

INDEPENDENT AUDITOR'S REPORT**To the Members of Interstellar Testing Centre Private Limited****Report on audit of the Financial Statements****Opinion**

We have audited the financial statements of **Interstellar Testing Centre Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, Statement of Cash Flow, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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

Basis for Opinion

We conducted our audit of the financial information in accordance with the Standards on Auditing ("SA") 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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Responsibility of Management and Those Charged with Governance for the Financial Statement

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

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

Auditor's Responsibility for the Audit of 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:

- 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances; but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management & Board of Director'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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in audit of the financial statements of current period and are therefore the key audit matters.

We describe these matters in our auditors report unless law or regulation precludes public disclosure about the matter or when, in extreme rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report On other Legal & Regulatory Requirements

As required by the Companies (Auditor's Report) Order 2020 ("the Order"), issued by the Central Government of India in terms of sub section(11) of section 143 of the Act and on the basis of such checks of the books and records of the company, as we considered appropriate and according to the information & explanation given to us, we give in the **Annexure "A"**, a statement on the matters specified in Paragraph 3 and 4 of the order, to the extent applicable.

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, statement of equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) The aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) Reporting on the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, under Section 143 (3)(i) of the Act is not applicable in view of exemption available to the Company in terms of the notification no G.S.R 583(E) dated June 13, 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No 08/2017 dated July 25, 2017.

- (g) In our opinion and to the best of our information and explanations given to us, section 197 of the Act is not applicable on Private company i.e. remuneration paid by the Company to its directors during the year. Accordingly, this clause is not applicable.
- (h) 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 has disclosed the impact of pending litigation on its financial position in Note - 36 to financial statements.
- ii) The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses for which provision was required to be made under the applicable law or accounting standard.
- iii) There are no amounts 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 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 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) No dividend declared by the Company during the year. Accordingly, this clause is not applicable.

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 March 31, 2023.

For **SAPR & Co LLP**
Chartered Accountants
FRN: N50011



A handwritten signature in black ink, appearing to read 'Madhu Ranjan Duggal'.

Madhu Ranjan Duggal
Partner
Membership No. 087075

Place: New Delhi

Date: 06/09/2023

UDIN: 23087-075B11AW3C5022

ANNEXURE "A" TO AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2023, we report 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) 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 a program of physical verification of Property, Plant and Equipment so to cover all the assets every years, in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) 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 revalued any of its Property, Plant and Equipment and intangible assets 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 are no proceedings initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II. In respect of the Company's Inventories:

(a) The management has physically verified the inventories. In our opinion, the frequency, coverage and procedure of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and such discrepancies have been properly dealt with in the books of accounts.

(b) According to the information and explanation given to us, the company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to information and explanations given to us, the requirement of quarterly statements which are to be filed by the company with the bank is not applicable on the company as per the terms of the sanctioned letter. Accordingly, this clause 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, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, this clause is not applicable.

IV. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

V. The Company has not accepted any deposit or amounts which are deemed to be deposits from the public. Hence, reporting under clause 3(v) of the Order is not applicable.

VI. According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, reporting under clause (vi) of the Order is not applicable to the Company.

VII. In respect of statutory dues:

- (a) 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 generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, duty of Excise, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

S. No.	Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Rs.
1	Income Tax Act, 1961	Income Tax	DCIT, Circle Panchkula	FY 16-17	5,47,997

VIII. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

- IX. (a) According to the 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 default in the repayment of loans to any lender. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) 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 been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us by the management, term loan availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.

- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds have been raised on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable.
 - (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
 - (f) According to the information and explanations given to us and procedures performed by us, we report that, the Company has not raised any loans during the year on the pledge of securities held in their subsidiaries, joint ventures or associate companies as defined under the Companies Act 2013. Accordingly, clause 3(iv)(f) of the Order is not applicable.
- X.
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, during the year, the Company has not made any preferential allotment or private placement of shares convertible debentures (fully or partly). Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- XI.
- (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
 - (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) Company has no policy regarding the whistleblower; hence this clause is not applicable.
- XII.
- According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause (xii) of the Order is not applicable.

- XIII. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company is not required to have an internal audit system as per provisions of Companies Act 2013. Accordingly, this clause (a) and (b) of the Order is not applicable to the company.
- XV. In our opinion and according to the information and explanations given to us, 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) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations provided to us during the course of audit, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 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 of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- XIX. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements 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. In our opinion and according to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **SAPR & Co-LLP**
Chartered Accountants
FRN: N50011



Madhu Ranjan Duggal
Partner
Membership No. 087075

Place: New Delhi
Date: 06/09/2023

UDIN: 23087075BHAWSC5022

INTERSTELLAR TESTING CENTRE PRIVATE LIMITED
(CIN U74999HR2016PTC058170)

Balance sheet as at 31 March 2023

	Note	As at 31 March 2023	(Rs. in '000) As at 31 March 2022
EQUITY & LIABILITIES			
Shareholders' funds			
Share capital			
Reserves and surplus	3	5,098	5,098
	4	84,473	82,621
		89,571	87,719
Non-current liabilities			
Long - term borrowings			
Long - term provisions	5	79,343	103,253
Deferred tax liabilities	6	4,083	3,556
		3,518	-
		86,944	106,809
Current liabilities			
Short - term borrowings			
Trade payables	7	138,690	72,761
a) Total outstanding dues of micro and small enterprises	8	-	-
b) Total outstanding dues of creditors other than micro and small enterprises		23,787	30,754
Short - term provisions	9	3,309	3,069
Other current liabilities	10	64,388	44,485
		730,174	161,060
		406,688	345,596
ASSETS			
Non - current assets			
Property, plant and equipment			
Tangible assets			
Intangible assets	11A	141,533	149,448
Capital work-in-progress	11A	668	1,125
Deferred tax assets	11B	30,303	156
Other Non-Current Assets	12	-	1,268
	13	16,910	9,988
		189,415	161,995
Current assets			
Trade receivables			
Inventories	14	129,944	93,368
Cash and bank balance	15	22,470	20,045
Other Current Assets	16	5,720	18,462
	17	59,139	51,727
		217,273	183,601
		406,688	345,596

Summary of significant accounting policies

2

The accompanying notes form an integral part of the financial statements
As per our report of even date :

For SAPR & Co LLP
Chartered Accountants
FRN : NS001111

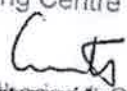
MWMS
SAPR & CO. LLP
New Delhi
Madhu Ranjan Duggal
Partner
Membership No. 087075

Date: 06/09/2023
Place: New Delhi

UDIN: 23087075BHAWSCS022

For and on behalf of the Board of Directors of
Interstellar Testing Centre Private Limited

Interstellar Testing Centre Private Limited
Interstellar Testing Centre Pvt. Ltd.


Anil Kumar
Director
DIN: 07232463


Karan
Authorized Signatory
Director
DIN: 07429267

Date: 06/09/2023
Place: Panchkula

Date: 06/09/2023
Place: Panchkula

INTERSTELLAR TESTING CENTRE PRIVATE LIMITED
(CIN U74999HR2016PTC058170)
Statement of profit and loss for the year ended 31 March 2023

	Note No.	For the year ended 31 March 2023	(Rs. in '000) For the year ended 31 March 2022
Income			
Revenue from operations			
Other income	18	294,290	277,462
Total Income	19	7,244	168
		301,534	277,630
Expenses			
Cost of material consumed			
Employee benefits expense	20	29,210	24,125
Finance cost	21	134,795	128,728
Depreciation expense	22	20,422	17,421
Amortisation expense	11A	14,104	13,587
Other expenses	11A	644	1,784
Total Expenses	23	96,170	84,170
Profit Before Tax		204,895	269,816
EBITDA		6,638	7,814
Tax Expense:			
Current tax		41,809	40,607
Deferred tax		-	-
Net Profit for the year	12	4,786	2,307
Earnings per equity share (Nominal value Rs. 10 per share)	26	1.852	5.507
- Basic		3.63	10.80
- Diluted		3.63	10.80
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements
As per our report of even date

For SAPR & Co LLP
Chartered Accountants
FRN : NS00111



Madhu Ranjan Duggal
Partner
Membership No. 087075

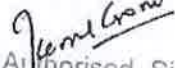
Date: 06/09/2023
Place: New Delhi

UDIN: 23087075BHAWSC5022

For and on behalf of the Board of Directors of
Interstellar Testing Centre Private Limited
Interstellar Testing Centre Pvt. Ltd.


Antaryami Nayak
Authorised Signatory
Director
DIN: 07232463

Date: 06/09/2023
Place: Panchkula


Kamal Grover
Authorised Signatory
Director
DIN: 07429267

Date: 06/09/2023
Place: Panchkula

INTERSTELLAR TESTING CENTRE PRIVATE LIMITED
(CIN U74999HR2016PTC058170)
Cash flow statement for the year ended 31 March 2023

	(RS. in '000)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax		
Adjustments for:		
Interest income	6,638	7,814
Depreciation and amortization	(135)	(20)
Loss on sale of fixed assets	14,748	15,372
Interest expense	-	141
Sundry balances written off	19,433	15,784
Bad debts written off	2,954	612
Operating profit before working capital changes	1,786	1,739
Increase in trade receivables	39,341	41,443
Increase in inventories	(38,362)	(7,015)
Increase in short term loans & advances	(2,425)	(10,003)
Increase in long term loans & advances	89,662	(14,371)
Increase/(decrease) in long term provision	(6,923)	(1,096)
Increase/(decrease) in trade payable	527	1,208
Increase in short term provisions	(6,967)	2,851
Increase in other current liabilities	241	1,267
Cash generated from operations	11,902	6,087
Direct taxes (paid)/ refund	(17,328)	20,371
Net cash flow from operating activities	(704)	(16,105)
	(13,032)	4,766
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(35,957)	(15,140)
Proceeds from sale of fixed assets	-	64
Interest income	135	20
Purchase/(proceed) of fixed deposits	(426)	3,425
Net cash flow from investing activities	(36,247)	(11,632)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	117,623	90,160
Repayment of long term borrowings	(128,006)	(10,446)
(Repayment)/ proceeds from short term borrowings (net)	65,929	(42,275)
Interest paid	(19,433)	(15,784)
Net cash flow from financing activities	36,113	21,654
Net increase/(decrease) in cash and cash equivalents	(13,167)	14,289
Cash and cash equivalents as at the beginning of the year	18,368	4,079
Cash and cash equivalents as at the end of the year	5,201	18,368
Components of cash and cash equivalents		
Cash on hand	0	40
Balance with banks:		
- current accounts	5,193	18,328
Total cash and cash equivalents (refer note 16)	5,201	18,368

The accompanying notes form an integral part of the financial statements
As per our report of even date

For SAPR & Co LLP
Chartered Accountants
FRN : N500111

Madhu Ranjan Duggal
Partner
Membership No. 087075



Date: 06/09/2023

Place: New Delhi

UDIN: 23087075BAAWSC5022

For and on behalf of the Board of Directors of
Interstellar Testing Centre Private Limited
Interstellar Testing Centre Pvt. Ltd.

Authorised.

Antaryami Nayak
Director
DIN: 07232463

Date: 06/09/2023
Place: Panchkula

Kamal Grover
Director
DIN: 07429267

Date: 06/09/2023
Place: Panchkula

INTERSTELLAR TESTING CENTRE PRIVATE LIMITED
(CIN U74999HR2016PTC058170)

Notes forming part of the Financial Statements

1. Corporate information

Interstellar Testing Centre Private Limited ('the Company') is incorporated in India as a Private Limited Company under the Companies Act 2013 on 10th February, 2016

The Company is engaged in the business of providing testing and assurance services in the fields of Drugs, Pharmaceuticals, Food, Chemicals, Cosmetics, Herbal, Microbiological, Environment, Building Materials, Mechanical, etc

2. Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP require the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expense during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Examples of such estimates include provision for doubtful trade receivables, future obligations under employee retirement benefit plans, income taxes and useful life of fixed assets. Future results would differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2.3 Inventories

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on FIFO method basis and includes all applicable costs incurred in bringing the material to their present location and condition

2.4 Property, plant & equipment (tangible / intangible)

Property, plant & equipment are stated at cost less accumulated depreciation/ amortization and impairment loss, if any. The cost of property, plant & equipment includes inward freight, duties, taxes and incidental expenses related to the acquisition and installation of property, plant & equipment.

Subsequent expenditure on an asset after its purchase / completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset

Fixed assets under construction and cost of assets not ready to use before the year end, are disclosed as capital work-in-progress

2.5 Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value

Depreciation on tangible fixed assets has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on internal technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Property, plant & equipment	Estimated useful life
Tangible assets	
Plant and machinery	15 years
Computers	3 years
Furniture and fixture	10 years
Vehicle	10 years
Intangible assets	
Computer software's	5 years
Goodwill	5 years

Leasehold improvements are amortised over the lease period of 15 years

Pro-rata depreciation is provided on all fixed assets purchased or sold during the year

Assets costing up to Rs. 5,000 each are fully depreciated in the year of purchase

2.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates

Revenue from testing charges is recognized in statement of profit or loss when the testing services is complete. Testing services is considered to be completed when invoice and reports are generated

2.7 Other income

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable

Notes forming part of the Financial Statements

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposits with banks and financial institutions. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.9 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences on monetary items are recognized in the statement of profit and loss in the period in which they arise except for exchange differences on transactions designated as cash flow hedge.

2.10 Retirement and other employee benefits

(i) Retirement benefits in the form of provident fund and employee state insurance are defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

(ii) Gratuity liability is defined benefit obligations and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(iii) Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

2.11 Leases

Operating Lease.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss on a straight-line basis over the lease term.

2.12 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.13 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

2.14 Impairment

The carrying amount of assets are reviewed at each balance sheet date to ascertain if there is any indication of impairment based on internal/external factors. An asset is treated as impaired based on the cash generating concept at the year end, when the carrying cost of assets exceed their recoverable value, in term of Para 5 to Para 13 of AS-28 "Impairment of Assets" as notified under the Companies (Accounting Standards) Rules, 2006 for the purpose of arriving at impairment loss thereon, if any. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

2.15 Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.

2.16 Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.