

Unaudited Consolidated Balance Sheet as at March 31, 2020
 All amounts in Indian Rupees, unless otherwise stated

Particulars	Notes	As at 31 March, 2020	As at 31st March, 2019
I ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3	2,027,873,091	860,090,209
(b) Capital Work-in-progress	3	410,736,034	1,041,251,629
(c) Other Intangible Assets	3	389,185,719	334,522,893
(d) Intangible assets under development	3	1,155,918,712	855,577,019
(e) Right to use Assets		205,322,925	
(f) Financial Assets			
i. Investments		-	
ii. Loans	4	40,512,748	30,617,845
iii. Others	5	-	2,219,948
(g) Income Tax Assets (net)	6	29,026,550	21,418,816
(h) Deferred Tax Assets (Net)		50,809	-
(i) Other Non-Current Assets	7	29,610,039	32,070,924
Total Non-Current Assets		4,288,236,627	3,177,769,283
2 Current Assets			
(a) Inventories	8	1,919,620,337	661,424,731
(b) Financial Assets			
i. Investments			
ii. Trade Receivables	9	1,917,752,836	2,002,909,975
iii. Cash and cash equivalents	10	65,022,359	260,740,458
iv. Bank balances other than (iii) above	11	511,417,087	365,362,458
v. Loans	12	3,318,396	4,684,871
vi. Other financial assets	13	24,455,569	16,523,044
(c) Current Tax Assets (Net)	14	7,522,184	-
(d) Other current assets	15	3,125,970,831	1,202,721,744
Total Current Assets		7,575,079,599	4,514,367,281
Total Assets		11,863,316,226	7,692,136,563
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	495,892,299	437,259,778
(b) Other equity	17	5,461,662,732	3,699,338,761
Equity attributable to Owners of the Company		5,957,555,030	4,136,598,539
(c) Non-controlling interest		67,853,873	31,830,380
Total Equity		6,025,408,903	4,168,428,919
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	18	530,646,731	163,616,010
ii. Lease Liabilities		140,701,570	-
iii. Trade Payables			
iv. Other financial liabilities	19	771,804,764	762,869,516
(b) Provisions	20	1,428,369	290,834
(c) Deferred Tax Liabilities (Net)	21	232,948,448	162,526,321
(d) Other Non-Current Liabilities		-	-
Total Non-Current Liabilities		1,677,529,882	1,089,302,681
2 Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	22	1,159,179,579	428,685,019
ii. Lease Liabilities		80,286,478	-
iii. Trade payables	23	1,420,157,974	983,633,664
iv. Other financial liabilities	24	307,242,966	106,016,116
(b) Other current liabilities	25	1,090,194,910	870,376,310
(c) Provisions	26	37,215,244	25,031,850
(d) Current tax liabilities (Net)	27	66,100,290	20,662,005
Total Current Liabilities		4,160,377,441	2,434,404,965
Total Liabilities		5,837,907,322	3,523,707,646
Total Equity and Liabilities		11,863,316,226	7,692,136,565

Summary of Significant Accounting Policies 1 & 2
 The accompanying notes are an integral part of these financial statements
 This is the Balance Sheet referred to in our report of even date

The Consolidated Financial Statement for FY 2019-20 are Management certified and are subject to Audit. Due to Covid-19 impact & lockdown, the financials are prepared based on the data available and we expect a variation of not more than 7-10% in the Audited Signed Financial Statement for FY 2019-20. However, we declare that the numbers presented are accurate to the extent of data available.

For and on behalf of the Board of Directors



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

Place: Bengaluru
 Date: 13/04/2020



Unaudited Consolidated Statement of Profit and Loss for the period ended 31 March 2020
 All amounts in Indian Rupees, unless otherwise stated

Particulars	Notes	Year ended 31 March 2020	Year ended 31 March 2019
I Revenue from operations	28	4,059,062,675	2,810,670,783
II Other income	29	50,287,100	97,792,222
III Total income		4,109,349,775	2,908,463,005
IV Expenses			
Cost of materials consumed		3,837,524,545	1,841,964,096
Purchases of stock-in-trade		-	-
Changes in inventories of work-in-progress, stock-in-trade and finished goods	30	-1,240,175,325	-202,217,333
Employee benefit expense	31	402,833,258	338,460,141
Finance costs	32	163,060,570	150,587,783
Depreciation and amortisation expense	33	341,190,678	161,416,132
Other expenses	34	388,223,081	501,774,614
V Total expenses (V)		3,892,656,807	2,791,985,434
VI Profit before exceptional items and tax		216,692,968	116,477,572
VII Exceptional items		-	-
VIII Profit before tax from continuing operations		216,692,968	116,477,572
IX Income tax expense			
- Current tax		74,928,847	40,080,066
- Deferred tax		112,516,012	27,462,815
- Income tax of earlier years		22,816	-
- MAT Credit recognized		-42,098,620	-
Total tax expense		145,369,055	67,542,881
X Profit from continuing operations		71,323,913	48,934,690
XI Discontinued operations			
Profit from discontinued operation before tax		-	-
Tax expense of discontinued operations		-	-
Profit from discontinued operation		-	-
XIV Profit for the year		71,323,913	48,934,690
XV Other comprehensive income			
Items that may be reclassified to profit or loss			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-1,719,150	-2,938,056
Income tax relating to these items		-1,719,150	1,070,878
Other comprehensive income for the year, net of tax		-1,719,150	-1,867,178
XVI Total comprehensive income for the year		69,604,763	47,067,513
Net Profit Attributable to			
Owners of the Company		72,675,643	38,024,939
Non-Controlling Interests		-1,351,730	10,909,752
Other Comprehensive Income Attributable to			
Owners of the Company		-1,719,150	-1,769,586
Non-Controlling Interests		-	-97,592
Total Comprehensive Income Attributable to			
Owners of the Company		70,956,493	36,255,353
Non-Controlling Interests		-1,351,730	10,812,160
XVII Earnings per equity share for profit from continuing operation :			
Basic earnings per share		1.55	1.20
Diluted earnings per share		1.39	1.13
XVIII Earnings per equity share for profit from discontinued operation :			
Basic earnings per share		-	-
Diluted earnings per share		-	-
XIX Earnings per equity share for profit from continuing and discontinued operation :			
Basic earnings per share		1.55	1.20
Diluted earnings per share		1.39	1.13
Weighted Average Equity Shares used in computing earnings per equity share			
Basic		46,130,940	39,285,557
Diluted		51,218,671	41,523,101

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 and on behalf of the Board of Directors



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

Place: Bengaluru
 Date: 13/04/2020



Unaudited Consolidated Cash Flow Statement for the period ended 31st March 2020
 All amounts in Indian Rupees, unless otherwise stated

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	216,692,968	116,477,572
Discontinued operations	-	-
Profit before income tax including discontinued operations	216,692,968	116,477,572
Adjustments for		
Depreciation and amortisation expense	350,879,176	161,416,132
Adjustment to finance cost	163,060,570	150,587,783
Exchange (Gain)/ Loss restatement	8,935,248	45,517,650
Bad debts written off	6,698,246	788,305
Adjustment for Other Comprehensive Income	-	-2,938,056
Loss (Profit) on sale of assets	11,303	3,350,448
Interest income classified as investing cash flows	-25,129,538	-25,206,418
Operating profit before working capital changes	721,147,972	449,993,417
Change in operating assets and liabilities		
(Increase) in inventories	-1,258,195,606	-440,889,969
(Increase)/Decrease in trade receivables	78,458,893	-990,979,379
(Increase)/decrease in other Bank Balances	-146,054,629	-55,135,659
(Increase)/decrease in current financial assets-loans	1,366,475	-1,492,313
(Increase)/decrease in other current financial assets	-7,932,525	-3,394,277
(Increase)/Decrease in current tax assets (Net)	-7,522,184	502,891
(Increase)/Decrease in other current assets	-1,924,968,237	-505,629,417
(Increase)/decrease in non-current financial assets-loans	-9,894,903	-1,139,593
(Increase)/decrease in other non-current financial assets	2,219,948	-2,219,948
(Increase)/Decrease in non-current tax assets (Net)	-7,607,734	-3,806,613
(Increase)/decrease in other non current assets	2,460,885	13,209,296
Increase/(Decrease) in long term provisions	1,137,535	276,576
Increase/(Decrease) in trade payables	436,524,310	800,819,748
Increase/(Decrease) in other financial current liabilities	207,712,827	-14,834,335
Increase/(Decrease) in other current liabilities	219,818,600	400,765,231
Increase/(Decrease) in Short term provisions	12,183,394	14,386,100
Increase/(Decrease) in current tax liabilities	45,438,285	-5,139,783
Cash generated from operations	-1,633,706,694	-344,708,027
Income taxes paid	74,951,663	40,080,066
Net cash inflow from operating activities	-1,708,658,357	-384,788,093
Cash flows from investing activities		
Payments for property, plant and equipment	-1,148,068,338	-864,523,472
Increase/(Decrease) in FD (with more than 12 months maturity)	-	-
Proceeds from sale of property, plant and equipment	40,856	3,041,606
Received from NCI members	37,329,146	52,020,424
Interest received	25,129,538	25,206,418
Net cash outflow from investing activities	-1,085,568,798	-784,255,024
Cash flows from financing activities		
Towards Equity Share and Premium	1,750,000,000	1,750,000,000
Loans received or repaid during the year	1,091,039,304	-566,197,198
Interest paid	-163,060,570	-150,587,783
Payment towards lease liability	-79,469,677	-
Net cash inflow (outflow) from financing activities	2,598,509,056	1,033,215,019
Net increase (decrease) in cash and cash equivalents	-195,718,099	-135,828,098
Cash and cash equivalents at the beginning of the financial year	260,740,458	396,568,557
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of the year	65,022,359	260,740,459
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 2020	Year ended 31 March 2019
Balance with banks :		
Bank	63,223,159	259,431,864
Cash on hand	1,799,201	1,308,594
Balances per statement of cash flows	65,022,359	260,740,459

- 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.
- The above cash flow statement has been compiled from and is based on the Balance sheet as at 31 March 2020 and the related Statement of Profit and Loss for the year ended 31 March 2020.
- Previous year's figures have been regrouped/reclassified wherever necessary to confirm to the current year's classification.
- Figures in brackets are outflows/deductions.

For and on behalf of the Board of Directors


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

Place: Bengaluru
 Date: 13/04/2020



Unaudited Consolidated Statement of Changes in Equity as at March 31, 2020

All amounts in Indian Rupees, unless otherwise stated

A. Equity share capital

Particulars	Notes	In Rs
As at 31st March, 2019		437,259,778
Changes in equity share capital	16	58,632,521
As at 31 March, 2020		495,892,299

B. Other equity

Particulars	Notes	Reserves and surplus			Total other equity	Non Controlling Interest
		Securities Premium reserve Reserve	Capital Reserve	Retained earnings		
As at 31st March, 2019		3,266,534,854	202,289	432,601,618	3,699,338,761	31,830,380
Profit for the year		-		72,675,643	72,675,643	-1,351,730
Other comprehensive income				-1,719,150	-1,719,150	-
Total comprehensive income for the year				70,956,493	70,956,493	-1,351,730
Change in NCI						37,375,223
Addition During the year	17	1,691,367,478	-		1,691,367,478	
Transactions with owners in their capacity as owners:						
Dividends paid						
		1,691,367,478	-	-	1,691,367,478	37,375,223
As at 31 March, 2020		4,957,902,332	202,289	503,558,111	5,461,662,732	67,853,873

For and on behalf of the Board of Directors



Col. H S Shankar (Retd.)

Managing Director

DIN: 00279285

Place: Bengaluru

Date: 13/04/2020

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.

1.2. Basis of preparation of Financial Statements

These Consolidated financial statements ('financial statements') of the Group for the year ended 31st March 2020 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 Group has adopted Ind AS with effective from 1st April 2017. For all periods up to and including the year ended 31st March 2018, the financial statements have been prepared in accordance with Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Effective 13.12.2018, the Parent Company has become an associate of Adani Defence & System Technologies Ltd consequently the Group had to prepare its Financial Statements for the year ended 31st March 2019 in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. As mandated by Ind AS, the comparative figures in the Financial Statements with respect to the previous year also have been restated. The financial statements for the year ended 31st March 2019 with comparatives of the year ended 31st March, 2018 are the Group's first Ind AS Financial Statements and are covered by Ind AS 101-First-time adoption of Indian Accounting Standards.

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

- Derivative financial instruments



- 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 31-03-2019	As at 31-03-2018	As at 01-04-2017		
1	Alpha Tocol Engineering Services Private Limited	100%	81%	81%	Subsidiary	Line by Line
2	Alpha Reline Software Technologies Private Limited	100%	95%	95%	Subsidiary	Line by Line
3	Alpha Microwave Systems Private Limited	100%	81%	81%	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%	74%	74%	Subsidiary	Line by Line



Sl. No	Name of the entity	% of Ownership of Parent Company			Subsidiary/ Joint Venture	Method of Consolidation
		As at 31-03-2019	As at 31-03-2019	As at 01-04-2018		
6	Alpha Kortas Space Systems Private Limited	100%	-	-	Subsidiary	Line by Line
7	Kortas Industries	85%	-	-	Subsidiary	Line by Line

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. 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:

- 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.
- 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. 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 management assumes that taxable profits will be available while recognising deferred tax assets.

iv. 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.

v. 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.

vi. Fair value of financial instruments

When the fair values of financial assets & financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumption about these factors could affect the reported fair value of financial instruments.

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.

1.6. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

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 (other than Construction Projects) 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.

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 provided in 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-measurement 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

Lease payments under operating leases are recognised as an expense on a straight line basis in the Statement of Profit and Loss over the lease term.

Where the payments to lessor are structured to increase in line with expected general inflation to compensate lessor's expected inflationary cost then increased cost is expensed along with rent.

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 IndAS 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 amortised 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



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cost less accumulated depreciation and accumulated impairment loss, if any. The fair value of the Investment property is disclosed in the Notes to Accounts.



Note 3: Property, plant and equipment

	Freehold Land	Leasehold Land	Plant & Machinery	Tooling and Equipment	Sign Boards	Testing Equipments	Dis & Jigs	Computer Equipment	Furniture & Fixtures	Electrical Installation	Interiors & Partitions	Office Equipment	Motor Two Wheeler	Motor Car	Total
As at 31st March, 2019															
Gross carrying amount															
Opening gross carrying amount	31,884,139	126,690,200	430,604,547	9,034,514	107,118	156,137	1,189,313	24,671,351	5,944,069	6,442,757	25,415,530	5,945,238	9,880	3,139,756	671,435,538
Additions	-	-	216,511,019	3,155,692	-	71,091,314	3,730,000	10,390,449	1,222,494	799,934	9,257,479	2,505,340	-	510,445	319,353,607
Disposals	-	-	6,686,418	-	-	-	-	27,683	296,054	9,428	27,795	211,007	-	107,909	2,366,695
Closing gross carrying amount	31,884,139	126,690,200	640,429,147	12,390,206	107,118	227,228	4,919,313	35,034,115	6,870,109	7,232,762	34,445,213	8,240,161	9,880	3,742,295	983,432,510
Accumulated depreciation and impairment															
Opening accumulated depreciation	-	-	34,415,961	791,181	17,070	32,724	196,492	8,443,624	1,391,705	1,432,460	5,845,576	2,102,856	2,575	1,126,702	58,499,035
Depreciation charge during the year	-	-	41,820,096	1,320,717	14,845	2,176,125	228,170	10,991,475	1,368,537	1,172,765	6,030,943	1,948,203	1,904	634,518	67,024,560
Impairment loss	-	-	1,610,015	-	-	-	-	19,838	31,561	47,280	69,073	15,579	-	-	1,791,346
Disposals	-	-	653,441	-	-	-	-	18,911	87,215	3,839	11,547	152,124	-	47,565	974,641
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	-	-	77,192,631	2,021,898	32,015	2,209,049	424,662	18,636,076	2,704,648	2,654,606	11,634,066	3,934,514	4,479	1,715,656	123,343,300
Net carrying amount	31,884,139	126,690,200	563,236,516	10,368,307	75,103	69,038,602	4,494,651	16,398,039	4,165,461	4,578,157	23,011,148	4,305,647	5,401	2,026,639	860,089,209
As at 31 March, 2020															
Gross carrying amount															
Opening gross carrying amount	31,884,139	126,690,200	640,429,147	12,390,206	107,118	227,228	4,919,313	35,034,115	6,870,109	7,232,762	34,445,213	8,240,161	9,880	3,742,295	983,432,510
Additions	-	-	1,21,671,363	-	-	-	-	67,407,990	9,496,401	4,968,274	12,744,225	4,018,999	3,550	1,454,619	1,130,091,524
Disposals	-	-	8,588	-	-	-	-	-	-	-	-	876,865	-	-	859,453
Closing gross carrying amount	31,884,139	144,015,604	1,862,092,922	12,390,206	107,118	227,228	4,919,313	102,442,105	16,366,510	12,191,036	47,189,438	11,382,284	13,430	5,196,914	2,221,640,811
Accumulated depreciation and impairment															
Opening accumulated depreciation	-	-	77,192,631	2,021,898	32,015	2,209,049	424,662	18,636,076	2,704,648	2,654,606	11,634,066	3,934,514	4,479	1,715,656	123,343,300
Depreciation charge during the year	-	-	123,486,197	-	-	-	-	31,667,627	1,904,091	1,737,664	7,124,819	2,444,210	1,023	714,689	177,258,725
Impairment loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	3,423	-	-	-	-	-	-	-	-	829,073	-	-	831,296
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	-	-	202,675,406	2,021,898	32,015	2,209,049	424,662	50,303,704	4,608,739	4,392,269	18,718,884	5,528,851	5,562	2,428,225	293,767,790
Net carrying amount	31,884,139	144,015,604	1,659,417,516	10,368,307	75,103	69,038,602	4,494,651	52,138,401	11,757,771	7,798,767	28,470,554	5,853,442	7,868	2,768,589	2,027,873,091



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All amounts in Indian Rupees, unless otherwise stated

Note 3: Property, plant and equipment

	Intangibles (Project Development Know - How)	Intangibles under development (Project Development Know - How)	Total
As at 31st March, 2019			
Gross carrying amount			
Opening gross carrying amount	511,334,128	430,843,170	942,177,298
Additions	150,000	424,733,849	424,883,849
Disposals	-	-	-
Closing gross carrying amount	511,484,128	855,577,019	1,367,061,147
Accumulated depreciation and impairment			
Opening accumulated depreciation	84,363,008	-	84,363,008
Depreciation charge during the year	92,598,227	-	92,598,227
Impairment loss	-	-	-
Disposals	-	-	-
Exchange differences	-	-	-
Closing accumulated depreciation and impairment	176,961,235	-	176,961,235
Net carrying amount	334,522,893	855,577,019	1,190,099,912
As at 31 March, 2020			
Gross carrying amount			
Opening gross carrying amount	511,484,128	855,577,019	1,367,061,147
Additions	139,148,417	360,795,693	499,944,109
Disposals	-	-60,454,000	-60,454,000
Closing gross carrying amount	650,632,544	1,155,918,712	1,806,551,256
Accumulated depreciation and impairment			
Opening accumulated depreciation	176,961,235	-	176,961,235
Depreciation charge during the year	84,485,590	-	84,485,590
Impairment loss	-	-	-
Disposals	-	-	-
Exchange differences	-	-	-
Closing accumulated depreciation and impairment	261,446,825	-	261,446,825
Net carrying amount	389,185,719	1,155,918,712	1,545,104,431



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All amounts in Indian Rupees, unless otherwise stated

Note 3: Property, plant and equipment

	Right to use Assets
As at 31st March, 2019	-
As at 31 March, 2020	
Gross carrying amount	
Opening gross carrying amount	300,457,725
Additions	-
Disposals	-
Closing gross carrying amount	300,457,725
Accumulated depreciation	
Opening accumulated depreciation	-
Depreciation charge during the year	95,134,800
Disposals	-
Closing accumulated depreciation	95,134,800
Net carrying amount	205,322,925

	Capital Work in Progress
As at 31st March, 2019	
Gross carrying amount	
Opening gross carrying amount	946,832,147
Exchange differences	
Additions	94,419,482
Disposals	
Transfers	
Capitalised during the year	-
Closing gross carrying amount	1,041,251,629
Net carrying amount	1,041,251,629
As at 31 March, 2020	
Gross carrying amount	
Opening gross carrying amount	1,041,251,629
Exchange differences	
Additions	113,616,924
Disposals	
Transfers	
Capitalised during the year	-744,132,519
Closing gross carrying amount	410,736,034
Net carrying amount	410,736,034



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All amounts in Indian Rupees, unless otherwise stated

4 Financial assets - Non Current Loans

	As at 31 March, 2020	As at 31st March, 2019
Unsecured, Considered good		
(a) Rental Deposits	40,472,091	30,617,845
(b) Loans to Related Parties	40,657	-0
(c) Other Loans	-	-
TOTAL	40,512,748	30,617,845

5 Financial assets - Other Non-Current financial assets

	As at 31 March, 2020		As at 31st March, 2019	
	Current	Non- current	Current	Non- current
Rental Deposit		-		2,219,948
TOTAL	-	-	-	2,219,948

6 Income Tax Assets (Net)

	As at 31 March, 2020	As at 31st March, 2019
Income Tax Refund Due	11,141,449	7,912,095
TDS Receivable	8,228,142	10,260,071
Fringe Benefit Tax Refund Due	-	-
Income Tax Paid Under Protest	9,656,959	3,246,650
Total Income Tax Assets (Net)	29,026,550	21,418,816

7 Other Non Current Assets

	As at 31 March, 2020	As at 31st March, 2019
(a) Capital Advances	2,982,895	7,128,117
(b) Advance other than Capital Advance		-
- Security Deposits	2,655,095	2,306,163
- Others	3,285,036	495,824
(c) Others		-
- Gratuity Fund Trust	-	-
- Leave Encashment Fund Trust	-	-
(d) Prepaid Expense	2,618,610	4,012,660
(e) Balance with Government Authorities	18,068,403	18,128,160
	-	-
Total other Non Current assets	29,610,039	32,070,924

8 Inventories

	As at 31 March, 2020	As at 31st March, 2019
Raw materials	355,405,200	337,384,919
Work-in-progress	1,564,215,137	324,039,812
Finished goods	-	-
Total inventories	1,919,620,337	661,424,731

9 Trade receivables

	As at 31 March, 2020	As at 31st March, 2019
Unsecured, considered good	1,918,168,199	2,002,909,975
Unsecured, considered doubtful	8,067,665	593,796
Less: Allowance for doubtful debts	-8,483,028	-593,796
Total receivables	1,917,752,836	2,002,909,975

10 Cash and cash equivalents

	As at 31 March, 2020	As at 31st March, 2019
Balances with banks	63,223,159	259,431,864
Cash on hand	1,499,201	1,308,594
others - RD	300,000	-
Total cash and cash equivalents	65,022,359	260,740,458



ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED

Notes to the Financial Statements

All amounts in Indian Rupees, unless otherwise stated

11 Bank balances other than cash and cash equivalents

	As at 31 March, 2020	As at 31st March, 2019
(i) Earmarked Balances with banks	-	
(ii) Balances with banks to the extent held as margin money	511,417,087	365,362,458
Total Bank balances other than cash and cash equivalents	511,417,087	365,362,458

12 Loans

	As at 31 March, 2020	As at 31st March, 2019
<u>Unsecured, considered good -</u>		
(a) Others		
- Advances to Employees	3,318,396	4,684,871
(b) Loans to related parties	-	
Total	3,318,396	4,684,871

Loans due by directors or other officers of the Company or amounts due by firms or private limited companies where they are partners or directors

13 Other Financial Assets

	As at 31 March, 2020	As at 31st March, 2019
Interest Accrued on Fixed Deposits	24,455,569	16,523,044
Total other current assets	24,455,569	16,523,044

14 Current Tax Assets

	As at 31 March, 2020	As at 31st March, 2019
Advance income tax	6,100,000	
TDS receivable	1,422,184	-
	7,522,184	-

15 Other current assets

	As at 31 March, 2020	As at 31st March, 2019
(a) Advances other than Capital Advances		
- Advances to Employees	193,310	266,909
- Advance to suppliers	725,601,559	459,565,030
Less: Provision for doubtful debts	-	-200,000
- Advance towards expenses	29,186,881	8,879,613
- Balances with statutory authorities	771,924,089	657,887,499
(b) Others		
- Duty Drawback Scrips	22,230,373	13,761,781
- Employee Benefit Fund Balance	5,809,394	4,655,826
- Prepaid expenses	39,060,543	22,904,486
- Unbilled Revenue	1,531,964,683	35,000,600
Total other current assets	3,125,970,831	1,202,721,744



16 Equity share capital

A. Authorized - Equity share capital

	Number of shares (Rs)	Par value per share (Rs.)	(Rs)
As at 31st March, 2019	60,000,000	10	600,000,000
Increase during the year			
As at 31 March, 2020	60,000,000	10	600,000,000

B. Issued share capital

	Number of shares (Rs)	Par value per share (Rs.)	Equity share capital (par value)
As at 31st March, 2019	51,218,671	10	512,186,710
Additions	-		-
As at 31 March, 2020	51,218,671	10	512,186,710

C. (i) Subscribed & fully paid share capital

	Number of shares (Rs)	Par value per share (Rs.)	Equity share capital (par value)
As at 31st March, 2019	41,131,112	10	411,311,120
Additions	6,741,684	10	67,416,840
As at 31 March, 2020	47,872,796	10	478,727,960

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
Equity share of Rs. 10 each	3,379,165	10.00	33,791,650
Less: Calls in arrears	3,379,165	2.47	8,346,538
Equity share of Rs. 10 each, partly paid up at Rs. 7.53	3,379,165	7.53	25,445,112
Equity share of Rs. 10 each, partly paid up at Rs. 0.10	3,362,519	0.10	336,252
Equity share of Rs. 10 each, partly paid up at Rs. 0.05	3,345,875	0.05	167,294
As at 31st March, 2019	10,087,559		25,948,658
Equity share of Rs. 10 each	3,345,875	5.13	17,164,339
As at 31 March, 2020	3,345,875	5.13	17,164,339

D. Total Subscribed share capital

	Number of shares (in lakhs)	Par value per share (Rs.)	Equity share capital
As at 31st March, 2019	51,218,671	10	437,259,778
As at 31 March, 2020	51,218,671	10	495,892,299

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, 2020		As at 31st March, 2019	
	Number of shares	% holding	Number of shares	% holding
Vasaka Promoters and Developers Pvt Ltd	29,077,067	56.77%	29,077,067	56.77%
M/s. One Earth Capital Limited	5,293,316	10.33%	5,293,316	10.33%
Alpha Design ESOP Trust	2,989,599	5.84%	2,989,599	5.84%
M/s. Adani Defence Systems and Technologies Limited	13,316,909	26.00%	13,316,909	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) NIL number of shares has been allotted as fully paid by way of bonus shares
- (c) NIL number of shares has been bought back

H. During the FY 2018-19, the Company has allotted 5,31,780 equity shares to 3 shareholders as a consideration for acquisition of their stake in 3 of the subsidiaries of the Company viz., Microwave and Optronics Systems Pvt Ltd, Reline Thermal Imaging and Software Pvt Ltd and Alpha Tocol Engineering Services Pvt. Ltd. The shares of the Company and the subsidiary companies was valued by a merchant banker as per Rule 11UA of Income Tax Rules, 1962, based on the said valuation 5,31,780 equity shares have been allotted at a premium of Rs.290.37 per share.

I. Pursuant to the Share Subscription Agreement dated 13.12.2018, M/s. Adani Defence Systems and Technologies Limited has agreed to subscribe 26% of the Companies Equity Share (1,33,16,909 equity shares of Rs.10 each at a premium of Rs.290.37). During the period ended 31/12/2019 the no. of shares allotted and the paid up value is presented under C(i) and C(ii) above (99,71,034 shares are fully paid up and 33,45,875 shares partly paid up).



ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED

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17 Other Equity

	As at 31 March, 2020	As at 31st March, 2019
Capital Reserve	202,289	202,289
Securities Premium Reserve	4,957,902,332	3,266,534,854
Retained earnings	503,558,111	432,601,618
Other Reserves	-	-
Other Equity	5,461,662,732	3,699,338,761



18 Borrowings

	As at 31 March, 2020		As at 31st March, 2019	
	Non-Current	Current	Non-Current	Current
Secured Borrowings				
Term Loan				
a) From banks	430,939,014	32,595,943	85,381,325	44,483,321
b) From other parties	99,579,788	23,360,000	77,849,788	18,000,000
Unsecured Borrowings				
Term Loan				
a) From other parties	1,000,000	500,000	1,500,000	500,000
b) From Related Parties	-	-	-	-
Less: Unamortized portion of Processing Fee	-872,071	-97,921	-1,115,103	-139,322
Total	530,646,731	56,358,022	163,616,010	62,843,999

Alpha Design Technologies Pvt Ltd

A) Security provided and Terms of repayment

i) HDFC Bank Rs. 35 Cr (31.03.2019 - Rs. Nil)

First pari passu charge on all the current assets of the company present and future along with the SBI.

ii) SBI Rs. 7.60 Cr. (31.03.2019- Rs. 9.99 Cr.)

Pari passu charge with HDFC Bank by way of charge of all the fixed assets pertaining to the simulator project.

iii) SIDBI Rs. 12.29 Cr (31.03.2019- Rs. 9.58 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

B) Repayment terms

Name of the Bank/ Financial Institution	Effective interest	Repayment terms
i) HDFC Bank Ltd [balance as at 30 September 2019, including current maturities of long term debt: Rs. 35 Cr. (as at 31 March 2019- Rs. Nil)]	10.00%	The tenor of the loan is for 6 years, with a moratorium of six months. The loan is payable in 12 half yearly installments with the first installment due in August 2020.
ii) SBI Bank Ltd [balance as at 31 December 2019, including current maturities of long term debt: Rs.7.60 Cr (as at 31 March 2019- Rs. 9.99 Cr.)]	10.6%	The loan is payable is 10 half yearly instalments with the first instalment due in August 2019
iii) SIDBI [balance as at 31 December 2019, including current maturities of long term debt: Rs.12.29 Cr (as at 31 March 2019- Rs. 9.58 Cr)]	9.7%	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

The term loan is secured by hypothecation of Machineries. The term loans sanctioned are repayable in 60 EMI of Rs. 2,18,235 and Rs.5,72,674 with an initial holiday period of 3 months each respectively. Presently, the interest on term loan is payable @ 10.35%. The amount of the loan repayable in 12 months is disclosed separately under 'Current Liabilities' as 'Current maturities of long term debt'.

B) Repayment terms

Name of the Bank/ Financial Institution	Effective interest	Repayment terms
Bank A/c IOB Term Loan 1	10.35%	Repayable in 60 equated monthly EMI starting from Feb 2016 and to be settled by Jan 2021
Bank A/c IOB Term Loan 2	10.35%	Repayable in 60 equated monthly EMI starting from Feb 2017 and to be settled by Nov 2021

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

ALPHA ELSEC DEFENCE & AEROSPACE SYSTEMS PRIVATE LIMITED

A) Security provided and Terms of repayment

Exclusive charge on all the current assets of the company both present and future

B) Repayment terms

The tenor of the loan is for 7 years, with a moratorium of 12 months. The loan is payable is 72 monthly installments with the first installment due in February 2021

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



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19 Other Non- Current financial liabilities

Particulars	As at 31 March, 2020	As at 31st March, 2019
Capital Expense Payable	771,804,764	762,869,516
Total	771,804,764	762,869,516

20 Non-Current Provisions

Particulars	As at 31 March, 2020	As at 31st March, 2019
Provision for employee benefits	1,428,369	290,834
Total	1,428,369	290,834

21 Deferred Tax Liabilities (Net)

Particulars	As at 31 March, 2020	As at 31st March, 2019
Deferred Tax Liability		
- on Fixed Assets due to depreciation allowability	463,183,126	410,036,563
Deferred Tax Asset		
- on Provision	3,645,916	10,553,088
- Attributable to Property, Plant & Equipment	-2,320,797	-
- Expenses Deductible in future years	802,439	
- Carry Forward of Unused Tax Losses	80,668,975	108,184,498
- on Provision for employee benefits	-	4,284,860
- Lease Assets & Liabilities	4,510,811	-
- MAT credit	142,927,333	124,487,796
TOTAL	232,948,448	162,526,321

22 Current Borrowings

Particulars	As at 31 March, 2020	As at 31st March, 2019
Secured Borrowings		
Loans repayable on demand		
a) From banks	1,139,319,432	428,685,019
Unsecured Borrowings		
a) From Others	19,860,147	
Total	1,159,179,579	428,685,019

ALPHA DESIGN TECHNOLOGIES PVT LTD

A) Security offered

i) HDFC Bank - Rs. 36.08 Cr. (31.03.2019 Rs.10.76 Cr)

First pari passu charge on all the current assets of the company present and future along with the SBI.

ii) SBI - Rs. 49.34 Cr. (31.03.2019 Rs. 25.62 Cr)

Pari passu charge with HDFC bank by way of hypothecation on all the current assets of the company.

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

i) Indian Overseas Bank Rs. 10.58 Cr. (31.3.2019 Rs. 6.48 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) 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 ELSEC DEFENCE & AEROSPACE SYSTEMS PRIVATE LIMITED

A) Security provided and Terms of repayment

Exclusive charge on all the current assets of the company both present and future

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



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23 Current Trade Payables

	As at 31 March, 2020	As at 31st March, 2019
Due to MSME	36,127,480	9,272,951
Due to others	1,384,030,494	974,360,713
Total	1,420,157,974	983,633,664

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	36,127,480	9,272,951
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	-	-

24 Other current financial liabilities

	As at 31 March, 2020	As at 31st March, 2019
Current maturities of long term debt	56,358,022	62,843,999
Bank Overdraft (TOD)	-	-
Expense Payable	87,652,089	28,019,258
Capital Expense Payable	163,232,855	15,152,859
Total	307,242,966	106,016,116

25 Other current liabilities

	As at 31 March, 2020	As at 31st March, 2019
Advance from Customers	1,066,469,780	827,493,695
Employee Deduction Payable	3,428,073	4,748,173
Duties & Taxes Payable	20,297,057	38,134,443
Total other current financial liabilities	1,090,194,910	870,376,310

26 Current Provisions

Particulars	As at 31 March, 2020	As at 31st March, 2019
Provision for employee benefits	2,439,619	5,323,000
Provision for warranties (refer (a) below)	10,200,000	10,200,000
Provision for Liquidated Damages	4,086,526	-
Provision for purchase cost	20,489,099	9,508,850
Total	37,215,244	25,031,850

(a) Movement in Provisions

Warranty		
Opening Balance	10,200,000	10,200,000
Additions	-	-
Utilisation	-	-
Closing Balance	10,200,000	10,200,000
Liquidated Damaged		
Opening Balance	-	-
Additions	4,173,334	-
Utilisation	616,373	-
Closing Balance	3,556,961	-

The Company generally offers warranties for the products sold. The factors that could affect the estimated claim include the success of the Companies production and quality initiatives. The management has estimated the amount of provision based on historical warranty claim and recent trends. The actual claims may differ from the historical amounts.

27 Current Tax Liabilities (Net)

	As at 31 March, 2020	As at 31st March, 2019
Income tax (As on 2018-19 net of TDS credit - Rs. 52,78,670 & Advance Tax - Rs. 1,25,00,000)	66,100,290	20,662,005
Total Current tax liabilities	66,100,290	20,662,005



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28 Revenue from Operations

The company derives the following types of revenue:

	Year ended 31 March 2020	Year ended 31 March 2019
Sale of products (including excise duty)	3,850,604,234	2,582,972,054
Sale of services	196,354,656	192,442,906
Other operating revenue	-	-
-Construction Contracts	9,732,862	1,527,859
-Sale of scrap	2,370,923	3,219,488
Total revenue from continuing operations	4,059,062,675	2,810,670,783

29 Other income

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income on bank deposits	25,129,538	25,206,418
Interest Income on loans (amortized costs)	577,681	37,521
Exchange gain (net)	-	14,902,858
Liabilities no longer required written back	3,093,394	-
Export incentives including duty drawback	20,172,008	55,992,671
Bad Debts Recovered	-	852,180
Rent from Sub Lease of Premises	405,864	65,628
Profit on sale of investment	-	-
Miscellaneous Income	908,615	734,947
Total other income	50,287,100	97,792,222

30 (a) Cost of materials consumed

	Year ended 31 March 2020	Year ended 31 March 2019
(i) Opening stock	337,384,919	98,712,283
(ii) Add : Purchases	3,855,344,826	2,080,636,732
	4,192,729,745	2,179,349,015
(ii) Less : Closing stock	355,205,200	337,384,919
Total	3,837,524,545	1,841,964,096

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

	Year ended 31 March 2020	Year ended 31 March 2019
(i) Work in Progress		
Opening stock	324,039,812	121,822,479
Less : Closing stock	1,564,215,137	324,039,812
	-1,240,175,325	-202,217,333
Total	-1,240,175,325	-202,217,333



ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED

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31 Employee benefit expense

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and Wages	586,965,096	482,322,374
Contribution to Provident fund	28,341,898	22,388,747
Contribution to ESI	3,440,434	4,138,028
Gratuity Expenses	10,141,308	6,818,204
Leave Encashment Expenses	5,959,370	1,919,471
Staff welfare expense	10,258,140	7,411,157
	645,106,246	524,997,981
Less: Transferred to Projects (Know-how) Intangible Assets	242,272,988	186,537,840
Total employee benefit expense	402,833,258	338,460,141

32 Finance costs

	Year ended 31 March 2020	Year ended 31 March 2019
Interest on Loans	103,621,636	117,405,494
Other Interest	3,915,270	10,005,600
Bank Charges	28,742,837	23,176,689
Interest Expense - Ind AS	26,780,827	-
Finance costs expensed in profit or loss	163,060,570	150,587,783

Note:

For the year ended 31.12.2019 borrowing cost of Rs. 28,919,083 attributable to qualifying assets has been capitalised as per the requirements of IndAS 23: Borrowing Cost.

33 Depreciation and amortisation expense

	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant and equipment	171,258,785	67,024,560
Amortization of intangible assets	84,485,590	92,598,227
Impairment loss of Property, Plant and Equipment	-	1,793,346
Amortisation on Right to use assets	95,134,800	
	350,879,176	161,416,132
Less: Transferred to Capital Work-In progress	391,015	
Less: Transferred to Projects (Know-how) Intangible Assets	9,297,483	-
Total depreciation and amortisation expense	341,190,678	161,416,132



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34 Other expenses

	Year ended 31 March 2020	Year ended 31 March 2019
Operating Expense		
Consumables and Tools	3,644,183	1,073,032
Construction Contract Expenses	-	5,977,273
Labor Charges	98,345,295	95,132,047
Rework Charges	1,339,385	1,338,442
Crane Charges	-	93,658
Power and Fuel	6,312,925	5,928,373
Calibration Charges	1,136,913	901,225
Discount allowed	-	-
Packing Charges	192,059	25,100
Transportation Charges	8,007,675	5,829,079
Clearing & Forwarding Charges	824,169	1,429,599
Freight Charges	10,779,987	7,741,710
Storage Charges	439,655	2,146,041
Technical Fees	-	-
Testing Charges	3,310,155	31,882,497
Total	134,332,401	159,498,076
Administrative, Selling and Other expenses		
Remuneration to Auditors		
- for Statutory Auditors	3,845,699	2,260,000
- for Taxation matters	-	340,000
- for Company law matters	-	-
- for Certification fees	10,800	-
Assets Written Back	-	-
Remuneration to Tax Auditors	560,000	450,000
Business Promotion Expenses	18,022,964	47,581,341
Bad Debts written off	6,698,246	788,305
Conveyance Expense	11,861,792	6,810,640
Electricity charges	18,192,639	12,780,205
Exchange loss (net)	12,160,210	10,605,648
Loss on sale of assets	11,303	11,839,890
Insurance	12,172,370	16,830,513
Liquidated Damages	11,501,343	25,371,978
Postage and Courier charges	667,790	619,093
Printing & Stationery	3,778,882	3,419,967
Professional Charges	81,135,598	87,124,198
Provision for Bad Debts	-	-
Rates and Taxes	3,605,760	6,583,076
Registrations and Renewals	4,226,858	7,180,669
Repairs and Maintenance	-	-
- Building	1,143,727	1,294,475
- Machinery	15,857,608	9,655,263
- Electrical	1,078,403	721,212
- Vehicles	1,479,773	1,667,723
- Office	15,571,470	10,544,621
- Others	806,066	899,964
Rent	3,847,796	91,415,031
Membership & Subscription	611,583	264,630
Security charges	10,838,516	10,166,527
Loss on asset written off	-	2,163
Telephone Charges	9,483,769	10,294,954
Travelling expenses	67,092,342	61,796,307
Water Charges	533,607	574,108
Miscellaneous expenses	3,788,777	3,049,254
Corporate Social Responsibility	2,552,000	1,504,332
Research and Development	5,374,908	-
Total	328,512,599	444,436,088
Less: Transferred to Projects (Know-how) Intangible Assets	74,621,919	102,159,550
Total other expenses	388,223,081	501,774,614



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35 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.

Key Management Personnel

Managing Director Col. H S Shankar (Retd.)
Whole Time Director R Ramachandra Murthy (w.e.f 13/07/2018)
Director K S Ranga (w.e.f 19/04/2019)
Whole Time Director Rakesh Dhar Jayal (till 12/04/2019)
Whole Time Director A Mohana Rao (till 18/04/2019)
Director Sudipta Bhattacharya (w.e.f 13/12/2018)
Director Ashish Rajvanshi (w.e.f 13/12/2018)



35 Related party transactions - Contd.

(ii) Transaction with related parties during the year

Particulars	Holding Company		Fellow Subsidiary		Key Management Personnel		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Finance Arrangements								
Equity Share Capital	58,632,522	58,242,158					58,632,522	58,242,158
Share Premium	1,691,367,478	1,691,757,842					1,691,367,478	1,691,757,842
	1,750,000,000	1,750,000,000	-	-	-	-	1,750,000,000	1,750,000,000
Sale of fixed assets								
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	-	3,236,205	-	-	-	3,236,205
	-	-	-	3,236,205	-	-	-	3,236,205
Sale of duty drawback scrips								
Microwave and Optronics Systems Pvt. Ltd.	-	-	-	3	-	-	-	3
	-	-	-	3	-	-	-	3
Sale of goods								
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	8,981,747	55,984	-	-	8,981,747	55,984
	-	-	8,981,747	55,984	-	-	8,981,747	55,984
Purchase of goods								
Alpha Tocol Engineering Services Pvt. Ltd.	-	-	46,759,960	101,048,972	-	-	46,759,960	101,048,972
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	120,842,345				120,842,345	
	-	-	167,602,305	101,048,972	-	-	167,602,305	101,048,972
Receiving of services								
Microwave and Optronics Systems Pvt. Ltd.	-	-	40,770,000	30,936,000	-	-	40,770,000	30,936,000
Reline Thermal Imaging and Software Pvt. Ltd	-	-	45,420,000	29,664,000	-	-	45,420,000	29,664,000
Alpha Tocol Engineering Services Pvt. Ltd.	-	-	11,087,381	1,994,927	-	-	11,087,381	1,994,927
	-	-	97,277,381	62,594,927	-	-	97,277,381	62,594,927
Remuneration paid								
Col. H S Shankar (Retd.)	-	-	-	-	3,400,000	5,100,600	3,400,000	5,100,600
A Mohana Rao	-	-	-	-	-	3,500,000	-	3,500,000
Rakesh Dhar Jayal	-	-	-	-	-	3,036,000	-	3,036,000
R Ramachandra Murthy	-	-	-	-	2,480,000	2,503,806	2,480,000	2,503,806
	-	-	-	-	5,880,000	14,140,406	5,880,000	14,140,406
Lease rentals received								
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-		687,500	-	-	-	687,500
Microwave and Optronics Systems Pvt. Ltd.	-	-	1,803,100	1,680,000	-	-	1,803,100	1,680,000
Reline Thermal Imaging and Software Pvt. Ltd	-	-	362,400	360,000	-	-	362,400	360,000
Vasaka Promoters and Developers Pvt. Ltd.	300,249	65,628	-	-	-	-	300,249	65,628
	300,249	65,628	2,165,500	2,727,500	-	-	2,465,749	2,793,128



35 Related party transactions - Contd.

(ii) Transaction with related parties during the year

Lease rentals Paid								
Alpha Tocol Engineering Services Pvt. Ltd.	-	-	60,000	-	-	-	60,000	-
	-	-	60,000	-	-	-	60,000	-
Interest income-Ind AS								
Alpha Elettronica Defence Systems Pvt. Ltd.	-	-	1,511,129	-	-	-	1,511,129	-
	-	-	1,511,129	-	-	-	1,511,129	-
Loans Received								
Alpha Tocol Engineering Services Pvt. Ltd.	-	-	101,500,000	-	-	-	101,500,000	-
Microwave and Optronics Systems Pvt. Ltd.	-	-	206,982,400	-	-	-	206,982,400	-
Reline Thermal Imaging and Software Pvt. Ltd	-	-	75,433,550	-	-	-	75,433,550	-
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	30,204,165	-	-	-	30,204,165	-
Vasaka Promoters and Developers Pvt. Ltd.	-	102,086,027	-	-	-	-	102,086,027	-
Col. H S Shankar (Retd.)	-	-	-	-	-	31,359,247	-	31,359,247
	-	102,086,027	-	414,120,115	-	31,359,247	-	547,565,389
Loans Repaid								
Alpha Tocol Engineering Services Pvt. Ltd.	-	-	101,500,000	-	-	-	101,500,000	-
Microwave and Optronics Systems Pvt. Ltd.	-	-	206,982,400	-	-	-	206,982,400	-
Reline Thermal Imaging and Software Pvt. Ltd	-	-	75,433,550	-	-	-	75,433,550	-
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	30,204,165	-	-	-	30,204,165	-
Vasaka Promoters and Developers Pvt. Ltd.	-	102,086,027	-	-	-	-	102,086,027	-
Col. H S Shankar (Retd.)	-	-	-	-	-	31,359,247	-	31,359,247
	-	102,086,027	-	414,120,115	-	31,359,247	-	547,565,389
Loans Given								
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	-	5,520,474	-	-	-	5,520,474
Alpha Tocol Engineering Services Pvt. Ltd.	-	-	-	-	-	-	-	-
Microwave and Optronics Systems Pvt. Ltd.	-	-	206,300	-	-	-	206,300	-
Reline Thermal Imaging and Software Pvt. Ltd	-	-	41,366	-	-	-	41,366	-
Vasaka Promoters and Developers Pvt. Ltd.	567,454	2,500	-	-	-	-	567,454	-
	567,454	2,500	247,666	5,520,474	-	-	815,120	5,520,474
Loans Repayment received during the year								
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	-	5,520,474	-	-	-	5,520,474
Alpha Tocol Engineering Services Pvt. Ltd.	-	-	-	-	-	-	-	-
Microwave and Optronics Systems Pvt. Ltd.	-	-	206,300	-	-	-	206,300	-
Reline Thermal Imaging and Software Pvt. Ltd	-	-	41,366	-	-	-	41,366	-
Vasaka Promoters and Developers Pvt. Ltd.	567,454	2,500	-	-	-	-	567,454	2,500
	567,454	2,500	247,666	5,520,474	-	-	815,120	5,522,974



35 Related party transactions - Contd.

(ii) Transaction with related parties during the year

Loans and advances							
Alpha Elettronica Defence Systems Pvt. Ltd.	-	-	25,493,016	25,493,016	-	-	25,493,016
	-	-	25,493,016	25,493,016	-	-	25,493,016
Trade Payables							
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	37,578,956	-	-	-	37,578,956
	-	-	37,578,956	-	-	-	37,578,956
Trade Receivables							
Microwave and Optronics Systems Pvt. Ltd.	-	-	-	3	-	-	3
	-	-	-	3	-	-	3
Advance to suppliers							
Alpha Tocol Engineering Services Pvt. Ltd.	-	-	45,695,396	2,344,388	-	-	45,695,396
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	-	32,200,000	-	-	32,200,000
Reline Thermal Imaging and Software Pvt. Ltd	-	-	-	40,934,346	-	-	40,934,346
Microwave and Optronics Systems Pvt. Ltd.	-	-	-	-	-	-	-
	-	-	45,695,396	75,478,734	-	-	45,695,396
Interest paid on borrowings							
Alpha Elsec Defence & Aerospace Systems Pvt Ltd	-	-	-	204,165	-	-	204,165
Vasaka Promoters and Developers Pvt. Ltd.	-	2,086,027	-	-	-	-	-
Col. H S Shankar (Retd.)	-	-	-	-	1,359,247	-	-
	-	2,086,027	-	204,165	-	1,359,247	-

(a) The loan provided to Alpha Elettronica Defence Systems Pvt Ltd of Rs. 2.54 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 11 years and the repayment would commence from 1 April 2020 in 48 equal monthly installments with Nil rate of interest. Considering the fact that the said subsidiary company has not reached its break even point and there exist a foreseeable business prospect, the management is of the opinion that non charging of the interest on the loan is not material. Further, the same is not prejudicial to the interest of the company.



ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED

Notes to the Financial Statements

All amounts in Indian Rupees, unless otherwise stated

36 Deferred Tax:

Movement in Deferred Tax Assets (Net)

Particulars	At April 1, 2019	Recognised in Profit and Loss	Recognised in OCI	At March 31, 2020
Deferred Tax Liabilities				
- on Property, Plant and Equipments	410,036,563	55,462,625	-	465,503,923
Deferred Tax Asset				
- on Provisions	14,837,948	(11,192,032)	-	3,645,916
- MAT Credit	124,487,796	18,439,537	-	142,927,333
- Expenses Deductible in future years		802,439	-	802,439
- Carry Forward of Unused Tax Losses	108,184,498	(27,515,522)	-	80,668,975
- Lease Assets & Liabilities	-	4,510,811	-	4,510,811
Total	162,526,321	70,417,392	-	232,948,448

The Group has concluded that deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the Company. The future taxable income is estimated based on the orders present.

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the year ended	
	31.03.2020	31.03.2019
Profit / (Loss) for the year	216,692,968	116,477,572
Enacted tax rate in India	34.94%	34.94%
Expected income tax expense / (benefit) at statutory tax rate	75,712,523	40,697,264

Tax Effect on the following:

Impact of non-deductible expenses for tax purposes	2,116,703	6,153,955
Deferred tax & MAT credit recognised during the year	73,001,244	28,463,716
Difference in tax rates in subsidiaries	(5,461,415)	(6,701,174)
Tax Expense for the year	145,369,055	68,613,760
Effective Income tax rate	67.09%	58.91%



37 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-20	31-Mar-19
Borrowings	1,746,184,332	655,145,028

Sensitivity Analysis of 1% change in interest rate

Particulars	31-Mar-20	31-Mar-19
Impact on Profit and Loss due to 1% increase in interest rate	-9,994,260	-10,279,737
Impact on Profit and Loss due to 1% decrease in interest	9,994,260	10,279,737

(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-20				31-Mar-19			
	in USD	in Euro	in GBP	Total	in USD	in Euro	in GBP	Total
Trade Receivable	863,467,647	-	33,028,250	896,495,897	1,324,643,870	699,322	25,787,887	1,351,131,078
Trade Payable	916,909,174	575,266	2,511,366	919,995,806	657,830,354	83,112,041	-	740,942,395
Payable towards Capital Goods	177,919,454	-	1,871,774	179,791,228	763,049,362	-	1,811,549	764,860,910

Foreign currency sensitivity

1% Increase or decrease in foreign exchange rates will have an effect of Rs. 20,32,911 on profit before tax. (31-Mar-2019 Rs. 38,52,678)

(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 :

- Actual or expected significant adverse change in business
- Actual or expected significant change in the operating results of the counterparty
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
- 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-20	31-Mar-19
Financial risk for which loss allowance is measured using 12 months		
Cash & cash equivalent	65,022,359	260,740,458
Other Bank balance	511,417,087	365,362,458
Loans	43,831,144	35,302,716
Other Financial Assets	24,455,569	18,742,992
Financial risk for which loss allowance is measured using Lifetime expected		
Trade Receivables	1,917,752,836	2,002,909,975
TOTAL	2,562,478,996	2,683,058,598

(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 31.03.2020					
Borrowings	1,274,648,712	341,646,731	129,888,889	-	1,746,184,332
Trade payables	1,420,157,974	-	-	-	1,420,157,974
Other financial liabilities	250,884,944	771,804,764	-	-	1,022,689,708
As on 31.03.2019					
Borrowings	491,529,018	87,775,305	57,990,927	17,849,778	655,145,028
Trade payables	983,633,661	-	-	-	983,633,661
Other financial liabilities	43,172,117	762,869,516	-	-	806,041,633

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 31.03.2020					
Non current Loans	-	40,512,748	-	-	40,512,748
Other non current financial assets	-	-	-	-	-
Trade receivables	1,917,752,836	-	-	-	1,917,752,836
Current Loans	3,318,396	-	-	-	3,318,396
Cash & Bank Balance	576,439,446	-	-	-	576,439,446
Other current financial assets	24,455,569	-	-	-	24,455,569
As on 31.03.2019					
Non current Loans	-	30,617,845	-	-	30,617,845
Other non current financial assets	-	2,219,948	-	-	2,219,948
Trade receivables	2,002,909,975	-	-	-	2,002,909,975
Current Loans	4,684,871	-	-	-	4,684,871
Cash & Bank Balance	626,102,916	-	-	-	626,102,916
Other current financial assets	16,523,044	-	-	-	16,523,044

38 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 2020	31 March 2019
Net debt	1,746,184,332	655,145,028
Total equity	5,957,555,030	4,136,598,539
Net debt to equity ratio	29%	16%

(i) Loan covenants

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



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All amounts in Indian Rupees, unless otherwise stated

39 Fair value measurements

Financial instruments by category

	As on 31 March 2020			As on 31 March 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments (other than in subsidiaries)				-	-	-
Trade receivables			1,91,77,52,836			2,00,29,09,975
Loans			4,38,31,144			3,53,02,716
Cash and cash equivalents			6,50,22,359			26,07,40,458
Other bank balances			51,14,17,087			36,53,62,458
Interest accrued on FD			2,44,55,569			1,65,23,044
Other Financial Assets			-			22,19,948
Total financial assets	-	-	2,56,24,78,996	-	-	2,68,30,58,598
Financial liabilities						
Borrowings			1,74,61,84,332			65,51,45,028
Trade payables			1,42,01,57,974			98,36,33,664
Lease liabilities			22,09,88,047			-
Bank Overdraft (TOD)			-			-
Capital creditors			93,50,37,619			77,80,22,375
Expense Payable			8,76,52,089			2,80,19,258
Total financial liabilities	-	-	4,41,00,20,061	-	-	2,44,48,20,325



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.

The Company does not have more than one reportable primary segment.

A. Secondary Segment Information - Geographical Segment

Geographical Segment	As at March 31, 2020			As at March 31, 2019		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from location of customers	2,76,28,90,014	1,29,61,72,661	4,05,90,62,675	73,13,59,452	2,07,93,11,331	2,81,06,70,783
Carrying amount of the assets #	11,86,33,16,226	-	11,86,33,16,226	7,69,21,36,563	-	7,69,21,36,563

All the manufacturing and design facilities are located in India.

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

Particulars	No. of Parties	Amount of Revenue
Year 31-Mar-2020	6	1,73,14,41,118
Year 31-Mar-2019	3	1,85,99,42,648



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 31-03-2020	As at 31-03-2019			
1	Alpha Tocol Engineering Services Private Limited	India	100%	100%	Subsidiary	Line by Line	Private Limited Company
2	Alpha Reline Software Technologies Private Limited	India	100%	100%	Subsidiary	Line by Line	Private Limited Company
3	Alpha Microwave Systems Private Limited	India	100%	100%	Subsidiary	Line by Line	Private Limited Company
4	Alpha Electronica Defence Systems Private Limited	India	80%	80%	Subsidiary	Line by Line	Private Limited Company
5	Alpha Elsec Defence and Aerospace Private Limited	India	51%	51%	Subsidiary	Line by Line	Private Limited Company
6	Alpha-Kortas Space Systems Private Limited	India	100%	0%	Subsidiary	Line by Line	Private Limited Company
7	Kortas Industries	India	85%	0%	Subsidiary	Line by Line	Partnership Firm



- (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-20	31-Mar-19
Current Assets	38,57,76,182	36,67,93,752
Current Liabilities	23,30,67,989	19,11,96,515
Net Current Assets	15,27,08,193	17,55,97,238
Non Current Assets	23,90,33,836	19,93,19,421
Non Current Liabilities	2,47,46,841	1,03,07,275
Net Non Current Assets	21,42,86,995	18,90,12,146
Net Assets	36,69,95,188	36,46,09,383
Accumulated NCI	-	-
Summarised statement of Profit and Loss		
Revenue	23,29,80,326	26,76,01,405
Profit/(Loss)	18,70,048	20,70,150
Other Comprehensive Income	5,15,758	5,15,758
Total Comprehensive Income	23,85,806	25,85,908
Profit / (Loss) to Non Controlling Interest	-	-
Summarised statement of Cash flows		
Cash flow from Operating activities	2,85,35,822	(5,96,72,045)
Cash flow from Investing activities	(1,10,66,003)	(1,66,80,001)
Cash flow from Financing activities	(6,22,178)	(2,30,46,480)

Summarised Balance Sheet		
Particulars	Alpha Reline Software Technologies Private Limited	
	31-Mar-20	31-Mar-19
Current Assets	1,24,70,367	2,28,97,663
Current Liabilities	10,78,720	4,20,61,876
Net Current Assets	1,13,91,647	(1,91,64,213)
Non Current Assets	12,34,74,261	15,35,83,068
Non Current Liabilities	8,72,416	6,06,689
Net Non Current Assets	12,26,01,845	15,29,76,379
Net Assets	13,39,93,492	13,38,12,166
Accumulated NCI	-	-
Summarised statement of Profit and Loss		
Revenue	4,55,13,690	3,30,46,380
Profit/(Loss)	1,81,326	48,38,569
Other Comprehensive Income	-	-
Total Comprehensive Income	1,81,326	48,38,569
Profit / (Loss) to Non Controlling Interest	-	-
Summarised statement of Cash flows		
Cash flow from Operating activities	9,69,046	3,68,15,796
Cash flow from Investing activities	93,690	(11,20,41,946)
Cash flow from Financing activities	(649)	(8,359)

Summarised Balance Sheet		
Particulars	Alpha Microwave Systems Private Limited	
	31-Mar-20	31-Mar-19
Current Assets	16,89,79,132	18,81,23,971
Current Liabilities	15,20,75,345	7,60,523
Net Current Assets	1,69,03,787	18,73,63,448
Non Current Assets	35,10,87,013	25,07,06,752
Non Current Liabilities	-	-
Net Non Current Assets	35,10,87,013	25,07,06,752
Net Assets	36,79,90,800	43,80,70,200
Accumulated NCI	-	-
Summarised statement of Profit and Loss		
Revenue	4,42,85,793	4,30,46,917
Profit/(Loss)	(6,97,59,029)	(1,67,57,491)
Other Comprehensive Income	(3,20,371)	(3,20,371)
Total Comprehensive Income	(7,00,79,400)	(1,70,77,862)
Profit / (Loss) to Non Controlling Interest	-	-
Summarised statement of Cash flows		
Cash flow from Operating activities	(11,61,31,409)	1,74,26,207
Cash flow from Investing activities	(3,42,77,659)	(7,08,42,586)
Cash flow from Financing activities	-	(1,43,619)



Summarised Balance Sheet		
Particulars	Alpha Electronica Defence Systems Private Limited	
	31-Mar-20	31-Mar-19
Current Assets	33,96,153	37,00,438
Current Liabilities	1,25,150	1,60,000
Net Current Assets	32,71,003	35,40,438
Non Current Assets	1,84,924	2,20,220
Non Current Liabilities	2,30,98,686	2,15,87,558
Net Non Current Assets	(2,29,13,762)	(2,13,67,338)
Net Assets	(1,96,42,759)	(1,78,26,900)
Accumulated NCI	(48,61,265)	(44,98,093)
Summarised statement of Profit and Loss		
Revenue	-	-
Profit/(Loss)	(18,15,860)	(16,88,408)
Other Comprehensive Income	-	-
Total Comprehensive Income	(18,15,860)	(16,88,408)
Profit / (Loss) to Non Controlling Interest	(3,63,172)	(3,37,682)
Summarised statement of Cash flows		
Cash flow from Operating activities	(3,58,613)	(2,71,818)
Cash flow from Investing activities	-	-
Cash flow from Financing activities	(649)	-

Summarised Balance Sheet		
Particulars	Alpha Elsec Defence and Aerospace Private Limited	
	31-Mar-20	31-Mar-19
Current Assets	65,40,98,679	29,85,65,377
Current Liabilities	66,53,26,016	30,28,10,995
Net Current Assets	- 1,12,27,337	- 42,45,617
Non Current Assets	9,92,44,461	7,86,76,190
Non Current Liabilities	1,60,37,523	2,90,834
Net Non Current Assets	8,32,06,938	7,83,85,356
Net Assets	7,19,79,601	7,41,39,739
Accumulated NCI	3,52,70,004	3,63,28,473
Summarised statement of Profit and Loss		
Revenue	63,27,48,207	37,14,90,561
Profit/(Loss)	(21,60,140)	2,29,53,946
Other Comprehensive Income	-	(1,99,167)
Total Comprehensive Income	(21,60,140)	2,27,54,779
Profit / (Loss) to Non Controlling Interest	(10,58,468)	1,11,49,842
Summarised statement of Cash flows		
Cash flow from Operating activities	50,11,09,764	8,63,35,220
Cash flow from Investing activities	(1,74,63,486)	(6,44,80,485)
Cash flow from Financing activities	-	-



Summarised Balance Sheet		
Particulars	Alpha-Kortas Space Systems Private Limited	
	31-Mar-20	31-Mar-19
Current Assets	1,00,000	
Current Liabilities		
Net Current Assets	1,00,000	
Non Current Assets	-	
Non Current Liabilities	-	
Net Non Current Assets	-	
Net Assets	1,00,000	
Accumulated NCI	-	
Summarised statement of Profit and Loss		
Revenue	-	
Profit/(Loss)	-	
Other Comprehensive Income	-	
Total Comprehensive Income	-	
Profit / (Loss) to Non Controlling Interest	-	
Summarised statement of Cash flows		
Cash flow from Operating activities	-	
Cash flow from Investing activities	-	
Cash flow from Financing activities	1,00,000	

Summarised Balance Sheet		
Particulars	Kortas Industries	
	31-Mar-20	31-Mar-19
Current Assets	2,59,84,279	
Current Liabilities	1,46,63,678	
Net Current Assets	1,13,20,601	
Non Current Assets	16,08,20,692	
Non Current Liabilities	-	
Net Non Current Assets	16,08,20,692	
Net Assets	17,21,41,293	
Accumulated NCI	3,74,45,134	
Summarised statement of Profit and Loss		
Revenue	70,42,164	
Profit/(Loss)	4,66,070	
Other Comprehensive Income	-	
Total Comprehensive Income	4,66,070	
Profit / (Loss) to Non Controlling Interest	69,910	
Summarised statement of Cash flows		
Cash flow from Operating activities	(28,46,135)	
Cash flow from Investing activities	(19,54,223)	
Cash flow from Financing activities	13,43,00,000	



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

S. 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	84.91%	5,11,62,78,727	566.43%	39,42,60,001
Subsidiaries					
1	Alpha Tocol Engineering Services Private Limited	5.13%	30,90,87,847	-79.77%	-5,55,21,535
2	Alpha Reline Software Technologies Private Limited	1.48%	8,89,35,892	-64.47%	-4,48,76,274
3	Alpha Microwave Systems Private Limited	5.46%	32,90,23,899	-156.66%	-10,90,46,301
4	Alpha Electronica Defence Systems Private Limited	-0.30%	(1,81,31,630)	-0.44%	-3,04,731
5	Alpha Elsec Defence and Aerospace Private Limited	-0.66%	(3,98,80,997)	-163.81%	-11,40,20,738
6	Alpha-Kortas Space Systems Private Limited	0.00%	1,00,000	0.00%	-
7	Kortas Industries	2.86%	17,21,41,293	0.67%	4,66,070
Non-Controlling Interest		1.13%	6,78,53,873	-1.94%	(13,51,730)
TOTAL		100.00%	6,02,54,08,903	100.00%	6,96,04,763



43 Contingent liabilities and contingent assets

a) Contingent Liabilities

Particulars	As on 31 March 2020	As on 31 March 2019
Claims against the company not acknowledged as debt		
- Income Tax Demand (Refer note below)	52,625,253	20,573,710
Guarantees		
-Corporate Guarantee to Bank for lending to Subsidiary	169,400,000	203,741,000
TOTAL	222,025,253	224,314,710

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

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 lower appellate has disallowed the same during the course of regular assessment for AY 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and 2017-18. Aggrieved by the same, the Company has filed an appeal with the Hon'ble ITAT. Consequently, the demand had been raised which is disclosed as Contingent Liability. It is more likely that the matter will be decided in the favor of the company based on the favorable ruling of the ITAT in its own case.

b) Contingent Assets -

NIL NIL

c) Capital Commitments

Particulars	As on 31 March 2020	As on 31 March 2019
- Estimated amount of contracts remaining to be executed on capital account and not provided for	113,552,090	156,631,958

44 Earnings per share

	Year ended 31 March 2020	For the year ended 31 March 2019
(a) Basic earnings per share	INR	INR
From continuing operations attributable to the equity holders of the company	1.55	1.20
From discontinued operation	-	-
Total basic earnings per share attributable to the equity holders of the company	1.55	1.20
(b) Diluted earnings per share		
From continuing operations attributable to the equity holders of the company	1.39	1.13
From discontinued operation	-	-
Total diluted earnings per share attributable to the equity holders of the company	1.39	1.13

(c) Reconciliations of earnings used in calculating earnings per share

	Year ended 31 March 2020	For the year ended 31 March 2019
<i>Basic earnings per share</i>		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:		
From continuing operations	71,323,913	47,067,513
From discontinued operation	-	-
	71,323,913	47,067,513
<i>Diluted earnings per share</i>		
Profit from continuing operations attributable to the equity holders of the company:		
Used in calculating basic earnings per share	71,323,913	47,067,513
Add: interest savings on convertible bonds	-	-
Used in calculating diluted earnings per share	71,323,913	47,067,513
Profit from discontinued operation	-	-
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	71,323,913	47,067,513

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

	Year ended 31 March 2020	For the year ended 31 March 2019
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	46,130,940	39,285,557
Adjustments for calculation of diluted earnings per share:		
Options	5,087,731	2,237,544
Convertible bonds	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	51,218,671	41,523,101



ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED

Notes to the Financial Statements

All amounts in Indian Rupees, unless otherwise stated

45 Operating Lease

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the simplified transition approach. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied from 01.04.2019. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

Due to the transition to Ind AS 116, the loss is higher by Rs 1,56,65,123 for the year ended 31.03.2020 as compared with the accounting under erstwhile Ind AS 17.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10%

i) The movement in Lease liabilities during the year ended 31st March, 2020

Particulars	Lease Liabilities
	Building
Opening Balances	-
Balance as at 1st April, 2019 (on adoption of Ind AS 116)	300,457,725
Additions during FY 2019-20	-
Finance costs incurred during the year	26,496,396
Payments of Lease Liabilities	105,966,074
Forex Adjustments	-
Balance as at 31st March, 2020	220,988,047

ii) The carrying value of the Rights-of-use and depreciation charged during the year

Particulars	Category of ROU Asset
	Building
Balance as of April 1, 2019	-
Reclassified on account of adoption of Ind AS 116	300,457,725
Additions	-
Depreciation	95,134,800
Balance as of March 31, 2019	205,322,925

The aggregate depreciation expense on ROU assets Rs. 9,51,34,800 is included under depreciation and amortization expense in the statement of Profit and Loss.

iii) Amount Recognised in Profit & Loss Account during the Year:

2019-20 - Leases under Ind AS 116

Expenses relating to short-term leases	3,847,798
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	-

2018-19 - Operating leases under Ind AS 17

Lease expense	91,415,031
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iv) Amounts recognised in statement of cash flows

Total cash outflow for leases	105,966,074
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ALPHA DESIGN TECHNOLOGIES PRIVATE LIMITED

Notes to the Financial Statements

All amounts in Indian Rupees, unless otherwise stated

v) Maturity Analysis of contractual undiscounted cash flows

Particulars	As at 31st March, 2020
Less than one year	80,286,477
One to five years	135,258,280
More than five years	5,443,290
Total undiscounted lease liabilities as at 31st March, 2020	220,988,047
Non-Current lease liabilities	140,701,570
Current lease liabilities	80,286,477

46 Events after reporting period

There were no material subsequent events for the year ended March 31,2020. 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.

47 Prior year comparatives

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

For and on behalf of the Board of Directors



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

