIN: U74140KA2003PTC032191

Consolidated Balance Sheet as at 31st March 2022
All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
I ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3	142.59	152.08
(b) Capital Work-in-progress	3	140.95	129.68
(c) Goodwill		33.26	33.26
(d) Other Intangible Assets	3	51.82	38.66
(e) Intangible assets under development	3	169.93	139.19
(f) Right to use Assets	3	7.77	15.10
(g) Financial Assets			
i. Investments	4	9.13	8.55
ii. Loans	5	-	-
iii. Others	6	63.78	65.49
(h) Income Tax Assets (net)	7	3.86	3.15
(i) Other Non-Current Assets	8	8.07	2.51
Total Non-Current Assets		**631.16**	**587.68**
2 Current Assets			
(a) Inventories	9	471.34	259.11
(b) Financial Assets			
i.Investments			
ii. Trade Receivables	10	282.87	346.88
iii.Cash and cash equivalents	11	9.07	7.16
iv.Bank balances other than (iii) above	12	22.38	20.44
v. Loans	13	0.38	0.25
vi.Other financial assets	14	2.20	32.63
(c) Current Tax Assets (Net)	15	0.87	1.00
(d) Other current assets	16	216.45	222.58
Total Current Assets		**1,005.54**	**890.05**
Total Assets		**1,636.70**	**1,477.74**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	51.40	51.22
(b) Other equity	18	629.47	596.78
Equity attributable to Owners of the Company		**680.87**	**648.00**
(c) Non-controlling interest		34.73	24.86
Total Equity		**715.60**	**672.86**
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	19	55.94	68.61
ii. Lease Liabilities		4.11	8.91
iii. Other financial liabilities	20	53.66	66.32
(b) Provisions	21	0.53	0.82
(c) Deferred Tax Liabilities (Net)	22	8.05	11.41
Total Non-Current Liabilities		**122.29**	**156.07**
2 Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	23	190.55	110.54
ii. Lease Liabilities		5.27	8.22
iii. Trade payables	24		
(a) Total outstanding dues of MSME		4.77	2.20
(b) Total outstanding dues of other creditors		197.83	204.27
iv. Other financial liabilities	25	42.20	32.86
(b) Other current liabilities	26	336.13	281.15
(c) Provisions	27	2.75	5.71
(d) Current tax liabilities(Net)	28	19.32	3.85
Total Current Liabilities		**798.82**	**648.81**
Total Liabilities		**921.10**	**804.88**
Total Equity and Liabilities		**1,636.70**	**1,477.74**

Summary of Significant Accounting Policies

The accompanying notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For Amit Ray & CO., Chartered Accountants
Firm Registration No: 483-C

Chandana Venkata Savit Kumar Rao
Digitally signed by Chandana Venkata Savit Kumar Rao
Date: 2022.04.28 08:03:14 +05'30'

C V Savit Kumar Rao
Partner
Membership No: 70009

Place: Bengaluru
Date: 28/01/2022

For and on behalf of the Board of Directors

SHANKAR HOLENARSIPUR SRIKANTIAH
Digitally signed by SHANKAR HOLENARSIPUR SRIKANTIAH
Date: 2022.04.28 07:40:16 +05'30'

Col. H S Shankar, VSM (Retd.)
Managing Director
DIN: 00279285

RANGAPPA RAMACHANDRAMURTHY
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Date: 2022.04.28 07:48:09 +05'30'

R Ramachandramurthy
Director
DIN: 08160629

GURUMURTHY ganapati HEGDE
Digitally signed by GURUMURTHY ganapati HEGDE
Date: 2022.04.28 07:56:11 +05'30'

Gurumurthy G Hegde
Company Secretary
Membership No: A24285

Place: Bengaluru
Date: 28/01/2022

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
Regd. Office: NO. 9, SERVICE ROAD, HAL II STAGE, INDIRANAGAR, BENGALURU - 560 008
CIN: U74140KA2003PTC032191

Consolidated Statement of Profit and Loss for the period ended 31st March 2022
All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

	Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
I	Revenue from operations	29	703.43	450.03
II	Other income	30	10.33	7.69
III	**Total income**		**713.76**	**457.73**
IV	**Expenses**			
	Cost of materials consumed		694.08	392.79
	Purchases of stock-in-trade		-	-
	Changes in inventories of work-in-progress, stock-in-trade and finished goods	31	-194.14	-104.16
	Employee benefit expense	32	55.81	50.87
	Finance costs	33	22.69	20.32
	Depreciation and amortisation expense	34	35.21	39.82
	Other expenses	35	48.15	40.79
V	**Total expenses (V)**		**661.81**	**440.43**
VI	**Profit before exceptional items, share of net profits of investments accounted for using equity method and tax**		**51.95**	**17.29**
VII	Exceptional items		-	-
VIII	Share of net profits of investments accounted for using equity method		0.39	0.04
IX	**Profit before tax from continuing operations**		**52.35**	**17.34**
X	Income tax expense			
	- Current tax		21.13	5.53
	- Deferred tax		-4.14	2.25
	- Income tax of earlier years		0.10	-0.19
	- MAT Credit recognized		-	-
	Total tax expense		**17.09**	**7.59**
XI	**Profit from continuing operations**		**35.26**	**9.75**
XII	**Discontinued operations**			
	Profit from discontinued operation before tax		-	-
	Tax expense of discontinued operations		-	-
	Profit from discontinued operation		**-**	-
XIII	**Profit for the year**		**35.26**	**9.75**
XIV	**Other comprehensive income**			
	Items that may be reclassified to profit or loss		0.15	
			0.15	-
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations		0.54	0.19
	Income tax relating to these items		-0.12	-0.00
			0.42	**0.19**
	Other comprehensive income for the year, net of tax		**0.57**	**0.19**
XV	**Total comprehensive income for the year**		**35.83**	**9.94**
	Net Profit Attributable to			
	Owners of the Company		32.91	5.81
	Non-Controlling Interests		2.35	3.94
	Other Comprehensive Income Attributable to			
	Owners of the Company		0.55	0.19
	Non-Controlling Interests		0.02	-0.00
	Total Comprehensive Income Attributable to			
	Owners of the Company		33.46	6.01
	Non-Controlling Interests		2.37	3.93
XVI	**Earnings per equity share for profit from continuing operation :**			
	Basic earnings per share		6.86	1.93
	Diluted earnings per share		6.86	1.90
XVII	**Earnings per equity share for profit from discontinued operation :**			
	Basic earnings per share		-	-
	Diluted earnings per share		-	-
XVIII	**Earnings per equity share for profit from continuing and discontinued operation :**			
	Basic earnings per share		6.86	1.93
	Diluted earnings per share		6.86	1.90
	Weighted Average Equity Shares used in computing earnings per equity share			
	Basic		5.14	5.05
	Diluted		5.14	5.12

Summary of Significant Accounting Policies
The accompanying notes are an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Amit Ray & CO., Chartered Accountants
Firm Registration No: 483-C

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Date: 2022.04.28 08:03:30 +05'30'

C V Savit Kumar Rao
Partner
Membership No: 70009

Place: Bengaluru
Date: 28/01/2022

For and on behalf of the Board of Directors

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Date: 2022.04.28 07:40:36 +05'30'

Col. H S Shankar, VSM (Retd.)
Managing Director
DIN: 00279285

RANGAPPA RAMACHANDRAMURTHY
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R Ramachandramurthy
Director
DIN: 08160629

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Date: 2022.04.28 07:56:41 +05'30'

Gurumurthy G Hegde
Company Secretary
Membership No: A24285

Place: Bengaluru
Date: 28/01/2022

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
Regd. Office: NO. 9, SERVICE ROAD, HAL II STAGE, INDIRANAGAR, BENGALURU - 560 008
CIN: U74140KA2003PTC032191

Consolidated Cash Flow Statement for the year ended 31st March 2022
All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	51.95	17.29
Discontinued operations	-	-
Profit before income tax including discontinued operations	**51.95**	**17.29**
Adjustments for		
Depreciation and amortisation expense	37.08	42.17
Adjustment to finance cost	22.69	20.32
Exchange (Gain)/ Loss restatement	-1.45	-3.44
Bad debts written off	1.22	0.52
Impairement Loss on Investment	-	0.01
Share of Profit/Loss from investments accounted for using equity method	-	0.04
Adjustment for Other Comprehensive Income	0.39	0.19
Loss (Profit) on sale of assets	-0.01	-0.03
Interest income classified as investing cash flows	-3.70	-2.18
Operating profit before working capital changes	**108.16**	**74.91**
Change in operating assets and liabilities		
(Increase) in inventories	-212.22	-91.71
(Increase)/Decrease in trade receivables	62.80	-149.03
(Increase)/decrease in other Bank Balances	-1.94	11.51
(Increase)/decrease in current financial assets-loans	-0.13	-0.02
(Increase)/decrease in other current financial assets	30.43	117.21
(Increase)/Decrease in current tax assets (Net)	0.13	0.26
(Increase)/Decrease in other current assets	6.13	-79.50
(Increase)/decrease in non-current financial assets-loans	-	-0.16
(Increase)/decrease in other non-current financial assets	1.71	-41.54
(Increase)/Decrease in non-current tax assets (Net)	-0.71	0.11
(Increase)/decrease in other non current assets	-5.56	0.59
Increase/(Decrease) in long term provisions	-0.29	0.60
Increase/(Decrease) in trade payables	-3.87	77.47
Increase/(Decrease) in other financial current liabilties	1.68	-1.24
Increase/(Decrease) in other current liabilties	54.98	171.99
Increase/(Decrease) in Short term provisions	-2.96	1.45
Increase/(Decrease) in current tax liabilities	15.47	3.13
Cash generated from operations	**53.81**	**96.00**
Income taxes paid	21.27	4.56
Net cash inflow from operating activities	**32.54**	**91.44**
Cash flows from investing activities		
Payments for property, plant and equipment	-78.36	-106.76
Proceeds from sale of property, plant and equipment	0.04	0.18
Business Acquisition of Kortas Industries Firm	-	-
Investments in Subsidiary CO's	-0.20	-9.61
Investment in Associate CO	-	-8.55
Interest received	3.70	2.18
Net cash outflow from investing activities	**-74.82**	**-122.55**
Cash flows from financing activities		
Towards Equity Share and Premium	-	50.00
Towards Share application money pending allotment	-	5.49
Received from NCI	7.50	-
Long Term Borrowings received or repaid during the year	-12.68	5.91
Short Term Borrowings received or repaid during the year	80.00	-
Interest paid	-22.69	-20.32
Payment towards lease liability	-7.96	-9.54
Net cash inflow (outflow) from financing activities	**44.18**	**31.54**
Net increase (decrease) in cash and cash equivalents	**1.90**	**0.42**
Cash and cash equivalents at the beginning of the financial year	7.16	6.74
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of the year	**9.07**	**7.16**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
	Year ended 31 March 2022	**Year ended 31 March 2021**
Balance with banks :		
Bank	8.87	6.80
Cash on hand	0.19	0.36
Balances per statement of cash flows	**9.07**	**7.16**

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statement of Cash Flows" and presents cash flows by operating, investing and financing activities.

2. The above cash flow statement has been complied from and is based on the Balance sheet as at 31st March 2022 and the related Statement of Profit and Loss for the year ended 31st March 2022

3. Previous year's figures have been regrouped/reclassified wherever necessary to confirm to the current year's classification.
4. Figures in brackets are outflows/deductions.

For Amit Ray & CO., Chartered Accountants
Firm Registration No: 483-C

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Date: 2022.04.28 08:03:35 +05'30'

C V Savit Kumar Rao
Partner
Membership No: 70009

Place: Bengaluru
Date: 28/01/2022

For and on behalf of the Board of Directors

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Managing Director
DIN: 00279285

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R Ramachandramurthy
Director
DIN: 08160629

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Gurumurthy G Hegde
Company Secretary
Membership No: A24285

Place: Bengaluru
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ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
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Consolidated Statement of changes in equity for the period ended 31 March 2022
All amounts in Indian Rupees, unless otherwise stated

Rs. In Crore

A. Equity share capital

Particulars	Notes	Balance at the beginning of the period	Changes in Equity share due to prior period errors	Restated balance at the beginning of the period	Changes in Equity share capital	Balance at the end of the period
As at 31 March 2021	17	**49.59**		49.59	1.63	**51.22**
As at 31 March 2022		**51.22**		51.22	0.18	**51.40**

B. Other equity

Particulars	Notes	Share Application Money pending Allotment	Reserves and surplus			Total other equity	Non Controlling Interest
			Securities Premium	Capital Reserve	Retained earnings		
As at 31 March 2020		-	495.79	1.43	41.10	538.31	8.36
Profit for the year					5.81	5.81	3.94
Other comprehensive income					0.19	0.19	-0.00
Total comprehensive income for the year					6.01	**6.01**	**3.93**
Change in NCI							12.57
Addittion During the year		5.49	48.37			**53.86**	-
Deletions				-1.41		**-1.41**	-
Adjusments							
Provision for impairement loss of Investment					**0.01**	**0.01**	-
Transactions with owners in their capacity as owners:						-	-
Dividends paid						-	-
		5.49	48.37	-1.41	0.01	46.97	12.57
As at 31st March, 2021	18	**5.49**	**544.16**	**0.02**	**47.11**	**596.78**	**24.86**
As at 31 March 2021		**5.49**	**544.16**	**0.02**	**47.11**	**596.78**	**24.86**
Profit for the year					32.91	32.91	2.35
Other comprehensive income					0.55	0.55	0.02
Total comprehensive income for the year					**33.46**	**33.46**	**2.37**
Change in NCI							7.50
Addittion During the year			5.31			5.31	-
Deletions						-	-
Adjusments		-5.49			-0.60	-6.09	
Provision for impairement loss of Investment						-	-
Transactions with owners in their capacity as owners:							-
Dividends paid						-	-
		-5.49	5.31	-	-0.60	-0.77	7.50
As at 31 March 2022	**18**	**-**	**549.47**	**0.02**	**79.98**	**629.47**	**34.73**

For Amit Ray & CO., Chartered Accountants
Firm Registration No: 483-C

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Date: 2022.04.28 08:03:37 +05'30'

C V Savit Kumar Rao
Partner
Membership No: 70009

Place: Bengaluru
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Gurumurthy G Hegde
Company Secretary
Membership No: A24285

Place: Bengaluru
Date: 28/01/2022

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

Note 1: General information

1.1. Corporate information

Alpha Design Technologies Private Limited ("ADTPL" or "Company") is a Private Limited company incorporated under the provisions of Companies act 1956, having its registered office at No 9, Service Road, HAL 2nd Stage, Indiranagar, Bangalore – 560008. The Company along with its Subsidiaries ("Group") is involved in design, development, manufacture, assembly, testing and integration of various defence, aerospace and space products. The Company is domiciled in India.

The Company is a subsidiary company of Vasaka Promoters & Developers Pvt Ltd by virtue of shareholding.
The company is a subsidiary of Adani Defence Systems and Technologies Limited by virtue of control over the composition of the Board of Directors.

1.2. Basis of preparation of Financial Statements

These Consolidated financial statements ('financial statements') of the Group for the year ended 31st March 2022 have been prepared in accordance with Indian Accounting Standards ("Ind AS") issued under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit and other long-term employee benefits obligations.

1.3. Principles of Consolidation:

The Consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements appropriate adjustments are made to that group member's financial statements in preparing consolidated

financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements are prepared on following basis:

a. Subsidiaries:

Subsidiaries are the entities over which the group has control

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

• Derecognises the assets (including goodwill) and liabilities of the subsidiary
• Derecognises the carrying amount of any non-controlling interests
• Derecognises the cumulative translation differences recorded in equity
• Recognises the fair value of the consideration received
• Recognises the fair value of any investment retained
• Recognises any surplus or deficit in profit or loss
• Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

The list of Companies included in the consolidation. Relationship with the parent company and shareholding therein are as under -

Sl. No	Name of the entity	% of Ownership of Parent Company			Subsidiary/ Joint Venture	Method of Consolidation
		As at 31-03-2022	As at 31-03-2021	As at 31-03-2020		
1	Alpha Tocol Engineering Services Private Limited	100%	100%	100%	Subsidiary	Line by Line
2	Reline Software Technologies Private Limited	100%	100%	100%	Subsidiary	Line by Line
3	Microwave Systems Private Limited	100%	100%	100%	Subsidiary	Line by Line
4	Alpha Electronica Defence Systems Private Limited	80%	80%	80%	Subsidiary	Line by Line
5	Alpha Elsec Defence and Aerospace Private Limited	51%	51%	51%	Subsidiary	Line by Line
6	Alpha Kortas Space Systems Private Limited	100%	100%	100%	Subsidiary	Line by Line
7	Kortas Industries Private Limited	85%	85%	85%	Subsidiary	Line by Line
8	Flaire Unmanned Systems Pvt Ltd	100%	100%	-	Subsidiary	Line by Line
9	Alpha NT Labs Integrated Solutions Pvt Ltd.	100%	100%	-	Subsidiary	Line by Line
10	Adani Elbit Advanced Systems India Limited	54%	54%	-	Joint Venture	Line by Line
11	Vignan Technologies Pvt Ltd	49%	-	-	Joint Venture	Line by Line
12	AutoTEC Systems Pvt Ltd	26%	26%	-	Associate	Equity Method

1.4. Functional and presentation currency

The Group's financial statements are reported in Indian rupees, which is the Group's functional currency. All amounts have been rounded to the nearest rupee, unless otherwise indicated.

1.5. Current and Non-Current classification

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

1.6. Key estimates, judgments and assumptions

The preparation of financial statements in accordance with Ind AS requires use of estimates, judgments and assumptions by Management for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

i. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Group assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

ii. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

iii. Determination of economic and technical feasibility of Developmental Projects grouped under Intangible Assets and Intangible Assets under Development

The economic and technical feasibility of the Developmental projects is assessed based on the information available about the products and their market potential and the company's resource for completing the same.

iv. Recognition of deferred tax assets

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, including the reversal of timing differences of earlier years. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments

v. Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

vi. Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

vii. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable

alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

viii. Impairment of Financial and Non-Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

Note 2: Significant Accounting Policies

2.1. Inventories

Raw Materials, Loose Tools, Stores, Spares, etc. are valued at lower of weighted average cost and estimated net realisable value.

Work-in-Process is valued at lower of cost (consisting of direct material and direct labour costs plus appropriate factory overheads) and estimated net realisable value.

Finished Goods are valued at lower of cost and estimated net realisable value. Cost includes purchase, conversion cost, appropriate factory overheads, any taxes or duties and other costs incurred for bringing the inventories to their present location and condition. Spares and Components for after-sales service are valued at lower of cost and estimated net realisable value.

2.2. Property, Plant and Equipment (PPE)

i. Recognition and measurement

Items of PPE are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of PPE comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

If significant parts of an item of PPE have different useful lives and depreciation method, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of PPE is recognised in profit or loss.

All PPE received in exchange for non-monetary assets are measured at fair value unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up is reliably measurable. Measurement of an exchange at fair value will result in the recognition of a gain or loss based on the carrying amount of the asset surrendered. If a fair value can be determined reliably for either the asset received or the asset given up, then the fair value of the asset given up should be used unless the fair value of the asset received is more clearly evident.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

The Group has generally followed the Written down Value method for charging depreciation on the useful life specified in Schedule II to the Companies Act, 2013. The Parent Company follows Straight line method of depreciation in the case of Plant & Machinery and one of the subsidiary Alpha Tocol Engineering Services Pvt Ltd follows Straight line method of depreciation. If management's estimate of the useful life of the fixed asset is shorter than that envisaged in Schedule II, depreciation is

provided at a higher rate based on management's estimate of the useful life.

The Company has charged depreciation based on the useful life specified in Schedule II of the Companies Act, 2013 for all the PPE.

2.3. Revenue

i. Sale of goods

The Group recognizes revenues on the sale of products upon transfer of control to the customer. The revenue is recognized net of discounts, sales incentives and rebates granted.

ii. Revenue from rendering of services

The Group recognizes revenue from rendering of services as per the guidance provide din Ind AS 115 viz., by applying the revenue recognition criteria for each performance obligation in the service contract. The total revenue of a contract is applied to each performance obligation based on the stand-alone selling price of such performance obligation, if available, otherwise the Group uses the expected cost plus margin method to allocate revenue to each performance obligation.

Revenue in excess of invoicing are classified as contract assets (Unbilled Revenue), while invoicing in excess of the revenue are classified as contract liabilities (unearned revenue).

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The contract modification is accounted as a separate contract if the modification involves distinct products or service and the price increase is attributable to the distinct product or service. If the contract modification is not priced based on the stand alone selling prices of the increased scope, it is accounted as the termination of the existing contract and new contract created. If the modification does not involve distinct product or service, the same is treated as the part of the existing contract.

iii. Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the non-cancellable lease term unless increases in rentals are in line with expected inflation.

iv. Interest Income

Interest Income is recognised using the effective interest rate (EIR).

v. Dividend Income

Dividend income is recognised when the Group's right to receive the payment is established.

2.4. Foreign Currency

Transactions in foreign currencies are initially recorded by the Group at their respective currency exchange rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the functional currency exchange rate at the dates of the initial transactions.

2.5. Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income (OCI).

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividend distribution.

Current tax assets and liabilities are offset only if, the Group:

i. has a legally enforceable right to set off the recognised amounts; and
ii. intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

i. temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

ii. taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improves.

Unrecognised Deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

i. the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
ii. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternate Tax (MAT) Credit Entitlement is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period in which such credit can be carried forward for set-off. The carrying amount of MAT Credit Entitlement is reviewed at each balance sheet date.

2.6. Impairment of Assets

Financial Assets:

The Group recognises loss allowances for expected credit losses on:

i. financial assets measured at amortised cost; and
ii. financial assets measured at FVOCI- debt investments.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A

financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

i. debt securities that are determined to have low credit risk at the reporting date; and
ii. other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Non-Financial Assets:

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset in determining fair value less costs of disposal.

Reversal of impairment provision is made when there is an increase in the estimated service potential of an asset or Cash Generating Unit (CGU), either from use or sale, on reassessment after the date when impairment loss for that asset was last recognised.

2.7. Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The Group's contributions paid/payable to Managerial Superannuation Fund, Employees' State Insurance Scheme, Employees' Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes, and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

iii. Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise. Other employee benefits include leave encashment/long-term compensated absences schemes.

2.8. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets form part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. When a qualifying asset is funded from pool of general borrowing the borrowing cost is capitalized using weighted average rate of borrowings being the effective interest rate.

2.9. Lease

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes

the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.10. Earnings Per Share

The Group presents basic and diluted earnings per share data for its equity shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity shareholders of the Group by the weighted average number of ordinary equity shares outstanding during the year.

Diluted earnings per share is determined by adjusting profit or loss attributable to ordinary equity shareholders and the weighted average number of ordinary equity shares outstanding, for the effects of all dilutive potential ordinary shares.

2.11. Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised when the Group 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. Provisions are determined based on the best estimate required to settle the obligations at the reporting date. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted.

Contingent liabilities are not recognised in the financial statements and are disclosed in the Notes. Contingent liability is a possible obligation arising 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 or a present obligation that arises from past events but is not recognised because: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or (ii) the amount of the obligation cannot be measured with sufficient reliability.

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. A Contingent asset is not recognised in the financial statements. The details of contingent asset are disclosed in the Notes when the inflow of economic benefit is probable.

Contingent Liabilities and Contingent Assets are assessed continuously to appropriately disclose/recognise in the Financial Statements.

2.12. Onerous contracts

A provision for onerous contracts other than construction contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

2.13. Intangible Assets and Intangible Assets under development

Intangible Assets are recognised at cost less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets acquired separately are measured on initial recognition at cost.

Expenditure incurred towards other developmental activity (including joint developmental activity in collaboration with external agencies) where the research results or other knowledge is applied for developing new or improved products or processes, are recognised as an Intangible Asset if the recognition criteria specified in Ind AS 38 are met and when the product or process developed is expected to be technically and commercially usable, the Group has sufficient resources to complete development and

subsequently use or sell the intangible asset, and the product or process is likely to generate future economic benefits.

Cost of Developmental work which is completed and meeting the recognition criteria, is recognised as an Intangible Asset.

Cost of Developmental work under progress and meeting the recognition criteria, is classified as "Intangible Assets under Development".

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

2.14. Financial Assets

i. Initial Recognition and Measurement

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are included in the cost of the asset.

ii. Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories based on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset:

- Debt instruments measured at amortised cost
- Debt instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)
- Debt instruments, derivatives and equity instruments measured at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

iii. Derecognition

A financial asset or part of a financial asset is derecognised when the rights to receive cash flows from the asset have expired.

iv. Trade and Other Receivables

Receivables are initially recognised at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that those assets may be impaired, they are reviewed for impairment.

2.15. Forward Contracts

The Group uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

2.16. Financial Liabilities

i. Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, at fair value through profit or loss as loans, borrowings, payables, or derivatives, as appropriate. Loans, borrowings and payables are stated net of transaction costs that are directly attributable to them.

ii. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined in Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Amortised Cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the

liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.17. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.18. Reclassification of Financial Instruments

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Group reclassifies financial assets, it applies the reclassification prospectively.

2.19. Cash and Cash Equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.20. Cash Dividend and Non-Cash distribution to Equity Holders

The Group recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company.

2.21. Investment Property

Investment property is recognised as an asset when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost of the investment property can be measured reliably.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The fair value of the Investment property is disclosed in the Notes to Accounts.

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below

Ind AS 103- Business Combinations –The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS 16 – Property, Plant & Equipments – As per the amendment, the net sale proceeds of items produced over cost of testing shall be deducted from the cost of that item of PPE instead of recognising the same in Profit and Loss Statement.

Ind AS 37 – Provisions, Contingent Liabilities & Contingent Assets – As per the amendment the 'cost of fulfilling' a contract will comprise the costs relate directly to the contract, the same comprises of the incremental costs of fullfiling the contract (eg. Direct labour) and an allocation of other costs that relate directly to fulfilling contracts (eg, allocation of depreciation)

These amendments are not expected to have any significant impact on the financial statement

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED

Notes to the financial statements

All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

Note 3: Property, plant and equipment

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	Opening Balance	Additions / Adjustments during the year	Deletions / Adjustments during the year	Closing Balance	Opening Balance	Depreciation for the year	Deletions / Adjustments during the year	Closing Balance	
As at 31 March, 2021									
Free held Land	4.79	0.01	-	4.80	-	-	-	-	4.80
Leasehold Land	12.67	0.00	-	12.67	-	-	-	-	12.67
Building & Leasehold improvements	0.13	9.45	-	9.59	0.00	0.06	-	0.06	9.53
Plant & Machinery	92.98	20.41	0.21	113.18	14.08	7.55	0.07	21.56	91.62
R&D Lab Equipment	26.85	4.01	-	30.87	4.99	2.14	-	7.13	23.74
Computer Equipment & Software	0.96	0.66	-	1.62	0.50	0.38	-	0.88	0.74
Office Equipment	10.54	2.59	0.10	13.03	5.06	3.98	0.09	8.95	4.07
Furniture & Fixtures	1.61	0.40	-	2.02	0.45	0.32	-	0.77	1.24
Electrical Installation	1.17	0.06	-	1.23	0.45	0.19	-	0.64	0.59
Interiors & Partitions	4.70	0.56	-	5.26	1.89	0.79	-	2.68	2.58
Motor Two Wheeler	0.00	-	-	0.00	0.00	0.00	-	0.00	0.00
Motor Car	0.71	0.22	0.02	0.92	0.31	0.12	0.01	0.42	0.50
Total	**157.12**	**38.38**	**0.32**	**195.18**	**27.73**	**15.53**	**0.18**	**43.09**	**152.08**
As at 31 March 2022									
Free held Land	4.80	-	-	4.80	-	-	-	-	4.80
Leasehold Land	12.67	0.14	-	12.82	-		-	-	12.82
Building & Leasehold improvements	9.59	-	-	9.59	0.06	0.80	-	0.86	8.73
Plant & Machinery	113.18	3.58	0.05	116.71	21.56	10.69	0.05	32.21	84.50
R&D Lab Equipment	30.87	-	-	30.87	7.13	-	-	7.13	23.74
Computer Equipment & Software	1.62	1.79	0.12	3.29	0.88	2.64	0.11	3.41	-0.12
Office Equipment	13.03	0.57	0.03	13.56	8.95	0.34	0.02	9.27	4.29
Furniture & Fixtures	2.02	0.26	0.03	2.24	0.77	0.34	0.01	1.10	1.14
Electrical Installation	1.23	0.09	-	1.32	0.64	0.30	-	0.94	0.38
Interiors & Partitions	5.26	0.04	-	5.30	2.68	0.66	-	3.33	1.97
Motor Two Wheeler	0.00	-	-	0.00	0.00	0.00	-	0.00	0.00
Motor Car	0.92	-	0.04	0.88	0.42	0.15	0.04	0.53	0.35
Total	**195.18**	**6.47**	**0.27**	**201.37**	**43.09**	**15.93**	**0.24**	**58.79**	**142.59**

Note :

a) The company had purchased a leasehold land from Karnataka Industrial Development Board (KIADB) for setting up an industrial project at Defence & Aerospace Park, Devanahalli vide lease agreement dated 4 December 2017. As per the said agreement, the lease is for a term of 99 Years and the Company would pay yearly rent and maintenance charge of Rs. 5,000 and Rs. 1,25,000 respectively on 3rd October of every year.

b) The company has capitalized borrowing cost of Rs. 3,09,87,938 for the period ended 31.03.2022 against assets under Capital Work In progress.

c) Please refer note no. 19 & 23 for charge on fixed assets

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
Notes to the financial statements
All amounts in Indian Rupees, unless otherwise stated

Rs. In Crore

Note 3: Property, plant and equipment

Particulars	Gross Carrying Amount				Accumulated Depreciation					Net Carrying Amount
	Opening Balance	Additions / Adjustments during the year	Deletions / Adjustments during the year	Closing Balance	Opening Balance	Depreciation for the year	Deletions / Adjustments during the year	Impairment Loss	Closing Balance	
As at 31 March 2021										
Other Intangibles Assets - Project Development Know - How	51.15	22.33	-	73.48	26.14	8.67	-	-	34.82	38.66
Intangibles under development - Project Development Know - How	117.26	48.87	18.74	147.39	0.18	-	-	8.02	8.20	139.19
Total	**168.40**	**71.21**	**18.74**	**220.87**	**26.32**	**8.67**	**-**		**43.02**	**177.86**
As at 31 March 2022										
Other Intangibles Assets - Project Development Know - How	73.48	26.35	0.01	99.82	34.82	13.19	0.00	-	48.00	51.82
Intangibles under development - Project Development Know - How	147.39	30.74	-	178.13	8.20	-	-	-	8.20	169.93
Total	**220.87**	**57.09**	**0.01**	**277.95**	**43.02**	**13.19**	**0.00**		**56.20**	**221.75**

IAUD Ageing schedule

(i)

31.03.2021	Amount in CWIP for a period of				
	< 1 yr	1-2 years	2-3 years	> 3 yrs	Total
Project in progress	42.75	31.28	30.69	34.47	139.19
Projects temporarily suspended	-	-	-	-	-

31.03.2022	Amount in CWIP for a period of				
	< 1 yr	1-2 years	2-3 years	> 3 yrs	Total
Project in progress	30.74	42.75	31.28	65.16	169.93
Projects temporarily suspended	-	-	-	-	-

) IAUD-exceeded its dead line or original cost- Nil

Rs. In Crore

Note 3: Property, plant and equipment

	Capital Work in Progress
As at 31 March 2021	
Gross carrying amount	
Opening gross carrying amount	119.74
Exchange differences	
Additions	9.94
Disposals	-0.00
Capitalised during the year	
Closing gross carrying amount	**129.68**
Net carrying amount	**129.68**
As at 31 March 2022	
Gross carrying amount	
Opening gross carrying amount	129.68
Exchange differences	
Additions	11.27
Flaire - CWIP	
Disposals	-
Transfers	-
Capitalised during the year	
Closing gross carrying amount	**140.95**
Net carrying amount	**140.95**

-

(i) CWIP Ageing schedule

31.03.2021	Amount in CWIP for a period of				
	< 1 yr	1-2 years	2-3 years	> 3 yrs	Total
Project in progress	9.94	15.61	9.44	94.68	129.68
Projects temporarily suspended					-

31.03.2022	Amount in CWIP for a period of				
	< 1 yr	1-2 years	2-3 years	> 3 yrs	Total
Project in progress	10.94	9.94	15.61	104.13	140.63
Projects temporarily suspended	0.33	-	-	-	0.33

(ii) CWIP-exceeded its dead line or original cost- Nil

	Right to use Assets
As at 31 March, 2021	
Gross carrying amount	
Opening gross carrying amount	31.20
Impact on Adoption of Ind AS 116	-
Additions	3.57
Disposals	-
Closing gross carrying amount	**34.76**
Accumulated depreciation	
Opening accumulated depreciation	9.72
Depreciation charge during the year	9.94
Disposals	-
Closing accumulated depreciation	**19.66**
Net carrying amount	**15.10**
As at 31 March 2022	
Gross carrying amount	
Opening gross carrying amount	34.76
Additions	0.64
Disposals	-
Closing gross carrying amount	**35.40**
Accumulated depreciation	
Opening accumulated depreciation	19.66
Depreciation charge during the year	7.97
Adjustments	0.00
Disposals	-
Closing accumulated depreciation	**27.63**
Net carrying amount	**7.77**

4 Investments

	As at 31 March 2022	As at 31 March 2021
Investment in Alpha-NT Labs integrated Solutions Pvt Ltd	-	0.01
Investment in Vignan Technologies Pvt. Ltd.-Equity	0.20	
Investment in Associate-Autotec Systems Pvt Ltd	8.54	8.50
Add: Share of profit/ (loss) from the associate	0.39	0.04
TOTAL	**9.13**	**8.55**

5 Financial assets - Other Non-Current loans

	As at 31 March 2022	As at 31 March 2021
(i) Loans		
Loans to Related Parties	-	-
TOTAL	**-**	**-**

6 Financial assets - Other Non-Current financial assets

	As at 31 March 2022	As at 31 March 2021
(ii) Others		
Rental Deposits	3.31	3.56
Idex R&D Contribution	0.36	0.36
Bank deposits with more than 12 months maturity	60.11	61.57
TOTAL	**63.78**	**65.49**

7 Income Tax Assets (Net)

	As at 31 March 2022	As at 31 March 2021
Income Tax Refund Due	1.95	2.19
TDS receivable	0.26	-
Income Tax Paid Under Protest	1.66	0.97
Total Income Tax Assets (Net)	**3.86**	**3.15**

8 Other Non Current Assets

	As at 31 March 2022	As at 31 March 2021
(a) Capital Advances	5.64	0.33
(b) Advance other than Capital Advance		
- Security Deposits	0.98	0.95
- Others	0.42	0.65
- Leave Encashment Fund Trust	-	-
(c) Prepaid Expense	0.97	0.53
(d) Balance with Government Authorities	0.05	0.05
	-	-
Total other Non Current assets	**8.07**	**2.51**

9 Inventories

	As at 31 March 2022	As at 31 March 2021
Raw materials	41.03	24.35
Work-in-progress	428.90	234.76
Finished goods	1.40	-
Stores and spares	-	
Total inventories	**471.34**	**259.11**

10 Trade receivables

	As at 31 March 2022	As at 31 March 2021
Trade receivables Considered Good - Unsecured	282.87	346.88
Trade Receivables which have significant increase credit risk	0.79	1.31
Less: Allowance for doubtful debts	-0.79	-1.31
Total receivables	**282.87**	**346.88**

Trade receivable ageing

As on 31.03.2021	Outstanding for following periods from due date of payment						
	Not Due	< 6 mnths	6mnths-1 yr	1-2 years	2-3 yrs	> 3 yrs	Total
(i) Undisputed Trade receivables considered good	6.13	270.74	22.95	15.28	25.79	4.69	345.57
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-	0.01	1.29	1.31
(iii) Disputed Trade receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-

As on 31.03.2022	Outstanding for following periods from due date of payment						
	Not Due	< 6 mnths	6mnths-1 yr	1-2 years	2-3 years	> 3 yrs	Total
(i) Undisputed Trade receivables considered good	21.29	122.63	9.44	112.79	10.55	5.38	282.08
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-	-	0.79	0.79
(iii) Disputed Trade receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-

11 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with banks	8.87	6.80
Cash on hand	0.19	0.36
Total cash and cash equivalents	**9.07**	**7.16**

12 Bank balances other than cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
(i) Balances with bank held for iDex R&D project	0.34	0.59
(ii) Balances with banks to the extent held as margin money	21.01	18.49
(iii) Deposits with maturity more than 3 months but less than 12 months	1.03	1.37
Total Bank balances other than cash and cash equivalents	**22.38**	**20.44**

13 Loans

	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good -		
(a) Others		
- Advances to Employees	0.38	0.25
(b) Loans to related parties	-	-
Total	**0.38**	**0.25**

As on 31.03.2021- Details of loans or advances that are repayable on demand:

Type of Borrower	Amount of loan or advance o/s	% to total L&A
Promoters		
Directors		
KMPs'		
Related Parties-Flaire Unmanned Systems Pvt Ltd	0.47	17%

As on 31.03.2022- Details of loans or advances that are repayable on demand:

Type of Borrower	Amount of loan or advance o/s	% to total L&A
Promoters		
Directors		
KMPs'		
Related Parties-Alpha NT Labs Integrated Solutions Pvt Ltd.	0.01	1%

14 Other Financial Assets

	As at 31 March 2022	As at 31 March 2021
- Unbilled Revenue	-	29.84
Interest Accrued on Fixed Deposits	1.47	1.47
Contract Acquisition cost	0.72	1.31
Total	**2.20**	**32.63**

15 Current Tax Assets

	As at 31 March 2022	As at 31 March 2021
Advance income tax	0.31	-
Income Tax Refund Due	0.44	0.95
TDS receivable	0.12	0.05
Total	**0.87**	**1.00**

16 Other current assets

	As at 31 March 2022	As at 31 March 2021
(a) Advances other than Capital Advances		
- Advances to Employees	0.02	-
- Advance to suppliers	139.68	151.87
Less: Provision for doubtful debts	-	-
- Advance towards expenses	0.84	0.47
- Balances with statutory authorities	71.01	65.12
(b) Others		
- Duty Drawback Scrips	0.00	0.35
- Employee Benefit Fund Balance	1.17	0.65
- Prepaid expenses	3.67	3.70
- Other Assets	0.05	0.42
Total other current assets	**216.45**	**222.58**

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
Notes to the Financial Statements
All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

17 Equity share capital

A. Authorized - Equity share capital

	Number of shares (Rs)	Par value per share (Rs.)	(Rs)
As at 31 March 2021	**6**	**10**	**60**
Increase during the year			
As at 31 March 2022	**6**	**10**	**60**

B. Issued share capital

	Number of shares (Rs)	Par value per share (Rs.)	Equity share capital (par value)
As at 31 March 2021	**5.12**	**10**	**51.22**
Additions	0.02	10	0.18
As at 31 March 2022	**5.14**	**10**	**51.40**

C. (i) Subscribed & fully paid share capital

	Number of shares (Rs)	Par value per share (Rs.)	Equity share capital (par value)
As at 31 March 2021	**5.12**	**10**	**51.22**
Additions	0.02	10	0.18
Less: Calls in arrears	-	-	-
As at 31 March 2022	**5.14**	**10**	**51.40**

C. (ii) Subscribed & but not fully paid share capital

	Number of shares (in lakhs)	Paid up value per share (Par value Rs.10)	Equity share capital
As at 31 March 2021	**-**	**-**	**-**
As at 31 March 2022	**-**	**-**	**-**

D. Total Subscribed share capital

	Number of shares (in lakhs)	Par value per share (Rs.)	Equity share capital
As at 31 March 2021	**5.12**	**10.00**	**51.22**
As at 31 March 2022	**5.14**	**10.00**	**51.40**

E. Terms and rights attached to equity shares

Terms / Rights attached to Equity Shares : The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

F. Details of shareholders holding more than 5% shares in the company

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding	*Number of shares*	% holding
Vasaka Promoters and Developers Pvt Ltd	2.91	56.77%	2.91	56.77%
M/s. One Earth Capital Limited	0.53	10.33%	0.53	10.33%
Alpha Design ESOP Trust	0.30	5.84%	0.30	5.84%
M/s. Adani Defence Systems and Technologies Limited	1.33	26.00%	1.33	26.00%

G. During the last 5 years -

(a) 5,31,780 equity shares of Rs. 10/- each has been allotted at a premium of Rs.290.37 as fully paid up pursuant to a contract without payment being received in cash (FY 2018-19)

(b) No shares has been allotted as fully paid by way of bonus shares

(c) No shares has been bought back

H. Disclosure of Shareholding of Promoter

As at March 31, 2022 is as follows:

Promoter Name	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Vasaka Promoters and Developers Pvt Ltd	2.91	57%	2.91	57%	
M/s. Adani Defence Systems and Technologies Limited	1.33	26%	1.33	26%	
Total	**4.24**	**83%**	**4.24**	**83%**	

18 Other Equity

	As at 31 March 2022	As at 31 March 2021
Capital Reserve	0.02	0.02
Securities Premium Reserve	549.47	544.16
Retained earnings	79.98	47.11
Share application money pending allotment	-	5.49
Other Equity	**629.47**	**596.78**

Securities Premium

Securities premium refers to the premium received on issue of shares. This reserve can be utilised only in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

19 Borrowings

	As at 31 March 2022		As at 31 March 2021	
	Non-Current	Current	Non-Current	Current
Secured Borrowings				
Term Loan				
a) From banks	32.48	13.61	40.77	15.24
b) From other parties	9.46	4.06	10.47	3.70
Unsecured Borrowings				
Term Loan				
a) From other parties	-	-	-	0.10
b) From Related Parties	14.02	-	17.39	-
Less: Unamoritzed portion of Processing Fee	-0.02	-0.09	-0.02	-0.10
Total	**55.94**	**17.58**	**68.61**	**18.94**

ALPHA DESIGN TECHNOLOGIES PVT LTD

A) Security provided and Terms of repayment

i) HDFC Bank Rs. 25.45 Cr (31.03.2021 - Rs. 31.81Cr)

ii) SBI Rs. 2.79 Cr. (31.03.2021 - Rs. 5.2 Cr.)

iii) SBI Rs. 0.70 Cr. (31.03.2021 - Rs4.3 Cr)

Pari passu charge by way of charge of all the fixed assets including assets related to the simulator project and Industrial land situated at Whitefield, Bangalore under consortium.

iv) SIDBI Rs. 13.52 Cr (31.03.2021 - Rs. 13.91 Cr)

First charge by way of mortgage of leasehold rights of immovable properties of Alpha Design Technologies Pvt Ltd situated at Plot No.20, Aerospace SEZ Area, Devanahalli Taluk, and Bangalore Rural District

v) Kotak Mahindra - Vehicle Loan Rs. 0.06 Cr (31.03.2021 - Rs. 0.09 Cr)

Company has obtained a Vehicle loan of Rs. 0.15Cr towards purchase of Car and is secured by hypothecation of the vehicle. The loan is repayable in monthly EMI's over a 5year period ending in Jan 2024.

vi) HDFC - Vehicle Loan Rs. 0.14 Cr (31.03.2021 - Rs. 0.16 Cr)

Company has obtained a Vehicle loan of Rs. 0.17Cr towards purchase of Car and is secured by hypothecation of the vehicle. The loan is repayable in monthly EMI's over a 5year period ending in Nov 2025

B) Repayment terms

Name of the Bank/ Financial Institution	Effective interest rate	Repayment terms
i) HDFC Bank Ltd [balance as at 31 Mar 2022 - Rs. 25.45 Cr (as at 31 March 2021- Rs. 31.81)]	9.5%	The tenor of the loan is for 6 years, with a moratorium of 9 months. The loan is payable is 22 quarterly installments with the first installment due in October 2020
ii) SBI Bank Ltd [balance as at 31 Mar 2022 - Rs. 2.79 Cr (as at 31 March 2021- Rs. 5.2 Cr.)]	10.6%	The loan is payable in 10 half yearly installments with the first installment due in August 2019
iii) SBI Bank Ltd [balance as at 31 Mar 2022 - Rs. 0.70 Cr (as at 31 March 2021- 4.3Cr)]	7.4%	The loan is repayable in 18 monthly installments with the first installment due in Jan 2021
iv) SIDBI [balance as at 31 Mar 2022 - Rs. 13.52 Cr (as at 31 March 2021- Rs. 13.91 Cr)]	9.85%	The loan is payable in 66 monthly installments after moratorium of 18 months from the date of first disbursement of the term loan i.e. repayment starting from October 2018.

C) Defaults - There were no defaults in meeting the repayment terms or interest payment terms of the aforesaid loans
(Also refer to Note 22 (A) & (B))

ALPHA TOCOL ENGINEERING SERVICES PVT LTD

A) Security provided and Terms of repayment

Term Loan 1: (Value of loan - 2.42cr ; O/s as on 31.03.22 - Rs. 0.14cr) The term loan is secured by hypothecation of Machineries
Term Loan 2: (Value of loan - 0.40cr ; O/s as on 31.03.22 - Rs. 0.11cr) The term loan is secured by hypothecation of Machineries
Term Loan 3: (Value of loan - 1.88cr ; O/s as on 31.03.22 - Rs. 1.50cr) Secured by the hypothecation of Book Debts and Inventory of the Company.
Term Loan 4: (Value of loan - 0.89cr ; O/s as on 31.03.22 - Rs. 0.89cr) Secured by the hypothecation of Book Debts and Inventory of the Company

B) Repayment terms

Name of the Bank/ Financial Institution	Effective interest	Repayment terms
Bank A/c IOB Term Loan 1	8.85%	Repayable in 60 equated monthly EMI with an initial holiday period of 6 months starting from Dec 2014, Jan 2016 & Jan 2017
Bank A/c IOB Term Loan 2	8.85%	The loan is payable in 48 monthly installments after moratorium of 03 months from the date of first disbursement of the term loan i.e. repayment starting from Apr 2022.
Bank A/c IOB Term Loan 3	7.85%	The loan is payable in 36 monthly installments after moratorium of 12 months from the date of first disbursement of the term loan i.e. repayment starting from Aug 2021.
Bank A/c IOB Term Loan 4	7.85%	The loan is payable in 36 monthly installments after moratorium of 24 months from the date of first disbursement of the term loan i.e. repayment starting from Jan 2024.

C) Defaults - There were no defaults in meeting the repayment terms or interest payment terms of the aforesaid loans

ALPHA-ELSEC DEFENCE & AEROSPACE SYSTEMS PVT. LTD

A) Security provided and Terms of repayment

(i) HDFC Bank Rs. 12.85 Cr (31.03.2021 - Rs. 10.65 Cr)

The loan is secured by exclusive charge on all current assets of the Company both present and future and all fixed assets.

The loan is repayable in 72 monthly installments with moratorium of 12 months, with the first installment due in February 2021 and bears a interest rate of 11.5%

(i) HDFC Bank Rs. 14.12 Cr (31.03.2021 - 1.53 Cr)

Extension of charge on primary/ collateral security

B) Defaults - There were no defaults in meeting the repayment terms or interest payment terms of the aforesaid loans

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
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All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

20 Other Non- Current financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Capital Expense Payable	52.30	65.67
iDex R&D Project Fund	1.36	0.65
Total	**53.66**	**66.32**

21 Non-Current Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits	0.53	0.82
Retention Money	-	-
Total	**0.53**	**0.82**

22 Deferred Tax Liabilities (Net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred Tax Liability		
- on Fixed Assets due to depreciation allowability	59.30	53.68
Deferred Tax Asset		
- on Provision	16.13	-
- Attributable to Property, Plant & Equipment	0.01	0.66
- Expenses Deductible in future years	0.39	1.02
- Carry Forward of Unused Tax Losses	6.99	26.76
- on Provision for doubtful debts	0.10	
- on Provision for employee benefits	0.18	0.30
- Lease Assets & Liabilities	0.40	0.53
- MAT credit	27.05	13.00
TOTAL	**8.05**	**11.41**

23 Current Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured Borrowings		
Loans repayable on demand		
a) From banks	172.96	91.61
Current Maturities Of Long-term Debt	17.58	18.94
Unsecured Borrowings		
a) From Others	0.00	-
b) From Related Parties	0.00	-
Total	**190.55**	**110.54**

ALPHA DESIGN TECHNOLOGIES PVT LTD

A) Security offered

i) HDFC Bank - Rs. 84.44 Cr. (31.03.2021 Rs.68.89 Cr)

ii) SBI - Rs. 57.21 Cr. (31.03.2021 Rs.10.19 Cr)

Pari passu charge by way of hypothecation on all the current assets of the company and and Industrial land situated at Whitefield, Bangalore under consortium.

B) Repayment terms : The said loans are repayable on demand

C) Defaults - There were no defaults in meeting the repayment terms or interest payment terms of the aforesaid loans

ALPHA TOCOL ENGINEERING SERVICES PVT LTD

A) Security provided and Terms of repayment

Indian Overseas Bank Rs. 9.83 Cr. (31.3.2021 Rs. 9.84 Cr.)

The loan repayable on demand represents Cash Credit availed, payable on demand. The same is secured by hypothecation of Machineries, book debts and inventory of the company. Further the parent Company has provided guarantee towards the loans. The Interest is charged at 10.35% p.a.

B) Defaults - There were no defaults in meeting the repayment terms or interest payment terms of the aforesaid loans

ALPHA-ELSEC DEFENCE & AEROSPACE SYSTEMS PVT. LTD

A) Security provided and Terms of repayment

HDFC Bank Rs. 21.48 Cr. (31.3.2021 - Rs. 2.69 Cr)

The loan repayable on demand represents Cash Credit availed, payable on demand. The same is secured by exclusive charge on all current assets of the Company both present and future and all fixed assets. Further the parent Company has provided guarantee towards the loans. The Interest is charged at 10.50% p.a.

B) Defaults - There were no defaults in meeting the repayment terms or interest payment terms of the aforesaid loans

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
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All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

24 Current Trade Payables

	As at 31 March 2022	As at 31 March 2021
Due to MSME	4.77	2.20
Due to others	197.83	204.27
Total	**202.60**	**206.47**

A) There are no interest amounts paid / payable to Micro, Small and Medium Enterprises.

B) Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Principal amount due and remaining unpaid	4.77	2.20
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining and payable in succeeding years	-	-

Trade Payables Ageing:

As on 31.03.2021	Outstanding for following periods from due date of payment					
	Not Due	< 1 yr	1-2 years	2-3 years	> 3 yrs	Total
(i)MSME	0.99	1.20	-	0.00	-	2.20
(ii)Others	1.82	124.98	72.50	4.58	0.39	204.27
(iii) Disputed dues – MSME						
(iv) Disputed dues - Others						

As on 31.03.2022	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	< 1 yr	1-2 years	2-3 years	> 3 yrs	Total
(i)MSME	0.04	1.42	3.31	-	-	-	4.77
(ii)Others	0.21	1.52	163.72	22.09	9.85	0.45	197.83
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

25 Other current financial liabilities

	As at 31 March 2022	As at 31 March 2021
Bank Overdraft (TOD)	0.04	0.05
Expense Payable	4.53	3.03
Interest accrued on borrowings but not due	0.19	-
Capital Expense Payable	37.44	29.77
Total	**42.20**	**32.86**

26 Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Advance from Customers	334.18	278.13
Employee Deduction Payable	0.54	0.61
Duties & Taxes Payable	1.41	2.40
Total	**336.13**	**281.15**

27 Current Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits	0.77	1.22
Provision for warranties	1.02	1.02
Provision for Liquidated Damages	0.96	1.42
Provision for purchase cost	-	2.05
Total	**2.75**	**5.71**

(a) Movement in Provisions

Provision for employee benefits		
Opening Balance	1.22	0.30
Additions	1.41	1.57
Utilisation	1.85	0.66
Closing Balance	**0.77**	**1.22**
Provision for employee benefits represents cost associated with employees vested long service (i.e. gratuity & LE) expense accrued and are expected to be utilized within one year.		
Warranty		
Opening Balance	1.02	1.02
Additions	-	-
Utilisation	-	-
Closing Balance	**1.02**	**1.02**
Provision for Warranty represents cost associated with providing post sales support which accrued at the time of recognition of revenues and are expected to be utilized over a period of three years.		
The factors that could affect the estimated claim include the success of the companies production and quality initiates. The management has estimated the amount of provision based on historical warranty claim and recent trends.		
The actual claims may differ from historical amounts.		
Liquidated Damaged		
Opening Balance	1.42	0.37
Additions	0.93	1.52
Utilisation	1.40	0.47
Closing Balance	**0.96**	**1.42**
Provision for Liquidated Damages represents cost associated with revenue contracts towards delay in performance obligation and are expected to be utilized over a period of one year		

28 Current Tax Liabilities (Net)

	As at 31 March 2022	As at 31 March 2021
Income tax	19.32	3.85
Total Current tax liabilities	**19.32**	**3.85**

29 Revenue from Operations

The company derives the following types of revenue:

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products	664.37	411.44
Sale of services	38.74	38.39
Other operating revenue		
-Construction Contracts	-	-
-Foreign Exchange Rate Variation (FERV)	-	-
-Sale of scrap	0.33	0.21
Total revenue from continuing operations	**703.43**	**450.03**
Of the total revenue earned during the year revenue pertaining to:		
Domestic Customers	0.00	0.00
Export Customers	0.00	0.00

30 Other income

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on bank deposits	3.70	2.18
Interest Income on loans (amortized costs)	0.03	0.02
Developmental Reimbursement	2.48	
Foreign Exchange Rate Variation (FERV)	0.42	-
Exchange gain (net)	2.46	-
Liabilities no longer required written back	0.13	2.57
Export incentives including duty drawback	0.91	2.09
Rent from Sub Lease of Premises	0.04	0.04
Rent Waived off	-	0.28
Miscellaneous Income	0.16	0.52
Total other income	**10.33**	**7.69**

31 (a) Cost of materials consumed

	Year ended 31 March 2022	Year ended 31 March 2021
(i) Opening stock	24.06	36.80
(ii) Add : Purchases	712.65	380.05
	736.71	416.85
(ii) Less : Closing stock	42.63	24.06
Total	**694.08**	**392.79**

(b) Changes in inventories of work-in-progress, stock-in-trade and finished goods

	Year ended 31 March 2022	Year ended 31 March 2021
(i) Work in Progress		
Opening stock	234.76	130.60
Less : Closing stock	428.90	234.76
	-194.14	-104.16
Total	**-194.14**	**-104.16**

32 Employee benefit expense

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and Wages	66.99	62.26
Contribution to Provident fund	3.44	3.25
Contribution to ESI	0.26	0.35
Gratuity Expenses	1.12	1.53
Leave Encashment Expenses	0.25	0.62
Staff welfare expense	1.35	1.02
	73.41	69.04
Less:- Transferred to Projects (Know-how) Intangible Assets	17.60	18.17
Total employee benefit expense	**55.81**	**50.87**

33 Finance costs

	Year ended 31 March 2022	Year ended 31 March 2021
Interest on Loans	14.73	12.47
Other Interest	0.61	0.22
Interest Expense - Ind AS	-	0.02
Interest Expense on Lease Liabilities	1.36	2.08
Bank Charges	6.25	5.53
Less: Transferred to Projects (Know-how) Intangible Assets	0.26	
Finance costs expensed in profit or loss	**22.69**	**20.32**

Note:

For the period ended 31.03.2022 borrowing cost of Rs. 3.10 Cr attributable to qualifying assets has been capitalised as per the requirements of IndAS 23: Borrowing Cost.

34 Depreciation and amortisation expense

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of property, plant and equipment	15.91	15.53
Amortization of intangible assets	13.19	8.67
Impairment loss	-	8.02
Amortisation on Right to use assets	7.97	9.94
	37.08	42.17
Less: Transferred to Capital Work-In progress	0.23	0.24
Less: Transferred to Projects (Know-how) Intangible Assets	1.64	2.10
Total depreciation and amortisation expense	**35.21**	**39.82**

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35 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Operating Expense		
Consumables and Tools	0.72	0.74
Fabrication charges	0.30	0.25
Labor Charges	9.45	13.60
Rework Charges	0.12	0.09
Crane Charges	0.07	0.05
Power and Fuel	1.30	0.76
Calibration Charges	0.11	0.18
Discount allowed	-	-
Packing Charges	0.01	0.01
Transportation Charges	0.90	1.04
Clearing & Forwarding Charges	0.02	0.06
Freight Charges	0.82	0.58
Testing Charges	0.74	0.84
Total	**14.57**	**18.21**
Administrative, Selling and Other expenses		
Remuneration to Auditors		
- for Statutory Auditors	0.59	0.57
- for Limited Review	0.13	0.08
- for Other Matters	0.07	
Business Promotion Expenses	0.56	3.40
Bad Debts written off	0.00	
Conveyance Expense	1.88	0.99
Drone contest participation expenses	0.38	
Donations	0.01	0.04
Electricity charges	2.03	2.05
Remuneration to tax auditors	0.09	0.07
Exchange loss (net)	-	-6.89
Loss on sale of assets	0.01	0.00
Insurance	2.47	1.50
Liquidated Damages	1.19	1.89
Postage and Courier charges	0.20	0.24
Printing & Stationery	0.36	0.38
Professional Charges	6.91	4.96
Provision for Bad Debts	1.22	0.52
Duty Drawback scrips written off	-	0.32
Rates and Taxes	0.99	2.39
Registrations and Renewals	0.20	0.60
Repairs and Maintenance		
- Building	0.16	0.11
- Machinery	1.41	1.41
- Electrical	0.20	0.09
- Vehicles	0.35	0.17
- Office	2.33	1.90
- Others	0.07	0.16
Rent	3.50	0.31
Membership & Subscription	0.11	0.07
Security charges	1.81	1.42
Inventory Written off	0.19	-
Telephone Charges	1.05	1.14
Travelling expenses	4.31	2.38
Water Charges	0.07	0.07
Miscellaneous expenses	0.14	0.51
Corporate Social Responsibility	0.17	0.21
Total	**35.14**	**23.05**
Less : Transferred to Projects (Know-how) Intangible Assets	1.56	0.47
Total other expenses	**48.15**	**40.79**

36 Related Party Disclosures

(i) Names of related parties where control exists irrespective of whether transactions have occurred or not:

Holding Company by virtue of shares:	Vasaka Promoters and Developers Pvt. Ltd.
Controls the composition of BOD:	M/s. Adani Defence Systems and Technologies Limited
Subsidiaries:	Alpha Elsec Defence & Aerospace Systems Pvt Ltd
	Microwave and Optronics Systems Pvt. Ltd.
	Alpha Elettronica Defence Systems Pvt. Ltd.
	Reline Thermal Imaging and Software Pvt. Ltd
	Alpha Tocol Engineering Services Pvt. Ltd.
	Kortas Industries Private Limited.
	Flaire Unmanned Systems Pvt Ltd.
	Adani Elbit Advanced Systems India Limited.
	Alpha NT Labs Integrated Solutions Pvt Ltd.
	Vignan Technologies Pvt Ltd
Associate:	AutoTEC Systems Pvt Ltd.
Key Management Personnel (KMP):	
Managing Director	Col. H S Shankar, VSM (Retd.)
Whole Time Director	R Ramachandra Murthy
Director	Ashish Rajvanshi
Director (till 16.11.21)	K S Ranga
Director (till 06.08.21)	Sudipta Bhattacharya
Additional Director (w.e.f 25.09.21)	Vipul Agarwal

36 Related Party Disclosures

(ii) Transaction with related parties during the year

	Particulars	Relationship	As at 31 March 2022	As at 31 March 2021
1	**Finance Arrangements**			
	Equity Share Capital			
	Adani Defence Systems and Technologies Limited	Holding	0.18	1.63
	Share Premium			
	Adani Defence Systems and Technologies Limited	Holding	5.31	48.37
	Share Application Money			
	Adani Defence Systems and Technologies Limited	Holding	-	5.49
			5.49	**55.49**
2	**Sale of goods**			
	Alpha Elsec Defence & Aerospace Systems Pvt Ltd	Subsidiary	0.42	2.11
			0.42	**2.11**
3	**Service Rendered**			
	Alpha Elsec Defence & Aerospace Systems Pvt Ltd	Subsidiary	1.21	0.07
			1.21	**0.07**
4	**Purchase of goods**			
	Alpha Tocol Engineering Services Pvt. Ltd.	Subsidiary	6.92	6.50
	Alpha Elsec Defence & Aerospace Systems Pvt Ltd	Subsidiary	-	-
			6.92	**6.50**
5	**Receiving of services**			
	Alpha Tocol Engineering Services Pvt. Ltd.	Subsidiary	2.46	1.53
			2.46	**1.53**
6	**Lease rentals received**			
	Vasaka Promoters and Developers Pvt. Ltd.	Holding	0.04	0.04
			0.04	**0.04**
7	**Lease rentals paid**			
	Alpha Tocol Engineering Services Pvt. Ltd.	Subsidiary	0.04	0.04
			0.04	**0.04**
8	**Interest income-Ind AS**			
	Alpha Elettronica Defence Systems Pvt. Ltd.	Subsidiary	0.12	0.16
			0.12	**0.16**
9	**Modification Loss-Ind AS**			
	Alpha Elettronica Defence Systems Pvt. Ltd.	Subsidiary	-	0.16
			-	**0.16**
10	**Sale of Fixed Assets**			
	Alpha Elsec Defence & Aerospace Systems Pvt Ltd	Subsidiary	-	0.16
	Flaire Unmanned Systems Pvt Ltd	Subsidiary	0.01	
			0.01	**0.16**
11	**Loans Advanced**			
	Flaire Unmanned Systems Pvt Ltd	Subsidiary		0.47
	Alpha-NT Labs Integrated Solutions Pvt. Ltd	Subsidiary	0.01	-
	Alpha Tocol Engineering Services Pvt. Ltd.	Subsidiary	-	0.40
			0.01	**0.87**
12	**Loans Repayment Received**			
	Flaire Unmanned Systems Pvt Ltd	Subsidiary		0.40
			-	**0.40**
13	**Loans Received**			
	Vasaka Promoters and Developers Pvt. Ltd.	Holding	17.39	24.55
	Microwave and Optronics Systems Pvt. Ltd.	Subsidiary	15.60	14.05
	Reline Thermal Imaging and Software Pvt. Ltd	Subsidiary	0.21	
	Flaire Unmanned Systems Pvt Ltd	Subsidiary	1.37	
			34.58	**38.60**
14	**Loans Repaid**			
	Vasaka Promoters and Developers Pvt. Ltd.	Holding	4.25	8.00
	Microwave and Optronics Systems Pvt. Ltd.	Subsidiary	15.36	
	Reline Thermal Imaging and Software Pvt. Ltd	Subsidiary	0.01	
	Flaire Unmanned Systems Pvt Ltd	Subsidiary	0.36	
			19.98	**8.00**
15	**Advance towards expenses**			
	Adani Defence Systems and Technologies Limited	Holding	1.36	-
			1.36	**-**
16	**Interest Expense on Loans Received**			
	Vasaka Promoters and Developers Pvt. Ltd.	Holding	0.97	0.91
	Microwave and Optronics Systems Pvt. Ltd.	Subsidiary	0.26	0.42
	Reline Thermal Imaging and Software Pvt. Ltd	Subsidiary	0.01	
	Flaire Unmanned Systems Pvt Ltd	Subsidiary	0.03	
			1.27	**1.34**
17	**Interest Income on Loans Advanced**			
	Alpha Tocol Engineering Services Pvt. Ltd.	Subsidiary	-	0.01
			-	**0.01**
18	**Share of Profit**			
	Kortas Industries	Subsidiary	-	0.68
			-	**0.68**
19	**Remuneration Paid**			
	Col. H S Shankar (Retd.)	KMP	0.51	0.28
	R Ramachandra Murthy	KMP	0.35	0.34
			0.86	**0.63**
20	**Corporate Guarantee Provided**			
	Alpha Elsec Defence & Aerospace Systems Pvt Ltd	Subsidiary	41.53	23.53
	Alpha Tocol Engineering Services Pvt. Ltd.	Subsidiary	19.53	18.82
			61.06	**42.35**
21	**Corporate Guarantee Received**			
	Vasaka Promoters and Developers Pvt. Ltd.	Holding	492.84	307.49
			492.84	**307.49**

36 Related Party Disclosures

(iii) Balances with Related Parties as at year end

	Particulars	Relationship	As at 31 March 2022	As at 31 March 2021
1	**Investment in Equity**			
	Kortas Industries Pvt. Ltd.	Subsidiary	-	13.43
	Flaire Unmanned Systems Pvt Ltd	Subsidiary	-	4.10
	Adani Elbit Advanced Systems India Ltd.	Subsidiary	-	42.89
	Alpha-NT Labs Integrated Solutions Pvt. Ltd	Subsidiary	-	0.01
	Alpha Tocol Engineering Services Pvt. Ltd.	Subsidiary	-	8.00
	AutoTEC Systems Pvt Ltd	Associate	-	8.50
	Vignan Technologies Pvt. Ltd	Subsidiary	0.20	-
			0.20	**76.93**
2	**Loans and advances**			
	Alpha Elettronica Defence Systems Pvt. Ltd.	Subsidiary	2.38	2.23
	Alpha-NT Labs Integrated Solutions Pvt. Ltd	Subsidiary	0.01	
	Flaire Unmanned Systems Pvt Ltd	Subsidiary		0.47
			2.40	**2.70**
3	**Borrowings**			
	Vasaka Promoters and Developers Pvt. Ltd.	Holding	14.02	17.39
	Microwave and Optronics Systems Pvt. Ltd.	Subsidiary	0.47	14.44
	Flaire Unmanned Systems Pvt. Ltd.	Subsidiary	1.04	
	Reline Thermal Imaging & Software Pvt. Ltd.	Subsidiary	0.21	
			15.74	**31.84**
4	**Trade Payables**			
	Alpha Tocol Engineering Services Pvt. Ltd.	Subsidiary	0.00	3.01
			0.00	**3.01**
5	**Trade Receivables**			
	Alpha Elsec Defence & Aerospace Systems Pvt Ltd	Subsidiary	0.28	-
			0.28	**-**
6	**Advance to suppliers**			
	Alpha Tocol Engineering Services Pvt. Ltd.	Subsidiary	0.05	2.27
			0.05	**2.27**
7	**Advance towards expenses**			
	Adani Defence Systems and Technologies Limited	Holding	1.36	-
			1.36	**-**

(a) The loan provided to Alpha Elettronica Defence Systems Pvt Ltd of Rs. 2.34 crores is due to be received by the company. The loan has been provided for the working capital requirement of the subsidiary company. As per the agreed terms, the tenure of the loan is 12 years and the same is expected to be settled on 31.03.2023.

37 Fair value measurements

Financial instruments by category

	As at 31 March 2022			As at 31 March 2021		
	FVPL	**FVOCI**	**Amortised cost**	**FVPL**	**FVOCI**	**Amortised cost**
Financial assets						
Investments (other than in subsidiaries)				-	-	-
Trade receivables			282.87			346.88
Loans			0.38			3.80
Cash and cash equivalents			9.07			7.16
Other bank balances			22.38			20.44
Interest accrued on FD			2.20			32.63
Other Financial Assets			63.78			61.94
Total financial assets	**-**	**-**	**380.67**	**-**	**-**	**472.86**
Financial liabilities						
Borrowings			246.48			179.16
Trade payables			202.60			206.47
Lease liabilities			9.38			17.13
Bank Overdraft (TOD)			0.04			0.05
Capital creditors			89.74			95.45
Deferred Government Grant			1.36			0.65
Expense Payable			4.72			3.03
Total financial liabilities	**-**	**-**	**554.32**	**-**	**-**	**501.94**

38 Financial risk management

The company's activities expose it to Liquidity risk, Credit risk & Market risk

(i) Market Risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of the financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivable and payables and loans and borrowings.

(a) Interest Rate Risk

The Company's exposure to the risk of changes in market interest rate relates to the floating rate debt obligations. The exposure of the Company's borrowings at the end of the reporting period are as follows:

Particulars	31-Mar-22	31-Mar-21
Borrowings	246.48	179.16

Sensitivity Analysis of 1% change in interest rate:

Particulars	31-Mar-22	31-Mar-21
Impact on Profit and Loss due to 1% increase in interest rate	-1.85	-0.90
Impact on Profit and Loss due to 1% decrease in interest rate	1.85	0.90

(b) Foreign Currency risk

The Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

The following table provides the information of exposure in foreign currency

Foreign currency exposure	31-Mar-22				31-Mar-21			
	in USD	in Euro	in GBP	Total	in USD	in Euro	in GBP	Total
Trade Receivable	174.70	-	0.15	174.85	163.67	-	0.15	163.83
Trade Payable	113.71	0.40	0.18	114.29	169.81	18.55	0.09	188.45
Payable towards Capital Goods	78.57	-	-	78.57	77.14	-		77.14

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have an effect of Rs. 0.74 Cr on profit before tax. (31-Mar-2020 Rs. 10.24 Cr)

(ii) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

(a) The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as :
(i) Actual or expected significant adverse change in business
(ii) Actual or expected significant change in the operating results of the counterparty
(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
(iv) Significant increases in credit risk on other financial instruments of the same counterparty

(b) Financial assets are written off when there is no reasonable expectation of recovery. Where loans or receivables have been written off, the Company may engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

(c) The carrying amounts of financial assets represent the maximum credit risk exposure

Exposure to credit risk	**31-Mar-22**	**31-Mar-21**
Credit Losses (ECL)		
Cash & cash equivalent	9.07	7.16
Other Bank balance	22.38	20.44
Loans	0.38	0.25
Other Financial Assets	65.98	98.12
Financial risk for which loss allowance is measured using Lifetime expected		
Trade Receivables	282.87	346.88
TOTAL	**380.67**	**472.86**

(d) The Group is making provision on trade receivables balance based on Life time Expected Credit Loss method.

(e) Cash and Cash equivalents, and bank deposits are placed with banks having good reputation, goods past track record and high quality credit rating.

(f) The loans primarily includes Security deposits for rented premises and loan to a subsidiary. Based on the past record and the assessment made of the counter party, no loss is expected.

(iii) Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years	Total
As on 31.03.2022					
Borrowings	169.16	43.93	13.56	1.73	228.39
Trade payables	202.60				202.60
Lease Liabilities	5.45	6.37			
Other financial liabilities	42.20	53.66			95.86
As on 31.03.2021					
Borrowings	115.01	80.16	6.74	-	201.92
Trade payables	206.47				206.47
Lease Liabilities	9.52	10.28			19.79
Other financial liabilities	32.86	66.32			99.18

Maturity profile of financial assets

The table below provides details regarding the contractual maturities of financial assets at the reporting date

	Less than 1 year	1 to 5 years	3 to 5 years	More than 5 years	Total
As on 31.03.2022					
Non current Loans		-			-
Trade receivables	282.87				282.87
Current Loans	0.38				0.38
Cash & Bank Balance	31.45				31.45
Deposits with maturity > 12months		63.78			63.78
Other current financial assets	2.20				2.20
					-
As on 31.03.2021					-
Non current Loans		-			-
Trade receivables	346.88				346.88
Current Loans	0.25				0.25
Cash & Bank Balance	27.61				27.61
Deposits with maturity > 12months		65.49			65.49
Other current financial assets	32.63				32.63

39 Capital management

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's Capital Management is to maximize shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial statements

The Group monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

	31 March 2022	31 March 2021
Net debt	264.07	198.10
Total equity	680.87	648.00
Net debt to equity ratio	**39%**	**31%**

(i) Loan covenants

The Group has complied with the major financial covenants as stipulated under the borrowings.

40 Segment information

An operating segment is a component of the entity that engages in business activities from which it may earn revenue and incur expenses, including revenue & expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. All operating segments is evaluated based on profit or loss and is measured consistently with the profit or loss in the financial statements & are reviewed regularly by the entity's Board to make decisions about resources to be allocated to the segments and access their performance.

The Group has considered the business segment as the primary reporting segment on the basis that the risk and returns of the Company is primarily determined by the nature of products and services. Secondary segment reporting is on the basis of geographical location of customers – within India and outside India.

A. The company does not have more than one reportable geographic segment.

B. Secondary Segment Information - Geographical Segment

Geographical Segment	As at February 28,2022			As at March 31, 2021		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from location of customers	92.92	610.51	703.43	240.93	209.10	450.03

C. Customers amounting to 10% or more of entity's revenue is as follows

Particulars	No. of Parties	Amount of Revenue
Period 31-Mar-2022	4	556.56
Year 31-Mar-2021	3	261.68

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41 Interest in Other Entities

Sl.No	Name of the entity	Country of Incorporation	Percentage of Ownership		Subsidiary/ Joint Venture	Method of Consolidation	Status of Subsidiary
			As at 31-03-2022	As at 31-03-2021			
1	Alpha Tocol Engineering Services Private Limited	India	100%	100%	Subsidiary	Line by Line	Pvt. Ltd Co
2	Reline Thermal Imaging and Software Private Limited	India	100%	100%	Subsidiary	Line by Line	Pvt. Ltd Co
3	Microwave and Optronics Systems Private Limited	India	100%	100%	Subsidiary	Line by Line	Pvt. Ltd Co
4	Alpha Electronica Defence Systems Private Limited	India	80%	80%	Subsidiary	Line by Line	Pvt. Ltd Co
5	Alpha Elsec Defence and Aerospace Private Limited	India	51%	51%	Subsidiary	Line by Line	Pvt. Ltd Co
6	Kortas Industries (till 13-08-2020)	India	0%	85%	Subsidiary	Line by Line	Partnership Firm
7	Alpha Kortas Space System Pvt. Ltd.	India	0%	100%	Subsidiary	Line by Line	Pvt. Ltd Co
8	Kortas Industries Private Limited.	India	85%	0%	Subsidiary	Line by Line	Pvt. Ltd Co
9	Flaire Unmanned Systems Pvt Ltd.	India	100%	0%	Subsidiary	Line by Line	Pvt. Ltd Co
10	Adani Elbit Advanced Systems India Limited.	India	54%	0%	Subsidiary	Line by Line	Pvt. Ltd Co
11	Alpha NT Labs Integrated Solutions Pvt Ltd.	India	100%	0%	Subsidiary	Line by Line	Pvt. Ltd Co
12	Vignan Technologies Pvt Ltd	India	49%	0%	Subsidiary	Line by Line	Pvt. Ltd Co

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(B) Non Controlling Interest

(i) Subsidiaries

Set out below is the summarised financial information for each subsidiaries that has non controlling interests that are material to the group. The amount disclosed for each subsidiary is before intra- group eliminations:

Summarised Balance Sheet		
Particulars	**Alpha Tocol Engineering Services Private Limited**	
	31-Mar-22	**31-Mar-21**
Current Assets	28.83	37.85
Current Liabilities	15.11	18.81
Net Current Assets	**13.72**	**19.04**
Non Current Assets	19.03	22.24
Non Current Liabilities	1.81	2.99
Net Non Current Assets	**17.22**	**19.25**
Net Assets	**30.94**	**38.28**
Accumulated NCI		
Summarised statement of Profit and Loss		
Revenue	14.21	24.97
Profit/(Loss)	-7.48	-1.30
Other Comprehensive Income	0.14	0.05
Total Comprehensive Income	-7.34	-1.25
Profit / (Loss) to Non Controlling Interest		
Summarised statement of Cash flows		
Cash flow from Operating activities	2.20	-4.26
Cash flow from Investing activities	-0.08	-0.45
Cash flow from Financing activities	-2.45	5.00

Summarised Balance Sheet		
Particulars	**Reline Thermal Imaging and Software Private Limited**	
	31-Mar-22	**31-Mar-21**
Current Assets	1.75	1.77
Current Liabilities	0.01	0.05
Net Current Assets	**1.74**	**1.72**
Non Current Assets	8.75	10.40
Non Current Liabilities	0.06	0.13
Net Non Current Assets	**8.69**	**10.27**
Net Assets	**10.42**	**11.98**
Accumulated NCI		
Summarised statement of Profit and Loss		
Revenue	0.05	0.01
Profit/(Loss)	-1.56	-1.69
Other Comprehensive Income	-	-
Total Comprehensive Income	-1.56	-1.69
Profit / (Loss) to Non Controlling Interest		
Summarised statement of Cash flows		
Cash flow from Operating activities	-0.03	0.12
Cash flow from Investing activities	-0.20	0.01
Cash flow from Financing activities	0.00	0.24

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Summarised Balance Sheet		
Particulars	**Microwave and Optronics Systems Private Limited**	
	31-Mar-22	**31-Mar-21**
Current Assets	3.36	17.92
Current Liabilities	0.01	14.71
Net Current Assets	**3.35**	**3.21**
Non Current Assets	23.51	29.36
Non Current Liabilities		
Net Non Current Assets	**23.51**	**29.36**
Net Assets	**26.86**	**32.57**
Accumulated NCI		
Summarised statement of Profit and Loss		
Revenue	0.29	1.08
Profit/(Loss)	-5.71	-5.25
Other Comprehensive Income	-0.00	0.15
Total Comprehensive Income	-5.71	-5.11
Profit / (Loss) to Non Controlling Interest		
Summarised statement of Cash flows		
Cash flow from Operating activities	-14.44	13.90
Cash flow from Investing activities	14.23	-13.82
Cash flow from Financing activities	0.01	0.21

Summarised Balance Sheet		
Particulars	**Alpha Electronica Defence Systems Private Limited**	
	31-Mar-22	**31-Mar-21**
Current Assets	0.32	0.32
Current Liabilities	2.41	0.01
Net Current Assets	**-2.10**	**0.30**
Non Current Assets	0.01	0.02
Non Current Liabilities		2.23
Net Non Current Assets	**0.01**	**-2.21**
Net Assets	**-2.08**	**-1.91**
Accumulated NCI	-0.51	-0.47
Summarised statement of Profit and Loss		
Revenue	0.01	0.16
Profit/(Loss)	-0.18	-0.02
Other Comprehensive Income	-	-
Total Comprehensive Income	-0.18	-0.02
Profit / (Loss) to Non Controlling Interest	-0.04	-0.00
Summarised statement of Cash flows		
Cash flow from Operating activities	-0.18	-0.02
Cash flow from Investing activities	-0.27	-
Cash flow from Financing activities	0.16	-

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
Notes to the Financial Statements
All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

Summarised Balance Sheet		
Particulars	**Alpha Elsec Defence and Aerospace Private Limited**	
	31-Mar-22	**31-Mar-21**
Current Assets	78.99	63.22
Current Liabilities	61.69	46.21
Net Current Assets	**17.30**	**17.01**
Non Current Assets	15.47	11.17
Non Current Liabilities	12.01	11.52
Net Non Current Assets	**3.46**	**-0.35**
Net Assets	**20.75**	**16.66**
Accumulated NCI	10.18	8.16
Summarised statement of Profit and Loss		
Revenue	107.12	67.68
Profit/(Loss)	4.06	3.48
Other Comprehensive Income	-0.04	-0.01
Total Comprehensive Income	4.02	3.47
Profit / (Loss) to Non Controlling Interest	2.01	1.70
Summarised statement of Cash flows		
Cash flow from Operating activities	-9.23	3.96
Cash flow from Investing activities	-4.31	-8.37
Cash flow from Financing activities	18.52	3.74

Summarised Balance Sheet		
Particulars	**Alpha NT Labs Integrated Solutions Pvt Ltd.**	
	31-Mar-22	**31-Mar-21**
Current Assets	0.01	
Current Liabilities	0.01	
Net Current Assets	**-**	
Non Current Assets		
Non Current Liabilities	-	
Net Non Current Assets	**-**	
Net Assets	**-**	
Accumulated NCI		
Summarised statement of Profit and Loss		
Revenue	-	
Profit/(Loss)	-0.01	
Other Comprehensive Income	-	
Total Comprehensive Income	-0.01	
Profit / (Loss) to Non Controlling Interest	-	
Summarised statement of Cash flows		
Cash flow from Operating activities	-0.01	
Cash flow from Investing activities		
Cash flow from Financing activities	0.01	

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
Notes to the Financial Statements
All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

Summarised Balance Sheet		
Particulars	**Kortas Industries Private Limited.**	
	31-Mar-22	**31-Mar-21**
Current Assets	4.94	5.26
Current Liabilities	0.79	0.90
Net Current Assets	**4.15**	**4.36**
Non Current Assets	15.09	13.54
Non Current Liabilities	0.17	0.25
Net Non Current Assets	**14.92**	**13.30**
Net Assets	**19.07**	**17.66**
Accumulated NCI	2.86	2.65
Summarised statement of Profit and Loss		
Revenue	7.16	4.97
Profit/(Loss)	1.26	1.07
Other Comprehensive Income	0.15	-
Total Comprehensive Income	1.41	1.07
Profit / (Loss) to Non Controlling Interest	0.21	0.16
Summarised statement of Cash flows		
Cash flow from Operating activities	0.49	0.63
Cash flow from Investing activities	-1.42	-0.10
Cash flow from Financing activities	-0.01	-0.03

Summarised Balance Sheet		
Particulars	**Flaire Unmanned Systems Pvt Ltd.**	
	31-Mar-22	**31-Mar-21**
Current Assets	1.81	0.83
Current Liabilities	0.78	0.59
Net Current Assets	**1.03**	**0.24**
Non Current Assets	4.30	3.82
Non Current Liabilities	0.00	-
Net Non Current Assets	**4.30**	**3.82**
Net Assets	**5.33**	**4.06**
Accumulated NCI	-	-
Summarised statement of Profit and Loss		
Revenue	-	-
Profit/(Loss)	1.27	-0.03
Other Comprehensive Income	-	-
Total Comprehensive Income	1.27	-0.03
Profit / (Loss) to Non Controlling Interest	-	-
Summarised statement of Cash flows		
Cash flow from Operating activities	1.91	-0.15
Cash flow from Investing activities	-1.53	-0.74
Cash flow from Financing activities	-0.50	0.57

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
Notes to the Financial Statements
All amounts in Indian Rupees, unless otherwise stated **Rs. In Crore**

Summarised Balance Sheet		
Particulars	**Adani Elbit Advanced Systems India Limited.**	
	31-Mar-22	**31-Mar-21**
Current Assets	15.59	19.05
Current Liabilities	12.76	2.57
Net Current Assets	**2.83**	**16.48**
Non Current Assets	41.53	20.76
Non Current Liabilities	0.07	0.17
Net Non Current Assets	**41.46**	**20.59**
Net Assets	**44.29**	**37.07**
Accumulated NCI	22.19	14.52
Summarised statement of Profit and Loss		
Revenue	10.14	9.60
Profit/(Loss)	0.32	4.24
Other Comprehensive Income	0.01	0.02
Total Comprehensive Income	0.34	4.26
Profit / (Loss) to Non Controlling Interest	0.17	1.96
Summarised statement of Cash flows		
Cash flow from Operating activities	14.49	-7.18
Cash flow from Investing activities	-25.85	-0.22
Cash flow from Financing activities	7.50	11.53

42 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements.

Sl.no	**Name of the entity**	**Net Assets**		**Share in total comprehensive income**	
		As a % of consolidated net assets	**Amount**	**As a % of consolidated profit or loss**	**Amount**
Parent					
1	Alpha Technologies Private Limited	73.41%	525.29	115.08%	41.23
Subsidiaries					
1	Alpha Tocol Engineering Services Private Limited	4.32%	30.94	-20.48%	-7.34
2	Reline Thermal Imaging and Software Private Limited	1.46%	10.42	-4.35%	-1.56
3	Microwave and Optronics Systems Private Limited	3.75%	26.86	-15.94%	-5.71
4	Alpha Electronica Defence Systems Private Limited	-0.29%	-2.08	-0.49%	-0.18
5	Alpha Elsec Defence and Aerospace Private Limited	2.90%	20.75	11.22%	4.02
6	Alpha NT Labs Integrated Solutions Pvt Ltd.	0.00%	-	-0.04%	-0.01
7	Kortas Industries Private Limited.	2.66%	19.07	3.93%	1.41
8	Flaire Unmanned Systems Pvt Ltd.	0.74%	5.33	3.53%	1.27
9	Adani Elbit Advanced Systems India Limited.	6.19%	44.29	0.95%	0.34
Non-Controlling Interest		4.85%	34.73	6.60%	2.37
TOTAL		100.00%	715.60	100.00%	35.83

43 Contingent liabilities and contingent assets

a) Contingent Liabilities **Rs. In Crore**

Particulars	As at 31 March 2022	As at 31 March 2021
Claims against the company not acknowledged as debt		
- Income Tax Demand (Refer note below)	8.73	5.26
TOTAL	**8.73**	**5.26**

Management is of the view that above matters are not likely to have any impact on financial position of the company

Alpha Design Technologies Pvt Ltd.
(i) The Company's claim of the amount incurred for the developmental projects as revenue expenditure was allowed by the Hon'ble Income Tax Appellate Tribunal for AY 2007-08 and AY 2008-09. However the CIT(A) has disallowed the expenditure during the course of regular assessment for AY 2009-10, 2011-12, to 2017-18. Aggrieved by the same, the Company has filed an appeal with the Hon'ble ITAT. The Tribunal vide order dt. 27.01.2021 has directed the CIT(A) to examine the expenditure and allow as per the provisions of IT. Consequently, the demand had been raised which is disclosed as Contingent Liability.
(ii) AY 2018-19, the AO has disallowed the expenditure incurred for developmental projects as revenue expenditure. The Company has filed an appeal with CIT(A).
(iii) AY 2019-20, intimation u/s 143(1) of the IT Act is received disallowing certain TDS credit, against which the Company has replied to CPC to reprocess the return.

Alpha Elsec Defence Aerospace Systems Pvt Ltd.
The department has contested the transfer pricing methodology adopted relating to the assessment year 2010-11 and have raised a demand of ₹ 41.40 Lakhs. The Company has filed an appeal with Commissioner of income tax (Appeals) but the same was dismissed without considering the fact that Transfer pricing officer has not provided an opportunity to the appellant to be heard. The Company has filed an appeal against these demands before Income Tax Appellate Tribunal and is confident of winning the appeal. Accordingly, no tax expense has been accrued in the financial statements for the year ended 31 March 2022. Considering the facts and nature of adjustments, the Company believes that the position will likely be accepted by Income tax appellate tribunal and will not have any material adverse effect on the financial position and results of operations.

b) Contingent Assets - NIL NIL

c) Capital Commitments **Rs. In Crore**

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	6.91	2.15

44 Earnings per share

	Year ended 31 March 2022	Year ended 31 March 2021
(a) Basic earnings per share	**INR**	**INR**
From continuing operations attributable to the equity holders of the company	6.86	1.93
From discontinued operation	-	-
Total basic earnings per share attributable to the equity holders of the company	6.86	1.93
(b) Diluted earnings per share		
From continuing operations attributable to the equity holders of the company	6.86	1.90
From discontinued operation	-	-
Total diluted earnings per share attributable to the equity holders of the company	6.86	1.90

(c) Reconciliations of earnings used in calculating earnings per share **Rs. In Crore**

	Year ended 31 March 2022	Year ended 31 March 2021
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:		
From continuing operations	35.26	9.75
From discontinued operation		-
	35.26	**9.75**
Diluted earnings per share		
Profit from continuing operations attributable to the equity holders of the company:		
Used in calculating basic earnings per share	35.26	9.75
Add: interest savings on convertible bonds	-	-
Used in calculating diluted earnings per share	35.26	9.75
Profit from discontinued operation	-	-
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	**35.26**	**9.75**

(d) Weighted average number of shares used as the denominator

	Year ended 31 March 2022	Year ended 31 March 2021
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	5.14	5.05
Adjustments for calculation of diluted earnings per share:	0.00	0.07
Options		
Convertible bonds		
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	**5.14**	**5.12**

45 Leases

i) The movement in Lease liabilities during the period ended 31-March-2022 **Rs. In Crore**

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	17.13	23.11
Reclassified on account of adoption of Ind AS 116	-	-
Additions during the period	0.64	3.57
Finance costs incurred during the year	1.35	1.82
Payments of Lease Liabilities	9.74	11.36
Adjustments		
Closing Balance	**9.38**	**17.13**

ii) The carrying value of the Rights-of-use and depreciation charged during the period **Rs. In Crore**

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	15.10	21.48
Reclassified on account of adoption of Ind AS 116	-	-
Additions	0.64	3.57
Depreciation	7.97	9.94
Closing Balance	**7.77**	**15.10**

The aggregate depreciation expense on ROU assets Rs. 2,40,20,022 is included under depreciation and amortization expense of Profit and Loss.

iii) Amount Recognised in Profit & Loss Account during the Year **Rs. In Crore**

	As at 31 March 2022	As at 31 March 2021
Expenses relating to short-term leases	3.50	0.31
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	-	-

iv) Amounts recognised in statement of cash flows **Rs. In Crore**

	As at 31 March 2022	As at 31 March 2021
Total cash outflow for leases	9.74	11.36

46 Government grant for the iDex Project

The Company has instituted two R&D projects during the FY 20-21, on behalf of IDEX [Innovation for Defence Excellence] with matching grants towards IFF and Posrad projects for Indian Army and Indian Air force respectively. The amount to be spent towards development expenses including Material, resources and Capital equipment.

47 Events after reporting period

There were no material subsequent events for the period ended 31 March 2022. The directors are not aware of any other matter or circumstances since the financial year end and the date of this report, not otherwise dealt with in the financial statements, which significantly affects the financial position of the company and the results of its operation.

48 The Consolidated Financial Statements includes financial statement of 1 subsidiary which are unaudited and have been furnished to us by the Management and our opinion on the consolidated Financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such Management certified financial statements of that company.

49 The Company has borrowings from banks and financial institutions on the basis of security of current assets, and the quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

50 The Company has not advanced or loaned or invested funds (either borrowed funds or share, premium or any other sources or kind of funds) to any other entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

51 The Company has not declared any dividend for the year, and thus the Section 123 of the Act, is not applicable

52 Disclosure of any transactions with struck off Companies u/s 248 or 560

As on 31.03.2021-Nil

As on 31.03.2022:

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the struck off company, if any to be disclosed
Alpha-Kortas Space Systems Pvt Ltd	Investments in securities	-	Subsidiary Company

Note: An initial investment of Rs. 1lakh was made in this company. As the company was struck off, the investment amount was written off

ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED
Notes to the Financial Statements
All amounts in Indian Rupees, unless otherwise stated

53 Ratios

Sl.No	Particulars	Nominator	Denominator	31.03.2022	31.03.2021	Variance by	Reasons for variance
1	Current Ratio	Current Assets	Current Liabilities	1.26	1.37	-8%	
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.34	0.27	29%	
3	Debt Service Coverage Ratio	EBIT	Debt service	0.00	0.00	50%	Increase in revenue with good order book and reasonable margins has helped for increase in operating profit and covered majortiy of fixed costs including debt obligations. This contributed for the improvement in ratio as there is no major increase in debt during the year.
4	Return on Equity Ratio	PAT	Average shareholder's equity	0.05	0.01	3%	
5	Inventory turnover ratio	COI/COGS	Average inventory	1.37	0.00	396958390%	
6	Trade Receivables turnover ratio	Revenue	Average Trade Receivable	2.23	0.00	492363305%	Effective monitoring of recovery of receivables for critical and high value projects has helped in improvement of this ratio and which in turn contributed for better cash flow management of the company.
7	Trade payables turnover ratio	Purchases	Average Trade Payable	3.48	0.00	591318625%	Effective management of vendor payments wrt payment terms with vendors as back to back with customer receipts for critical and high value projects has helped for improvement in the ratio and also helped for the better cash flow management of the company.
8	Net capital turnover ratio	Revenue	Shareholder's Equity	0.98	0.67	47%	The revenue of company has manifolded, i.e., by 63% increase compared to the previous year with retaining the same equity base as shareholders support, has helped for the improvement in this ratio. This has also contirbuted for the organization's efficiency about the utilization of capital employed in the business.
9	Net profit ratio	PAT	Revenue	0.05	0.02	3%	
10	Return on Capital employed	EBIT	Capital employed	0.10	0.05	5%	
11	Return on investment	PAT	Cost of Invst	0.05	0.01	3%	

54 Corporate Social Responsibility (CSR)

Rs. In Crore

Particulars	FY 2021-22	FY 2020-21
Amount required to be spent by the company during the year	0.17	0.20
Amount of expenditure incurred	0.17	0.21
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	
Reason for shortfall		
Nature of CSR activities	a) Health Care b) Setting up of hostels for girls and Promoting Education c) Food & education for differently abled children d) Animal Welfare	a) Conservation of natural resources b) Contribution to PM Care Fund

55 Prior year comparatives

Prior year figures have been reclassified to conform to this period's classification.

For Amit Ray & CO., Chartered Accountants
Firm Registration No: 483-C

Chandana Venkata Savit Kumar Rao
Digitally signed by Chandana Venkata Savit Kumar Rao
Date: 2022.04.28 08:03:27 +05'30'

C V Savit Kumar Rao
Partner
Membership No: 70009

Place: Bengaluru
Date: 28/01/2022

For and on behalf of the Board of Directors

SHANKAR HOLENARSIPUR SRIKANTIAH
Digitally signed by SHANKAR HOLENARSIPUR SRIKANTIAH
Date: 2022.04.28 07:40:56 +05'30'

Col. H S Shankar, VSM (Retd.)
Managing Director
DIN: 00279285

RANGAPPA RAMACHANDRAMURTHY
Digitally signed by RANGAPPA RAMACHANDRAMURTHY
Date: 2022.04.28 07:48:50 +05'30'

R Ramachandramurthy
Director
DIN: 08160629

GURUMURTHY ganapati HEGDE
Digitally signed by GURUMURTHY ganapati HEGDE
Date: 2022.04.28 07:56:35 +05'30'

Gurumurthy G Hegde
Company Secretary
Membership No: A24285

Place: Bengaluru
Date: 28/01/2022