P.K. Shah & Co.

Chartered Accountants

G1, SNN Raj Lake View, BTM Layout,
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Independent Auditor's Report

To the Members of Mistral Technologies Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mistral Technologies Private Limited ("the Company") which comprise the balance sheet as at 31 March 2023, the statement of profit and loss (including Other Comprehensive Income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materiality inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materiality misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) With respect to the matter to be included in the auditors' report under Section 197(16), in our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the current year. Hence, the provision with respect to limit laid down under Section 197 of the Act is not applicable to the Company. The MCA has not prescribed other details under Section 197(16) which are required to be commented upon by us.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

for **P.K. Shah & Co.**
Chartered Accountants
Firm registration number; 308150E

Raghav Singhania

Raghav Singhania
Partner
Membership number: 313524

UDIN: 23313524BGWOLF9418

Place: Bengaluru
Date: 18 May 2023

Annexure A to the Independent Auditor's Report of even date on the financial statements of Mistral Technologies Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the financial statements of Mistral Technologies Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the financial statements.

Annexure A to the Independent Auditor's Report of even date on the financial statements of Mistral Technologies Private Limited (continued)

Meaning of Internal Financial Controls with reference to the financial statements

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

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31 March 2023, based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

for **P.K. Shah & Co.**
Chartered Accountants
Firm's Registration Number: 308150E

Raghav Singhania

Raghav Singhania
Partner
Membership Number: 313524

UDIN: 23313524BGWOLF9418

Place: Bengaluru
Date: 18 May 2023

Annexure – B to the Independent Auditor's Report

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company. The Company has not revalued its Property, Plant and Equipment (including Right of use assets) during the year ended 31 March 2023.

(d) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments or provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and granted loans to companies, in respect of which the requisite information is as below. The Company has not made any investments and granted loans to firms, limited liability partnership or any other parties.

Annexure – B to the Independent Auditor's Report (continued)

(a) Based on the audit procedures carried out by us and as per the information and explanation given to us, the Company has provided a loan as mentioned below:

Particulars	Loans (Rs. in lakhs)
Aggregate amount during the year -Fellow subsidiary	500.00
Balance outstanding as at balance sheet date -Fellow subsidiary	500.00

(b) According to information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of loans granted during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loan given, in our opinion the payment of interest has been stipulated and the receipts have been regular. Further, the Company has not given any advance in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advance in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act").

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given and investments made. The Company has not provided any guarantee or security that are covered under the provisions of Sections 185 and 186 of the Act.

(v) According to information an explanation given to us the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products sold and services rendered by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

Annexure – B to the Independent Auditor's Report (continued)

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Goods and Services tax, Duty of customs, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee State Insurance, Income-tax, Goods and Services tax, Duty of customs, cess and any other material statutory dues were in arrears, as at 31 March 2023, for a period of more than six months from the date they became payable.

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

(viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Thus, the paragraph 3(x)(a) of the Order is not applicable to the Company.

Annexure – B to the Independent Auditor's Report (continued)

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistleblower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. According to the information and explanations given to us, the Company is not required to constitute an Audit committee in accordance with Section 177 of the Act.

(xiv) (a) According to the information and explanations given to us and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) According to the information and explanation given to us and in our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act,1934.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

Annexure – B to the Independent Auditor's Report (continued)

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) Based on the information and explanation obtained by us, there no ongoing projects, for which Company has to transfer unspent amount to a fund specified in Schedule VII of the Act within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) Based on the representation obtained by us, as there are no on-going project with respect to which any amount needs to be transferred to special account as specified under section 135(6) of the Act, within the limits hence the requirement to report on Clause 3(xx)(b) of the Order is not applicable to the Company.

for **P. K. Shah & Co.**
Chartered Accountants
Firm Registration No: 308150E

Raghav Singhania

Raghav Singhania
Partner

Membership Number:

UDIN: 23313524BGWOLF9418

Place: Bengaluru
Date: 18 May 2023

Mistral Technologies Private Limited
Balance sheet

Rs.in lakhs

As at	Note	31 March 2023	31 March 2022
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	0.22	0.36
(b) Right-of-use-assets	5	2.63	8.93
(c) Financial assets			
(i) Loans receivable	6	500.00	-
(ii) Other financial assets	7	3.20	2.96
(d) Deferred tax asset, (net)	23	3.90	7.85
(e) Income tax assets (net)	23	0.91	1.90
Total non-current assets		**510.86**	**22.00**
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	8	327.21	766.03
(ii) Other financial assets	9	0.25	-
(b) Other current assets	10	4.06	32.07
Total current assets		**331.52**	**798.10**
Total assets		**842.38**	**820.10**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	1.00	1.00
(b) Other equity	12	815.70	765.61
Total equity		**816.70**	**766.61**
Liabilities			
(1) Non- current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	24	-	2.94
(b) Provisions	13	14.87	30.76
Total non-current liabilities		**14.87**	**33.70**
(2) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	24	3.23	7.00
(ii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	14	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		3.95	3.28
(iii) Other financial liabilities	15	1.47	4.05
(b) Other current liabilities	16	1.18	3.95
(c) Provisions	17	0.98	1.52
Total Current liabilities		**10.81**	**19.79**
Total liabilities		**25.68**	**53.49**
Total equity and liabilities		**842.38**	**820.10**
Significant accounting policies	3		

See accompanying notes to financial statements

As per our report of even date attached

for **P.K. Shah & Co.**
Chartered Accountants
Firm registration number: 308150E

Raghav Singhania
Partner
Membership Number: 313524

Place: Bengaluru
Date: 18 May 2023

for and on behalf of the Board of Directors of
Mistral Technologies Private Limited

Rajeev Ramachandra
Director
DIN: 00178796

Place: Bengaluru
Date: 18 May 2023

Mujahid Alam
Director
DIN: 02651595

Place: Bengaluru
Date: 18 May 2023

Mistral Technologies Private Limited
Statement of changes in equity

Rs.in lakhs

Particulars	Equity share capital	Surplus	Other comprehensive income		Total equity attributable to equity holders of the Company
		Retained earnings	Equity instruments through OCI	Other items of OCI	
Balance as at 1 April 2021	1.00	727.41	-	(0.17)	728.24
Changes in equity for the year ended 31 March 2022					-
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	(0.14)	(0.14)
Profit for the year	-	38.51	-	-	38.51
Balance as at 31 March 2022	1.00	765.92	-	(0.31)	766.61

Particulars	Equity share capital	Surplus	Other comprehensive income		Total equity attributable to equity holders of the Company
		Retained earnings	Equity instruments through OCI	Other items of OCI	
Balance as at 1 April 2022	1.00	765.92	-	(0.31)	766.61
Changes in equity for the year ended 31 March 2023	-				-
Remeasurement of the net defined benefit liability/asset, net of tax effect				(0.18)	(0.18)
Profit for the year	-	50.28	-	-	50.28
Balance as at 31 March 2023	1.00	816.19	-	(0.49)	816.70

As per our report of even date attached

for **P.K. Shah & Co.**
Chartered Accountants
Firm registration number: 308150E

Raghav Singhania
Partner
Membership Number: 313524

Place: Bengaluru
Date: 18 May 2023

for and on behalf of the Board of Directors of
Mistral Technologies Private Limited

Rajeev Ramachandra
Director
DIN: 00178796

Place : Bengaluru
Date: 18 May 2023

Mujahid Alam
Director
DIN: 02651595

Place : Bengaluru
Date: 18 May 2023

Mistral Technologies Private Limited
Statement of profit and loss

Rs.in lakhs

For the year ended		Note	31 March 2023	31 March 2022
I.	Revenue from operations	18	128.22	146.60
II.	Other income	19	42.21	27.89
III.	**Total Income (I+II)**		**170.43**	**174.49**
IV.	**Expenses**			
	Employee benefits expense	20	81.25	101.27
	Finance costs	21	0.97	1.50
	Depreciation expense	4	6.45	6.54
	Other expenses	22	14.89	15.23
	Total expenses		**103.56**	**124.55**
V.	**Profit before tax (III-IV)**		**66.87**	**49.94**
VI.	**Tax expense**			
	(i) Current tax	23	12.64	11.81
	(iii) Deferred Tax	23	3.95	(0.38)
			16.59	**11.43**
VII.	**Profit for the period (V-VI)**		**50.28**	**38.51**
VIII.	**Other comprehensive income**			
	Items that will not to be reclassified subsequently to statement of profit or loss:			
	Remeasurements of the net defined benefit liability / asset		(0.24)	(0.19)
	Income tax relating to items not to be reclassified subsequently to statement of profit or loss		0.06	0.05
	Other comprehensive income, net of tax		**(0.18)**	**(0.14)**
IX.	**Total comprehensive income for the year (VII+VIII)**		**50.10**	**38.37**
	Earnings per share (nominal value of Rs 5 each)			
	Attributable to equity holders of the Company			
	Basic [in Rs]	26	251.39	192.54
	Diluted [in Rs]	26	251.39	192.54
	Weighted average number of equity shares used in computing earning per share			
	-Basic		20,000	20,000
	-Diluted		20,000	20,000
	Significant accounting policies	3		

See accompanying notes to financial statements

As per our report of even date attached

for **P.K. Shah & Co.**
Chartered Accountants
Firm registration number: 308150E

Raghav Singhania
Partner
Membership Number: 313524

Place: Bengaluru
Date: 18 May 2023

for and on behalf of the Board of Directors of
Mistral Technologies Private Limited

Rajeev Ramachandra
Director
DIN: 00178796

Place: Bengaluru
Date: 18 May 2023

Mujahid Alam
Director
DIN: 02651595

Place: Bengaluru
Date: 18 May 2023

Mistral Technologies Private Limited
Statement of cash flow

Rs.in lakhs

For the year ended	31 March 2023	31 March 2022
Cash flow from operating activities		
Profit before tax	66.87	49.94
Adjustments for:		
Depreciation	6.45	6.54
Net gain on financial asset measured at fair value through statement of profit and loss	(35.81)	(27.00)
Interest income	(6.40)	(0.89)
Interest expense	0.97	1.50
	32.08	**30.09**
Changes in:		
Loans, other financial assets and other assets	(472.48)	23.39
Liabilities and provisions	(21.36)	4.33
Cash generated from operations	**(461.76)**	**57.82**
Income tax paid, net of refund	(11.59)	(4.07)
Net cash from operating activities	**(473.35)**	**53.75**
Cash flow from investing activities		
Sale of investments	810.81	706.97
Purchase of investments	(775.00)	-
Interest received	6.40	0.89
Net cash provided used in investing activities	**42.22**	**707.86**
Cash flow from financing activities		
Repayment of lease liabilities	(7.68)	(6.99)
Net cash used in financing activities	**(7.68)**	**(6.99)**
Net change in cash and cash equivalents	**(438.82)**	**754.62**
Cash and cash equivalents at the beginning of the year	766.03	11.41
Cash and cash equivalents at the end of the year	**327.21**	**766.03**

Significant accounting policies (refer note 3)

See accompanying notes to financial statements

for **P.K. Shah & Co.**
Chartered Accountants
Firm registration number: 308150E

Raghav Singhania
Partner
Membership Number: 313524

Place: Bengaluru
Date: 18 May 2023

for and on the behalf of Board of Directors of
Mistral Technologies Private Limited

Rajeev Ramachandra
Director
DIN: 00178796

Place: Bengaluru
Date: 18 May 2023

Mujahid Alam
Director
DIN: 02651595

Place: Bengaluru
Date: 18 May 2023

1 Reporting Entity

Mistral Technologies Private Limited (the 'Company') is a company domicilied in India, with its registered office situated at New Delhi. The Company was incorporated on 17 July 2014 under the provisions of the Indian Companies Act. The Company is primarily engaged in rendering end-to-end services for product design and development in the embedded space. The Company offers design and development services covering hardware and software, customizable product designs and IPs, system integration and other solutions that improve quality and accelerate time-to-market for a broad range of embedded systems.

2 Basis of preparation

A. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 15 May 2023

Details of the Company's accounting policies are included in Note 3

B. Functional and presentation currency

The financial statements are presented in Indian Rupees, which is also the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakhs, unless otherwise stated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligations

D. Use of estimates and judgements

In preparing the financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these financial statements is included in the following notes:

- Note 24 - leases: whether an arrangement contains a lease and lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2023 is included in the following notes:

- Note 23 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 30 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 3 (a) - useful life of property, plant and equipment;

E. Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in the measuring fair values is included in the note 31 - financial instruments.

Mistral Technologies Private Limited
Delhi

2 Basis of preparation (continued)

F. Current / Non-current classification

The Company classifies an asset as current asset when:
- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –
- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

3 Significant accounting policies

(a) Property, plant and equipment

i Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.
Items of property, plant and equipment, are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, 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 property, plant and equipment is recognised in profit or loss.

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 Company.

iii Depreciation

Depreciation on property, plant and equipment is provided as per the written down value (WDV) method over the useful lives of assets estimated by the Management. Depreciation for assets purchased/sold during the year is proportionately charged.

The range of estimated useful lives of items of property, plant and equipment are as follows

Asset	Useful Life
Computer system*	6 years

* The Company believes the useful lives as given above best represent the useful life of these assets based on internal assessment where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Mistral Technologies Private Limited
Delhi

(b) Impairment

(i) Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

(ii) Non - financial Assets

Property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

(c) Inventories

Inventories which comprise of traded goods are valued at the lower of cost or estimated net realisable value. Cost comprises purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition.Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The method of determination of cost is as follows:

Traded goods are valued at first in first out method

Goods in transit are valued at actual cost

The Company periodically assesses the inventory for obsolescence and slow moving stocks.

(d) Leases

As a Lessee

The Company applies a single recognition and measurement approach for all leases except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease i.e. the date the underlying assets is available for use. Right-of-use assets are measured at cost less accumulated depreciation. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial cost incurred, and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the lease term.

b) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payment which is expected to be paid over the tenure of the lease contract. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying assets.

c) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term lease contracts (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).
Lease payments on a short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as finance leases.

Mistral Technologies Private Limited

(e) Financial instruments

i ***Recognition and initial measurement***

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii ***Classification and subsequent measurement***

Financial Assets

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii ***Derecognition***

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby the transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the Statement of Profit and Loss.

iv ***Offestting***

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

Mistral Technologies Private Limited
Delhi

(f) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(g) Revenue Recognition

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Company derives its revenue primarily from professional engineering services, sale of products and system engineering and traded sales.

Revenue from professional engineering services is either on time-and-material basis or fixed price contracts. Revenue on time-and-material basis is recognised as the related services are rendered. Revenue from fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenue from sale of products and system engineering and traded sales is recognised upon transfer of control of promised goods. Revenue from the sale of goods and services is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue from sale of products, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

Revenue in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred as deferred revenues).

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statement of Profit and Loss.

Lease/sub-lease rental income is recognised when right to receive such income is established in accordance with the terms of the contract with the clients.

Dividend income is recognised when the Company's right to receive dividend is established.

Mistral Technologies Private Limited ★ Delhi

(h) Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i *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. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii *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 corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising 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 at the time of transaction.
- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets recognised or unrecognized are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(i) Provision and contingent liabilities

i *General*

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

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

ii *Contingent liabilities*

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii *Onerous contracts*

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Mistral Technologies Private Limited
Delhi

(j) Employee benefits

i ***Defined contribution plans***

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees

Provident fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

ii ***Defined benefit plans***

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated 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 Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements 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 in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

iii) Compensated leave

Compensated absences are provided for based on actuarial valuation carried out by an independent actuary as at the balance sheet date using the projected unit credit method.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(l) Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(m) Share capital

Equity shares

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

Mistral Technologies Private Limited
Delhi

(m) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Mistral Technologies Private Limited
Delhi

Rs.in lakhs

As at	31 March 2023	31 March 2022
Note 6 - Loans receivable		
Non-current		
Unsecured, considered good		
Inter - corporate deposit (refer note 25 and 29)	500.00	-
	500.00	**-**
Note 7 - Other financial assets		
Unsecured		
Unsecured, considered good		
Security deposit	3.20	2.96
	3.20	**2.96**
Note 8 - Cash and cash equivalents		
Balances with banks		
- Current accounts	327.21	766.03
	327.21	**766.03**
Note 9 - Other financial assets		
Unsecured		
Considered good		
Others	0.25	-
	0.25	**-**
Note 10 - Other current assets		
Unsecured		
Considered good		
Balance with government authorities	4.06	32.07
	4.06	**32.07**

Mistral Technologies Private Limited
Delhi

Rs. in lakhs

As at	31 March 2023	31 March 2022
Note 13 - Provisions		
Provision for employee benefits		
- Gratuity (refer note 30)	12.84	28.70
- Compensated absences	2.03	2.06
	14.87	**30.76**
Note 14 - Trade payables		
Total outstanding dues of micro and small enterprises (refer note below)		
Total outstanding dues of other than micro and small enterprises	0.18	0.69
Accrued expenses	3.77	2.59
	3.95	**3.28**

Ageing for trade payables outstanding as at 31 March 2023 is as follows:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Not due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Trade Payable						
MSME*	-	-	-	-	-	-
Others	-	0.18	-	-	-	**0.18**
Disputed dues- MSME*	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
	-	**0.18**	-	-	-	**0.18**
Accrued expenses						**3.77**
						3.95

Ageing for trade payables outstanding as at 31 March 2022 is as follows:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Not due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Trade Payable						
MSME*	-	-	-	-	-	-
Others	-	0.69	-	-	-	**0.69**
Disputed dues- MSME*	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
	-	**0.69**	-	-	-	**0.69**
Accrued expenses						**2.59**
						3.28

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Note:

There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2023. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

	31 March 2023	31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
- Principal	-	-
- Interest		
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductable expenditure under the MSMED Act, 2006.	-	-

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Rs. in lakhs

As at	31 March 2023	31 March 2022
Note 15 - Other financial liabilities		
Payable to employees	1.47	4.05
	1.47	**4.05**
Note 16 - Other current liabilities		
Statutory liabilities (TDS, GST and PF etc.)	1.18	3.00
Other payables	-	0.94
	1.18	**3.95**
Note 17 - Provisions		
Provision for employee benefits		
- Gratuity (refer note 30)	0.70	1.08
- Compensated absences	0.28	0.43
	0.98	**1.52**

Mistral Technologies Private Limited
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Rs. in lakhs

For the year ended	31 March 2023	31 March 2022
Note 18 - Revenue from operations		
Sale of services		
Professional engineering services	128.22	146.60
	128.22	**146.60**

A. Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by market or type of customers, timing of revenue recognition and geography.The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Primary Geographical Markets

Geography	31 March 2023	31 March 2022
India	128.22	146.60
Others	-	-
	128.22	**146.60**

Timing of revenue recognition

	31 March 2023	31 March 2022
Goods or services transferred at point in time	128.22	146.60
Goods or 'Service transferred over time	-	-
	128.22	**146.60**

Information about major customers

Particulars	31 March 2023	31 March 2022
Mistral Solutions Private Limited	128.22	146.60

Represents 10% or more of the Company's total revenue during the year ended 31 March 2023.

B. Revenue to be recognised for performance obligation(s) not satisfied or partially satisfied at the end of the current year in respect of contracts with customer that are in place (i.e. signed agreements/ POs/WOs, etc) at the end of 31 March 2023 and 31 March 2022:

Time Band	31 March 2023	31 March 2022
< 1year	-	-
>1 year but < 5 year	-	-
	-	-

C. Reconciliation of revenue from contracts with customers

	31 March 2023	31 March 2022
Revenue from contracts with customers as per the contract price	146.60	146.60
Adjustments made to contract price on account of :-		
a) Liquidated damages	-	-
Revenue from contracts with customers as per the Statement of Profit and Loss	**146.60**	**146.60**

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Rs. in lakhs

For the year ended	31 March 2023	31 March 2022
Note 19 - Other income		
Interest income from financial assets carried at amortised cost	6.40	0.89
Net gain on financial asset measured at fair value through profit and loss	35.81	27.00
	42.21	**27.89**
Note 20 - Employee benefits expense		
Salaries, wages and bonus	74.45	93.79
Contribution to provident and other funds (refer note 30)	6.42	7.28
Staff welfare expenses	0.38	0.20
	81.25	**101.27**
Note 21 - Finance costs		
Interest on lease liability	0.97	1.50
	0.97	**1.50**
Note 22 - Other expenses		
Power and fuel	0.75	0.65
Travelling and conveyance	5.51	3.57
Legal and professional charges (refer note 27)	2.25	4.47
Repairs and maintenance		-
- Plant and machinery	0.20	0.10
- Others	4.96	5.07
Communication expenses	0.35	0.28
Rates and taxes	0.02	0.01
Advertisement and business promotion	0.52	0.07
Bank charges	0.04	0.00
Miscellaneous expenses	0.29	1.02
	14.89	**15.23**

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Mistral Technologies Private Limited
Notes on financial statements (continued)

Note 4. Property plant and equipment

Reconciliation of carrying amount

Rs.in lakhs

Description	Gross carrying amount				Accumulated depreciation				Carrying amounts (net)
	As at 1 April 2022	Additions during the year	Disposals	As at 31 March 2023	As at 1 April 2022	Depreciation during the year	Disposals	As at 31 March 2023	As at 31 March 2023
Computer system	2.36	-	-	2.36	1.99	0.15	-	2.14	0.22
	2.36	-	-	**2.36**	**1.99**	**0.15**	-	**2.14**	**0.22**

Description	Gross carrying amount				Accumulated depreciation				Carrying amounts (net)
	As at 1 April 2021	Additions during the year	Disposals	As at 31 March 2022	As at 1 April 2021	Depreciation during the year	Disposals	As at 31 March 2022	As at 31 March 2022
Computer system	2.36		-	2.36	1.76	0.24	-	1.99	0.36
	2.36	-	-	**2.36**	**1.76**	**0.24**	-	**1.99**	**0.36**

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Note 5. Right of use assets*

Rs.in lakhs

Description	Gross carrying amount				Accumulated depreciation				Carrying amounts (net)
	As at 1 April 2022	Additions during the year	Modifications/ terminations	As at 31 March 2023	As at 1 April 2022	Depreciation for the year	Modifications/ terminations	As at 31 March 2023	As at 31 March 2023
Own assets									
Buildings	18.91	-	-	18.91	9.98	6.30	-	16.29	2.63
	18.91	**-**	**-**	**18.91**	**9.98**	**6.30**		**16.29**	**2.63**

*Also refer note 24

Description	Gross carrying amount				Accumulated depreciation				Carrying amounts (net)
	As at 1 April 2021	Additions during the year	Modifications/ terminations	As at 31 March 2022	As at 1 April 2021	Depreciation for the year	Modifications/ terminations	As at 31 March 2022	As at 31 March 2022
Own assets									
Buildings	18.91	-	-	18.91	3.68	6.30	-	9.98	8.93
	18.91	**-**	**-**	**18.91**	**3.68**	**6.30**	**-**	**9.98**	**8.93**

*Also refer note 24

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Chartered Accountants

Rs.in lakhs

As at	31 March 2023	31 March 2022
Note 11 - Share capital		
Authorised		
20,000 (31 March 2022: 20,000) equity shares of Rs 5/- each.	1.00	1.00
Total	**1.00**	**1.00**
Issued, subscribed and fully paid up*		
20,000 (31 March 2022: 20,000) equity shares of Rs 5/- each.	1.00	1.00
	1.00	**1.00**

* Of the total fully paid up equity shares: 20,000 of Rs 5/- each (31 March 2022: 20,000 equity shares of Rs 5/- each) are held by the Mistral Solutions Private Limited, the holding company.

Notes:

(a) Shares in respect of equity in the Company held by its holding Company in aggregate:

	31 March 2023		31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Holding Company				
Mistral Solutions Private Limited	20,000	1.00	20,000	1.00
	20,000	**1.00**	**20,000**	**1.00**

(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

	31 March 2023		31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the reporting year	20,000	1.00	20,000	1.00
Closing balance at the end of the reporting year	**20,000**	**1.00**	**20,000**	**1.00**

(c) Details of shareholders' holding more than 5% of the total number of equity shares.

	31 March 2023		31 March 2022	
	Number of shares	% holding	Number of shares	% holding
Holding Company				
Mistral Solutions Private Limited	20,000	100%	20,000	100%
	20,000	**100%**	**20,000**	**100%**

(d) Rights, preferences and restrictions attached to equity shares:

- The Company has only one class of shares referred to as equity shares having a par value of Rs 5/- each.

-Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

-In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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Note 12 - Other equity

Rs.in lakhs

Particulars	Other Comprehensive Income	Retained earnings	Total
Balance as at 01 April 2021	(0.17)	727.41	727.24
Additions			-
Remeasurement of net defined benefit liability/asset, net of tax effect	(0.14)	-	(0.14)
Net profit after tax transferred from the statement of profit or loss	-	38.51	38.51
	(0.31)	765.92	765.61
Deductions			
Transfer to general reserve	-	-	-
Balance as at 31 March 2022	**(0.31)**	**765.92**	**765.61**
Balance as at 01 April 2022	(0.31)	765.92	765.61
Additions			
Remeasurement of net defined benefit liability/asset, net of tax effect	(0.18)	-	(0.18)
Net profit after tax transferred from the statement of profit or loss	-	50.28	50.28
	(0.49)	816.19	815.70
Deductions			
Transfer to general reserve	-	-	-
Balance as at 31 March 2023	**(0.49)**	**816.19**	**815.70**

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Note 23- Income-tax

Rs. in lakhs

(a) Amounts recognised in Statement of Profit and Loss

For the period ended	31 March 2023	31 March 2022
Current tax	12.64	11.81
Deferred tax		
Attributable to origination and reversal of temporary differences	3.95	(0.38)
Tax expense for the year	**16.59**	**11.43**

(b) Amounts recognised in other comprehensive income

For the period ended	31 March 2023			31 March 2022		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to statement of profit and loss						
Remeasurements of the defined benefit plans	(0.24)	0.06	(0.18)	(0.19)	0.05	(0.14)
	(0.24)	**0.06**	**(0.18)**	**(0.19)**	**0.05**	**(0.14)**

(c) Reconciliation of effective tax rate

For the period ended	31 March 2023		31 March 2022	
Profit before tax		**66.87**		**49.94**
Tax using the Company's domestic tax rate:	25.17%	16.83	25.17%	12.57
Reduction in tax rate				
Tax effect of:				
Others	-0.35%	(0.23)	-2.28%	-1.14
	24.82%	**16.60**	**22.88%**	**11.43**

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax assets		Deferred tax liabilities		Deferred tax (liabilities) / asset (net)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Property, plant and equipment	-	-	(0.02)	(0.03)	(0.02)	(0.03)
Employee benefits	3.99	7.93	-	-	3.99	7.93
Other items	-	-	(0.07)	(0.06)	(0.07)	(0.06)
	3.99	**7.93**	**(0.09)**	**(0.08)**	**3.90**	**7.85**

(e) Movement in temporary differences

	As at 1 April 2022	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2023
Property, plant and equipment	(0.03)	0.01	-	-	-	(0.02)
Employee benefits, net	7.93	(3.94)	-	-	-	3.99
Other items	(0.06)	(0.02)	-	-	-	(0.07)
	7.85	**(3.95)**	-	-	-	**3.90**

	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2022
Property, plant and equipment	(0.05)	0.02	-	-	-	(0.03)
Employee benefits	7.40	0.53	-	-	-	7.93
Other items	0.12	(0.17)	-	-	-	(0.06)
	7.47	**0.38**	-	-	-	**7.85**

The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

As at	31 March 2023	31 March 2022
Income tax assets (net)	0.91	1.90
Current tax liabilities (net)	-	-
Net current income tax asset / (liability)	**0.91**	**1.90**

The gross movement in the current income tax asset / (liability) for the year ended 31 March 2023 and 31 March 2022 is as follows.

For the year ended	31 March 2023	31 March 2022
Net current income tax asset / (liability) at the beginning	**1.90**	**9.59**
Income tax paid	11.59	4.07
Current income tax expense	(12.64)	(11.81)
Income tax on other comprehensive income and others	0.06	0.05
Net current income tax asset / (liability) at the end	**0.91**	**1.90**

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Rs. in lakhs

Note 24- Leases

24.1 Amounts recognised in balance sheet

Particulars	Note	As at 31 March 2023	As at 31 March 2022
(i) Right-of-use assets	4		
Buildings		2.63	8.93
(ii) Lease liabilities			
Non-current		-	2.94
Current		3.23	7.00
		3.23	**9.94**

24.2 Amounts recognised in the statement of profit and loss

Particulars	Note	As at 31 March 2023	As at 31 March 2022
(i) Depreciation and amortisation expense			
Buildings	4	6.30	6.30
(ii) Interest expense (included in finance cost)	21	0.97	1.50

(a) The total cash outflow for the year ended March 31, 2023 amounts to Rs. 7.68 lakhs (March 31, 2022 : Rs. 6.99 lakhs).

24.3 The impact on the statement of profit and loss for the year ended March 31, 2023 is as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Rent is lower by	(7.68)	(6.99)
Depreciation is higher by	6.30	6.30
Finance cost higher by	0.97	1.50
	(0.41)	**0.82**

The Company has discounted lease payments for new leases using applicable incremental borrowing rate of 9.75% (March 31, 2022 : 9.75%) for measuring the lease liability.

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Rs. in lakhs

Note 25 - i Details of inter corporate deposit during the year:

a) Terms and conditions on which inter-corporate loans have been given

Name of the borrower	Nature of relationship	Secured / Uncecured	Rate of interest	Term
Axiscades Aerospace & Technologies Pvt Ltd	Fellow subsidiary	Unsecured	9%	3 years

b) Details of loan given and repaid during the year

	As at 1 April 2022	Amount given during the year	Repaid during the year	As at 31 March 2023
Axiscades Aerospace & Technologies Pvt Ltd	-	500.00	-	500.00

Note 26 - Earnings per share

Computation of earnings per share is as follows:

For the period	31 March 2023	31 March 2022
Net profit attributable to the equity shareholders	50.28	38.51
Number of weighted average shares considered for calculation of basic earnings per share*	20,000	20,000

For the period	31 March 2023	31 March 2022
Earnings per share:		
-Basic (in Rs.)	251.39	192.54
-Diluted (in Rs.)	251.39	192.54

* There are no potential dilutive equity shares

Note 27 - Auditor's remuneration (included in legal and professional fees, excluding applicable taxes)

For the period	31 March 2023	31 March 2022
Audit fees	0.60	0.60
Other services	-	-
Out of pocket expenses	0.01	0.03
	0.61	**0.63**

Note 28 - Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

The Company monitors capital on the basis of the following gearing ratio.

Particulars	31 March 2023	31 March 2022
Total debt	-	-
Total equity	816.70	766.61
Debt to equity ratio	0%	0%

Note 29 - Related parties

Relationships

1. Ultimate holding company — Jupiter Capital Private Limited

   Holding company — Mistral Solutions Private Limited

   Fellow subsidiary — Mistral Solutions Inc.
   Aero Electronics Private Ltd.
   Axiscades Aerospace & Technologies Private Limited

2. Key Management Personnel (KMP):

   Director — Rajeev Ramachandra
   Director — Mujahid Alam

3. The following are significant transactions with related parties by the Company.

Rs. in lakhs

Particulars		31 March 2023	31 March 2022
Revenue from operations			
Professional engineering services			
Mistral Solutions Private Limited	Holding company	128.22	146.60
Other Income			
Interest income	Fellow subsidiary	6.16	-
Axiscades Aerospace & Technologies Private Limited			
Loan given			
Axiscades Aerospace & Technologies Private Limited	Fellow subsidiary	500.00	-

4. The balance receivable from related parties are as follows:

Particulars		31 March 2023	31 March 2021
Loans receivable			
Axiscades Aerospace & Technologies Pvt Ltd	Fellow subsidiary	500.00	-

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Rs. in lakhs

Note 30 - Employee benefits

(a) Defined contribution plans

The Company has recognised an amount of Rs. 3.69 lakhs (31 March 2022: Rs. 4.84 lakhs) as expenses under the defined contribution plans in the statement of profit and loss for the year:

(b) Defined benefit plans

	31 March 2023	31 March 2022
1. **Reconciliation of net defined benefit asset / (liability)**		
(i) Reconciliation of present value of defined benefit obligation		
Obligations as at 1 April	29.78	27.16
Current Service cost	0.70	0.64
Interest Cost	2.03	1.79
Benefits settled	-	-
Acturial (gain) / loss due to financial assumptions	(0.71)	(0.17)
Acturial (gain) / loss due to demographic assumptions	-	(0.00)
Acturial (gain) / loss due to experience adjustments	0.95	0.35
Benefits paid	(19.21)	-
Obligations at the year end 31 March	**13.54**	**29.78**
(ii) Reconciliation of present value of plan asset:		
Plan assets as at 1 April	-	-
Contributions	19.21	-
Benefits settled	(19.21)	-
Plan assets at 31 March at fair value	-	-
(iii) Reconciliation of net defined benefit asset/(liability)		
Present value of obligation as at 31 March	13.54	29.78
Plan assets at 31 March at fair value	-	-
Amount recognised in balance sheet asset / (liability)	**(13.54)**	**(29.78)**
Non-Current	12.84	28.70
Current	0.70	1.08
2. Expenses recognised in the statement of profit and loss under		
Employee benefit expense:		
Current service cost	0.70	0.64
Interest cost	2.03	1.79
Net cost	**2.73**	**2.43**
3. Remeasurements recognised in statement of Other comprehensive income		
Changes in financial assumptions	(0.71)	(0.17)
Experience adjustments	0.95	0.35
Demographic adjustments	-	(0.00)
Net Loss / (Gain) recognised in statement of other comprehensive income	**0.24**	**0.19**
4. Experience adjustment:		
On plan liabilities (gain) / loss	-	-
On plan assets gain / (loss)	-	-
5. Investment details:	**% Invested**	**% Invested**
Insurer managed funds	0.00%	0.00%
Others	0.00%	0.00%

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Amount in Rs.

Note 30 - Employee benefits (continued)

6. Principal acturial assumptions		
Discount factor [Refer note (i) below]	7.45%	6.95%
Estimated rate of return on plan assets [Refer note (ii) below]	7.45%	6.95%
Attrition rate:		
Age related (Service related):		
21-30 Years	20.00%	20.00%
31-34 Years	15.00%	15.00%
35-44 Years	5.00%	5.00%
45-50 Years	3.00%	3.00%
51-54 Years	2.00%	2.00%
55-59 Years	1.00%	1.00%
Salary escalation rate [Refer note (iii) below]	8.00% until years 3, inclusive then 7.00%	8.00% until years 3, inclusive then 7.00%
Retirement age (in years)	60	60

7. Maturity profile of defined benefit obligation:		
Within 1 year	70,166	1,08,061
1-2 year	73,280	20,20,151
2-3 year	76,601	61,991
3-4 year	79,402	64,307
4-5 year	67,191	66,772
5- 10 year and above	31,55,476	27,26,127

Notes:

(i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

(ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.

(iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

The sensitivity analysis of significant actuarial assumption as of end of reporting period is shown below.

	31 March 2023	31 March 2022
A. Discount rate		
Discount rate -100 basis points	11.78%	6.13%
Discount rate +100 basis points	-10.12%	-5.38%
B. Salary escalation rate		
Salary rate -100 basis points	-4.88%	-1.88%
Salary rate +100 basis points	5.32%	2.13%

Note 31 - Financial instruments - fair values and risk management

Rs. in lakhs

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2023, including their levels in the fair value hierarchy.

Particulars	Note	Carrying amount					Fair value			
		FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value										
Loans receivable	6	-	-	500.00	-	500.00				
Other financial assets	7, 9	-	-	3.45	-	3.45				
Cash and cash equivalents	8	-	-	327.21	-	327.21				
		-	-	**830.65**	-	**830.65**				
Financial liabilities not measured at fair value										
Lease liabilities	24	-	-	-	3.23	3.23				
Trade payables	14	-	-	-	3.95	3.95				
Other financial liabilities	15	-	-	-	1.47	1.47				
		-	-	-	**8.65**	**8.65**				

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2022, including their levels in the fair value hierarchy.

Particulars	Note	Carrying amount					Fair value			
		FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value										
Other financial assets	7	-	-	2.96	-	2.96				
Cash and cash equivalents	8	-	-	766.03	-	766.03				
		-	-	**768.99**	-	**768.99**				
Financial liabilities not measured at fair value										
Lease liabilities	24	-	-	-	9.94	-				
Trade payables	14	-	-	-	3.28	3.28				
Other financial liabilities	15	-	-	-	4.05	4.05				
		-	-	-	**17.27**	**7.33**				

The fair value of cash and cash equivalents, trade receivables, loans, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value.

Investments in liquid and short- term mutual funds which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

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Note 32 - Financial instruments - fair values and risk management (continued)

Rs. in lakhs

Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Board. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Financial assets that are not credit impaired

The Company has financial assets which are in the nature of cash and cash equivalents, other bank balances, loans, security deposits, interest accrued on fixed deposits and other receivables which are not credit impaired. These are contractually agreed where the probability of default is negligible.

Financial assets that are credit impaired

Trade receivables

The Company's exposure to credit risk is influenced mainly by the type of each customer. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are into defence sector or non defence sector, industry, trading history with the Company and existence of previous financial difficulties.

The Company's exposure to credit risk for trade receivables by the type of counterparty is as follows:

Carrying amount	31 March 2023	31 March 2022
Defence sector	-	-
Non defence sector	-	-
Related parties	-	-
	-	-

The Company has calculated the impairment loss arising on account of past trends in the default rate for time bucket.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

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 Company in accordance with the contract and the cash flows that the Company expects to receive).

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023.

Particulars	As at 31 March 2023		
	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities			
Trade payables	3.95	-	-
Lease liabilities	3.23	-	-
Other financial liabilities	1.47	-	-
	8.65	-	-

Particulars	As at 31 March 2022		
	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities			
Trade payables	3.28	-	-
Lease liabilities	7.00	2.94	-
Other financial liabilities	4.05	-	-
	14.33	**2.94**	-

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

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Note 33 - Ratios

The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022

Particulars	Numerator	Denominator	31st March 2023	31st March 2022	Variance
Current Ratio	Current assets	Current liabilities	30.66	40.33	-23.97%
Return on Equity (ROE)	Net profits after taxes	Average Shareholder's Equity	6.35%	5.15%	23.27%
Net capital turnover ratio*	Revenue	Working capital	39.98%	18.84%	112.26%
Net profit ratio**	Net Profit	Revenue	39.21%	26.27%	49.28%
Return on capital employed (ROCE)***	Earning before interest and taxes	Capital employed	8.16%	6.43%	26.92%

Explanation for ratios where the variance is beyond 25% compared to previous year:

* Decrease in revenue during the year resulted as variance.

** Decrease in revenue along with increase in net profit during the year resulted as variance.

*** Increase in profits for the year has resulted as improvement in the ratio.

Note 34 - The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law required existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as domestic transactions entered into with the associated enterprise during the financial year and expects such records to be in existence as required by law. The Management is of the opinion that its international as well as domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for tax.

Note 35 - Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013.

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

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

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(vii) The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(x) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

As per our report of even date attached

for **P.K. Shah & Co.**
Chartered Accountants
Firm registration number: 308150E

Raghav Singhania
Partner
Membership Number: 313524

Place: Bengaluru
Date: 18 May 2023

for and on behalf of the Board of Directors of
Mistral Technologies Private Limited

Rajeev Ramachandra
Director
DIN: 00178796

Place: Bengaluru
Date: 18 May 2023

Mujahid Alam
Director
DIN: 02651595

Place: Bengaluru
Date: 18 May 2023