

NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED

Registered Office: Plot No.563, Road No.31, Jubilee Hills, Hyderabad – 500033.

BOARD OF DIRECTORS

Mr. M.S.S.Srinath
Mrs. Kavita Prasad
Cmde (Retd) Arvind Sharma - CEO

BANKERS

State Bank of India, Noida.
State Bank of India, Secunderabad.

AUDITORS

M/s.K. Raghunath & Co.Chartered Accountants,
3-6-102/A/B/C, 1st Floor, Near Old Vijaya Diagnostics,
Street 25, Himayat Nagar, Hyderabad – 500 029.

SEVENTEETH ANNUAL REPORT
2022-23

NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED

Registered Office: Plot 563, Road 31, Jubilee Hills, Hyderabad – 500 033

CIN: U31403TG2006PTC051006

DIRECTORS' REPORT FOR THE YEAR 2022-23

Dear Members

Your Directors have pleasure in submitting the 17th Annual Report together with the Audited Financial Statements for the year ended on 31st March 2023.

OPERATIONS:

Despite the uncertainties posed, due to constant efforts of your Directors, the year 2022-23 ended in a satisfactory performance. Your Directors are hopeful of winning some of the prospective bids which are in different stages of participation and relentless efforts are being made accordingly. Barring unforeseen circumstances, performance in the year 2023-24 may be satisfactory too. Your Directors convey their sincere thanks to the valued customers who enabled the growth of the Company.

The overall performance summary is given hereunder, prepared as per Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (as amended).

Particulars	₹ in lakhs	
	2022-23	2021-22
Gross income from sales / services	1614.77	1207.50
Other income (net)	71.40	78.58
Total Income	1686.17	1286.08
Total expenditure	1332.23	1052.74
Profit /(loss) before depreciation amortization, interest and miscellaneous expenses charged off (PBDT)	353.94	233.34
Finance cost	19.34	14.63
Depreciation	4.43	4.18
Profit before tax the year (PBT)	330.17	214.53
Tax provisions – Current and Deferred tax	85.05	54.74
Profit after tax (PAT)	245.12	159.79

DIVIDEND AND TRANSFER OF UNCLAIMED DIVIDEND:

No dividend is being proposed for the year 2022-23 in order to conserve resources for operational and future requirements. No amount is transferred to reserves. The provisions of Section 125 (2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

MATERIAL CHANGES AND COMMITMENTS:

There are no material changes that occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report which would affect the financial position of the Company.

DEPOSITS:

The Company has not accepted any Fixed Deposits from the Public during the period under review.

PARTICULARS OF LOANS OR GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013:

During the year, the Company has not given or advanced any loans, guarantees or made investments as per section 186 of the Companies Act 2013.

CORPORATE SOCIAL RESPONSIBIITY (CSR):

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to your Company.

FOREIGN EXCHANGE EARNINGS AND OUT GO:

During the period under review, Foreign Exchange earnings and out go are as under.

Item (Amount in ₹ lakhs).	2022-23	2021-22
Expenditure in Foreign Currency		
Raw Materials, Components and Spares	764.10	608.90
Travelling Expenses	2.45	8.38
Others	16.24	16.31
Earnings In Foreign Currency (CIF Basis)		
Sales/Service Income	1.25	25.38

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

Your Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal. Your Board is experienced in these matters to handle the situations.

ANNUAL RETURN:

An extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to financial statements commensurate with its size and nature of business. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

THE BOARD:

There was no change in the Board of Directors during the year under review. Your Company is not mandatorily required to appoint any whole time Key Management Personnel (KMP). Cmde Arvind Sharma is the CEO of the Company and is a KMP.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

The Company has conducted 5 Board meetings during the year under review (on 24.05.2022, 06.07.2022, 09.08.2022, 07.11.2022, and 21.01.2023)

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- (a) in the preparation of the annual accounts, the applicable accounting standards as per Ind AS had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period in accordance with Ind AS;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS:

The Independent Statutory Auditors of the Company M/s. K. Raghunath & Co (FRN 03341S), Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment. Your Board recommends for their re-appointment at the Annual General Meeting.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND PRACTICING COMPANY SECRETARY IN THEIR REPORTS:

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report are not applicable to the Company.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary. HBL Power Systems Limited and Futuristic Technologies are Associate Companies holding 41% and 49% respectively in your Company. There is no change in their shareholding.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

Contract or arrangements made (if any) with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review are disclosed separately in Notes to the Financial Statements.

ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to all customers, employees, bankers, business associates and various Government Authorities for their continued support extended to your Company during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company



Place : Hyderabad
Date : May 15, 2023

By Order of the Board

Cmde Arvind Sharma (Retd)
Director/CEO
DIN No: 01483101

MSS Srinath
Director
DIN No: 00319175



INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED.**

Report on the Financial Statements

We have audited the accompanying standalone IND-AS financial statements of NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information. (herein after referred to as "the Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income for the year ended on that date

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

- A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- B. 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 materially inconsistent with the standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially 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.

5. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone IND-AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone IND-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. Auditor's Responsibility

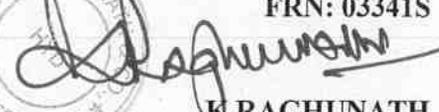
Our responsibility is to express an opinion on these standalone IND-AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



- d) The Balance sheet and the statement of Profit and Loss comply with the Accounting standards under section 133 of the companies Act 2013 read with Rule 7 of the companies (Accounts) Rules 2014.
- e) On the basis of written representation received from the directors as on March 31, 2023 and 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) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the companies (Audit and Auditors)Rule, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company has disclosed the details of pending litigations at Note No: 3 (c) (1) (2),(3) (4) to the financial statements however their impact on the financial position has not been stated in the financial statements in view of their contingent nature.
 - 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.

Place: Hyderabad
Date: 15-05-2023

For **K.RAGHUNATH&CO.,**
Chartered Accountants
FRN: 03341S



K.RAGHUNATH
(Proprietor)
M.No :022637
UDIN NO: 23022637BGWASQ8887.

Report under The Companies (Auditor's Report) Order, 2020.

ANNEXURE REFERRED TO IN PARAGRAPH I OF THE "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE:

i. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantities details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management, which in our opinion is reasonable, of its assets. No material discrepancies were noticed on such physical verification.
- c) There are no immovable properties held in the name of the company.

ii. In respect of its inventories:

The Company has maintained proper records of inventories meant for resale. As per the information and explanation given to us, no material discrepancies were noticed on physical verification. There is no inventory of such items at the year end.

- iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
- iv. There are no loans, investments guarantees, and security to which the provisions of Sec 185 and 186 of the Companies Act 2013 apply.
- v. According to the information and explanation given to us, the company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- vi. The cost records prescribed as per the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013 are not applicable to the company.

vii. In respect of statutory dues:

- a) The Company is regular in depositing undisputed statutory dues including Income Tax, GST, , Duty of Customs, Duty of Excise, Cess and other Statutory dues with the applicable authorities. There are no arrears to be paid on 31-03-2023 for a period of more than six months from the date they become payable.
- b) There were no statutory dues which have not been deposited on account of any dispute and in respect of the TDS dues of Rs.572970 only correction statements



needs to filed for correcting errors.. The Income Tax demand of Rs.17.75 lakhs pertaining to A.Y 2017-18 has been disputed in the appeal and the said appeal is pending.

- c) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- viii. The company has borrowed funds from the Banks, However there are no over dues and defaults in repayments does not arise.
- ix. The Company has not raised any funds by way of Initial Public Offer or further public offer and therefore application of the said funds for the purpose for which they have been raised does not arise.
- x. In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- xi. In Our Opinion and according to the information and Explanations given to us the Company has a internal audit System commensurate with the size and nature of the business.
- xii. In our opinion managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
- xiii. The related party transactions entered into during the year by the company have been reported at S.No 3 (f) of the Notes on Accounts. The said transactions are not prejudicial to the interest of the company.
- xiv. In our Opinion and 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 no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing on the date of balance sheet as and when they fall due within the period of one year from the date of the balance sheet.
- xv. The company has not made any preferential allotment or private placement of shares or debentures during the year under review.
- xvi. The company has not entered into any non cash transactions with the directors or persons connected with them.



- xvii. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934
- xviii. The other clauses of the Audit Report Order are not applicable to the Company.



For K.RAGHUNATH&CO.,
Chartered Accountants
FRN: 03341S

K. Raghunath

K.RAGHUNATH
(Proprietor)
M. No:022637

Place: Hyderabad
Date: 15-05-2023

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS

**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 over financial reporting of NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED ("the company"), as of 31st March 2023 in conjunction with our audit of the standalone 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. 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that

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

(2) 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

(3) 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.

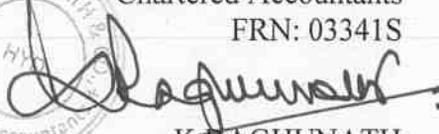
Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023 based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 15-05-2023

For K.RAGHUNATH&CO.,
Chartered Accountants
FRN: 03341S

K.RAGHUNATH
(Proprietor)
M.No : 022637

NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED

CIN: U31403TG2006PTC051006

Balance Sheet as at March 31, 2023

Particulars	Note		As at March 31, 2023 Rs.		As at March 31, 2022 Rs.
I) ASSETS					
1 Non Current Assets					
(a) Property, Plant and Equipment	1	21,53,898		18,28,108	
(b) Financial Assets					
(i) Other Financial Assets	2	7,19,72,054	7,41,25,952	4,67,80,402	4,86,08,510
2 Current Assets					
(a) Inventories	3	31,02,031		24,90,379	
(b) Financial Assets					
(i) Trade Receivables	4	5,19,92,212		11,15,14,561	
(ii) Cash and cash equivalents	5	2,88,98,562		66,20,212	
(iii) Other Bank Balances	5	8,59,99,597		8,31,78,921	
(iv) Others	5	75,37,356		61,69,752	
(c) Current Tax Assets (net)	6	1,92,613		18,60,005	
(d) Other Current Assets	7	3,03,02,002	20,80,24,373	30,07,153	21,48,40,983
Total			28,21,50,325		26,34,49,493
II) EQUITY AND LIABILITIES					
A Equity					
(a) Equity Share Capital	8	10,00,000		10,00,000	
(b) Other Equity	9	21,13,72,139	21,23,72,139	18,68,59,829	18,78,59,829
B Non Current Liabilities					
(a) Deferred Tax Liabilities (Net)	10		1,47,861		42,902
C Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	11	1,19,52,930		1,54,12,989	
(ii) Trade Payables	12	4,65,48,823		4,88,18,153	
(iii) Other Financial Liabilities	13	57,25,754		72,86,001	
(b) Other Current Liabilities	14	-		2,30,100	
(c) Provisions	15	54,02,818	6,96,30,325	37,99,519	7,55,46,762
Total			28,21,50,325		26,34,49,493

The accompanying Notes from an integral part of Financial Statements

As per our Report of even date annexed

for **K.Raghunath & Co.,**
Chartered Accountants

FRN.No. 03341S

CA K.Raghunath
Proprietor

M.No:022637

UDIN : 23022637BGWASQ8887

Place : Hyderabad

Date : May 15, 2023

On behalf of the Board of Directors
Naval Systems and Technologies Private Limited

Cmde Arvind Sharma(Retd)

CEO/Director

DIN No.01483101

Place : Hyderabad

Date : May 15, 2023

M S S Srinath

Director

DIN No. 00319175

Place : Hyderabad

Date : May 15, 2023



NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED

CIN: U31403TG2006PTC051006

Statement of Profit & Loss for the year ended March 31,2023

Particulars	Note	Year Ended March 31, 2023 Rs.	Year Ended March 31, 2022 Rs.
A Revenue			
Revenue from Operations	16	16,14,77,225	12,07,50,253
Other Income	17	71,40,493	78,57,622
Total Revenue (A)		16,86,17,718	12,86,07,875
B Expenses			
Cost of Material Consumed	18	8,63,88,401	6,96,80,514
Changes in inventories (Increase)/Decrease	18	(6,11,652)	(18,35,223)
Employee Benefits Expenses	19	2,68,51,075	2,02,94,495
Finance Costs	20	19,33,670	14,63,205
Depreciation and Amortisation Expenses	21	4,42,778	4,18,125
Other Expenses	22	2,06,92,250	1,71,33,360
Total Expenses (B)		13,56,96,522	10,71,54,476
C Profit/(loss) before Exceptional items and Tax (A-B)		3,29,21,196	2,14,53,399
D Exceptional Items - (Income)/Expense	23	(96,073)	-
E Profit/(loss) before tax (C-D)		3,30,17,269	2,14,53,399
F Tax Expense			
- Current Tax		84,00,000	54,82,500
- Deferred Tax (Asset)/Liability		1,04,959	(8,436)
G Profit for the period (E-F)		2,45,12,310	1,59,79,335
H Other Comprehensive Income (Net)		-	-
I Total Other Comprehensive Income for the period (G-H)		2,45,12,310	1,59,79,335
J Earnings per Equity Share			
- Basic		245.12	159.79
- Diluted		245.12	159.79

The accompanying Notes from an integral part of Financial Statements

As per our Report of even date annexed

for **K.Raghunath & Co.,**

Chartered Accountants

FRN No. 03341S

CA K.Raghunath

Proprietor

M.No:022637

UDIN : 23022637BGWASQ8887

Place : Hyderabad

Date : May 15, 2023

On behalf of the Board of Directors

Naval Systems and Technologies Private Limited

Cmde Arvind Sharma(Retd)

CEO/Director

DIN No.01483101

Place : Hyderabad

Date : May 15, 2023

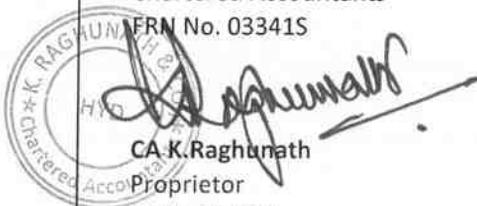
M S S Srinath

Director

DIN No. 00319175

Place : Hyderabad

Date : May 15, 2023



NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED

Statement of Changes in Equity for the year ended March 31, 2023

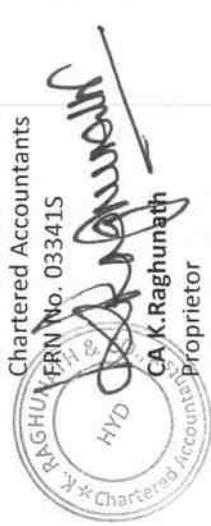
a) Share capital

	Current reporting period March 31, 2023	Previous reporting period March 31, 2022
Balance at the beginning of the year	10,00,000	10,00,000
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	10,00,000	10,00,000
Changes in equity share capital during the current year	-	-
Balance at the end of the year	10,00,000	10,00,000

b) Other equity

Particulars	Retained earnings	TOTAL
Balance at the beginning of the current reporting period April 1, 2022	18,68,59,829	18,68,59,829
Total comprehensive income	2,45,12,310	2,45,12,310
Balance at the end of the current reporting period March 31, 2023	21,13,72,139	21,13,72,139
Balance at the beginning of the previous reporting period April 1, 2021	17,08,80,494	17,08,80,494
Total comprehensive income	1,59,79,335	1,59,79,335
Balance at the end of the previous reporting period March 31, 2022	18,68,59,829	18,68,59,829

As per our Report of even date annexed
for **K. Raghunath & Co.,**
Chartered Accountants



CA. K. Raghunath
Proprietor
M.No:022637
UDIN : 23022637BGWASQ8887

Place : Hyderabad
Date : May 15, 2023

On behalf of the Board of Directors
Naval Systems and Technologies Private Limited


Arvind Sharma (Retd)
CEO/Director
DIN No.01483101




S S Srinath
Director
DIN No. 00319175

Place : Hyderabad
Date : May 15, 2023

NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED
Notes to Financial Statements for the year ended March 31, 2023
Note : 1 Property, Plant and Equipment

Description	Gross Carrying Cost				Accumulated Depreciation				Net Carrying Cost	
	As on April 1, 2022	Additions	Adjustments / Deletions	As on March 31, 2023	As on April 1, 2022	For the Year	Adjustments / Deletions	As on March 31, 2023	As on March 31, 2023	As on March 31, 2022
Tangible Assets										
Furnitures & Fixtures	54,147	-	-	54,147	29,659	5,144	-	34,803	19,344	24,488
Computers	5,40,562	-	2,42,442	2,98,120	3,62,383	59,009	2,30,320	1,91,072	1,07,048	1,78,179
Office Equipments	1,11,184	8,600	13,999	1,05,785	73,431	13,322	13,299	73,454	32,331	37,753
Vehicles	29,98,384	11,35,105	9,41,622	31,91,867	14,10,695	3,65,303	5,79,306	11,96,692	19,95,175	15,87,688
Total	37,04,277	11,43,705	11,98,063	36,49,919	18,76,168	4,42,778	8,22,925	14,96,021	21,53,898	18,28,108
Carrying value as at March 31, 2022	35,17,933	1,86,344	-	37,04,277	14,58,043	4,18,125	-	18,76,168	18,28,108	-



Notes to Financial Statements for the year ended March 31, 2023

Non Current Assets

Note : 2 Other Financial Assets

	March 31, 2023	March 31, 2022
Bank deposits (maturity beyond 12 months)		
Fixed Deposits	7,19,72,054	4,67,80,402
Total	7,19,72,054	4,67,80,402

Current Assets

Note : 3 Inventories

	March 31, 2023	March 31, 2022
Material/Servers	31,02,031	24,90,379
Total	31,02,031	24,90,379

Note : 4 Trade Receivables

	March 31, 2023	March 31, 2022
Secured, Considered Good	-	-
Unsecured, Considered Good	5,19,92,212	11,15,14,561
Total	5,19,92,212	11,15,14,561

4.1 Trade receivable aging schedule

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As on 31.03.2023					
Undisputed - Considered Good	5,19,92,212	-	-	-	5,19,92,212
Undisputed-significant increase in credit risk	-	-	-	-	-
Undisputed - Credit impaired	-	-	-	-	-
Disputed - Considered Good	-	-	-	-	-
Disputed-significant increase in credit risk	-	-	-	-	-
Disputed - Credit impaired	-	-	-	-	-
Unbilled revenue	-	-	-	-	-
	5,19,92,212	-	-	-	5,19,92,212
As on 31.03.2022					
Undisputed - Considered Good	11,15,14,561	-	-	-	11,15,14,561
Undisputed-significant increase in credit risk	-	-	-	-	-
Undisputed - Credit impaired	-	-	-	-	-
Disputed - Considered Good	-	-	-	-	-
Disputed-significant increase in credit risk	-	-	-	-	-
Disputed - Credit impaired	-	-	-	-	-
Unbilled revenue	-	-	-	-	-
	11,15,14,561	-	-	-	11,15,14,561



Notes to Financial Statements for the year ended March 31, 2023

Note : 5	March 31, 2023	March 31, 2022
5.1 Cash and Cash equivalents		
Cash on hand	14,042	16,811
Balances with banks in current accounts	81,042	61,579
Fixed deposits (maturity of less than three months)	2,88,03,478	65,41,822
Total	2,88,98,562	66,20,212
5.2 Other Bank Balances		
Fixed Deposits	5,18,61,738	5,56,03,641
Margin Money for BG	3,41,37,859	2,75,75,280
Total	8,59,99,597	8,31,78,921
5.3 Others		
Deposits under Protest -Court Cases	20,25,600	20,25,600
Interest Accrued But not Due on Deposits	55,11,756	41,44,152
	75,37,356	61,69,752

Note : 6 Current tax assets (net)	March 31, 2023	March 31, 2022
Advance Payment of Income Tax (including TDS)	5,38,31,742	4,70,99,134
Less : Provision for Income Tax	5,36,39,129	4,52,39,129
Total	1,92,613	18,60,005

Note : 7 Other Current Assets	March 31, 2023	March 31, 2022
Advance for Purchases and Others	2,80,35,247	28,83,130
Service Tax Input/Vat/GST Receivable	22,66,755	1,24,023
Total	3,03,02,002	30,07,153



Notes to Financial Statements for the year ended March 31, 2023

Note : 8 Equity Share Capital

	March 31, 2023	March 31, 2022
Authorised		
100,000 Equity shares of Rs.10 each (Previous Year 100,000 Equity shares of Rs.10 each)	10,00,000	10,00,000
Issued , Subscribed and fully paid-up		
100,000 Equity shares of Rs.10 each (Previous Year 100,000 Equity shares of Rs.10 each)	10,00,000	10,00,000
	10,00,000	10,00,000

8.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	March 31, 2023		March 31, 2022	
	No.of Shares	Value Rs.	No.of Shares	Value Rs.
At the beginning of the period	1,00,000	10,00,000	1,00,000	10,00,000
Additions during the period	-	-	-	-
Deletions during the period	-	-	-	-
Outstanding at the end of the period	1,00,000	10,00,000	1,00,000	10,00,000

8.2 Details if shareholders holding more than 5% share in the Company

Name of the Shareholder	March 31, 2023		March 31, 2022	
	No.of Shares	Value Rs.	No.of Shares	Value Rs.
Equity shares of ₹10 each fully paid				
Futuristic Technologies (FT)	49,000	4,90,000	49,000	4,90,000
HBL Power Systems Ltd (HBL)	41,000	4,10,000	41,000	4,10,000
M S S Srinath	10,000	1,00,000	10,000	1,00,000
	1,00,000	10,00,000	1,00,000	10,00,000

Note : 9 Other Equity

	March 31, 2023	March 31, 2022
Balance at the beginning of the current reporting period	18,68,59,829	17,08,80,494
Add: Total Comprehensive Income	2,45,12,310	1,59,79,335
Balance at the end of the current reporting period	21,13,72,139	18,68,59,829

Note : 10 Deferred Tax Liability (Net)

	March 31, 2023	March 31, 2022
Deferred Tax Liability (As per last Balance Sheet)	42,902	51,338
Add: Deferred Tax (Asset)/Liability for the year	1,04,959	(8,436)
	1,47,861	42,902

Current Liabilities

Note : 11 Borrowings

	March 31, 2023	March 31, 2022
Loans repayable on demand from banks (secured)		
Loan from State Bank of India	7,27,930	20,87,989
Loans repayable on demand from related parties (unsecured)		
Loan from Director	1,12,25,000	1,33,25,000
	1,19,52,930	1,54,12,989



Notes to Financial Statements for the year ended March 31, 2023

Note : 12 Trade Payables

Total outstanding dues of :

(a) Micro enterprises and small enterprises (MESE)

(b) Creditors other than micro enterprises and small enterprises

	March 31, 2023	March 31, 2022
(a) Micro enterprises and small enterprises (MESE)	-	-
(b) Creditors other than micro enterprises and small enterprises	4,65,48,823	4,88,18,153
Total	4,65,48,823	4,88,18,153

12.1 Trade Payable aging schedule

Particulars	Outstanding for following periods from the date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As on 31.03.2023					
(i) MSME	-	-	-	-	-
(ii) Others	4,65,48,823	-	-	-	4,65,48,823
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
(v) Liability for materials	-	-	-	-	-
Total	4,65,48,823	-	-	-	4,65,48,823
As on 31.03.2022					
(i) MSME	-	-	-	-	-
(ii) Others	4,88,18,153	-	-	-	4,88,18,153
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
(v) Liability for materials	-	-	-	-	-
Total	4,88,18,153	-	-	-	4,88,18,153

Note : 13 Other Financial Liabilities - Current

Statutory Dues

Accrued Compensation to Employees

	March 31, 2023	March 31, 2022
Statutory Dues	37,08,368	51,13,385
Accrued Compensation to Employees	20,17,386	21,72,616
Total	57,25,754	72,86,001

Note : 14 Other Current Liabilities

Accrued Expenses

	March 31, 2023	March 31, 2022
Accrued Expenses	-	2,30,100
Total	-	2,30,100

Note : 15 Provisions

Provision for Commission to Director on Profits

Provision for Audit & Certification Fees

	March 31, 2023	March 31, 2022
Provision for Commission to Director on Profits	52,77,268	36,90,019
Provision for Audit & Certification Fees	1,25,550	1,09,500
Total	54,02,818	37,99,519



Notes to Financial Statements for the year ended March 31, 2023

(in Rupees)

Note : 16 Revenue from Operations

	March 31, 2023	March 31, 2022
Sales of Products	16,14,77,225	12,07,50,253
	16,14,77,225	12,07,50,253

Note : 17 Other Income

	March 31, 2023	March 31, 2022
Interest on Deposits with Banks/Others	71,29,332	76,33,078
Foreign Exchange Rate Variation - gain/(loss)	11,161	2,24,544
	71,40,493	78,57,622

Note : 18 Cost of Material Consumed

	March 31, 2023	March 31, 2022
Purchases, Material, Components & Consumables	8,63,88,401	6,96,80,514
Cost of Material Consumed	8,63,88,401	6,96,80,514
<u>(Increase) / Decrease in inventories</u>		
Opening Stocks	24,90,379	6,55,156
Closing Stocks	31,02,031	24,90,379
(Increase) / Decrease	(6,11,652)	(18,35,223)
Material Consumption Total	8,57,76,749	6,78,45,291

Note : 19 Employee Benefits Expenses

	March 31, 2023	March 31, 2022
Salaries, Wages & Bonus	1,04,09,978	76,92,310
LTA	2,71,500	2,58,000
Exgratia	-	6,20,000
Conveyance	4,15,000	3,50,000
Remuneration to Directors:		
Salaries & Allowances	58,80,000	43,80,000
Commission on Profits	82,30,300	53,63,400
	2,68,51,075	2,02,94,495

Note : 20 Finance Cost

	March 31, 2023	March 31, 2022
Interest Paid	15,30,438	11,64,004
Bank Charges and Commission	4,03,232	2,99,201
	19,33,670	14,63,205



Notes to Financial Statements for the year ended March 31, 2023

(in Rupees)

Note : 21 Depreciation and Amortization expense

	March 31, 2023	March 31, 2022
Depreciation on Tangible Assets	4,42,778	4,18,125
	4,42,778	4,18,125

Note : 22 Other Expenses

	March 31, 2023	March 31, 2022
Rent	3,24,000	1,19,700
Rates & Taxes	7,160	30,500
Insurance to Vehicles	33,132	53,684
Professional & Consultancy Charges	1,50,000	76,500
Technical Consultancy & Other Contracts	1,66,03,701	1,47,02,920
Maintenance Vehicle	2,00,140	1,59,876
Maintenance Office/Others	695	-
Conveyance	34,628	40,739
Travelling Inland	6,44,015	3,42,877
Travelling Foreign	5,72,993	8,88,437
Printing & Stationery	10,030	8,876
Postage, Telephones & Telex	2,75,238	3,12,123
Sundry Expenses	1,29,320	1,17,497
Payment to Statutory Auditors	60,000	60,000
Business Promotion	1,99,882	2,19,230
Debit balances Written Off	-	401
TOTAL	2,06,92,250	1,71,33,360

Note : 23 Exceptional Items - (Income)/Expense

	March 31, 2023	March 31, 2022
(Profit)/Loss on Sale of Assets	12,822	-
Assets Written Off	(1,08,895)	-
TOTAL	(96,073)	-



NAVAL SYSTEMS AND TECHNOLOGIES PRIVATE LIMITED

Registered Office: Plot # 563, Road # 31, Jubilee Hills, Hyderabad – 500 033

CIN: U31403TG2006PTC051006

Notes forming part of the Financial Statements for the year ended on 31st March 2023

1. Company overview:

Naval Systems and Technologies Private Limited (NSTL or the Company) is a private limited company having its registered office at Hyderabad, Telangana State. The Company is an associate company of HBL Power Systems Limited (HBL).

The Company is a service provider to foreign Original Equipment Manufactures (OEMs), mainly operating in the field of marine equipment. The services include installation, trials and commissioning of various equipment, annual maintenance, documentation etc.

2. Significant Accounting Policies:

(a) Basis of Preparation and statement of compliance:

The financial statements of the Company for the year ended March 31, 2023 have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, to facilitate Consolidated Financial Statements of HBL group, even though Ind AS is not applicable to the Company.

(b) Accounting convention and currency

The financial statements have been prepared on historical cost convention and on an accrual basis. Financial statements are presented in Indian Rupees which is the functional currency of the Company. Provision for warranties (if any) where they are not covered by back to back warranty of the original supplier, will be dealt with as and when they arise.

(c) Use of judgements where necessary, assumptions and estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities and contingent assets. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In respect of useful life of Property, Plant, Equipment and Intangibles, recognition of Deferred Tax Assets/Liabilities that have significant effect to the carrying amounts within the next financial year are included in the relevant notes/statements.

(d) Fixed Assets (Property, Plant and Equipment- PPE), Depreciation and Amortization of Intangible Assets:

- Property, Plant and Equipment (PPE) are stated at the cost of acquisition less accumulated depreciation and impairment losses (if any). Cost comprises of purchase price and other attributable costs for bringing the asset to its working condition for its intended use.
- Depreciation is provided on Tangible Assets using the straightline method as per rates specified in Part C of Schedule II of the Companies Act 2013 effective from 1 April 2014 for the period of use in the relevant financial year, based on useful life of asset. Assets costing below Rs. 5000 are fully depreciated in the year of purchase.
- There are no Intangible Assets in the Company.

(e) Valuation of Inventories (at the year end):

Goods meant for resale (components, consumables, spares) are valued at lower of cost (weighted average cost of materials plus conversion / other costs incurred in bringing them to the present condition) or net realisable value.

(f) Revenue recognition

- (i) Revenue on sale of goods is recognised when significant risks and rewards of ownership and effective control on goods have been transferred to the buyer. Sales revenue is measured at fair value net of returns, trade discounts or rebates (if any).
- (ii) Revenue from service is recognized when the outcome of the services rendered can be estimated reliably. Revenue is recognized in the period when the service is performed by reference to the contract stage of completion at the reporting date.
- (iii) Contracts involving supply and service where price breakup is available, revenues in respect of supplies are recognised when goods are delivered to customers unconditionally and service income is recognised on completion of service and bills submitted as per terms of the order.
- (iv) In case of contracts of long term nature, where the normal cycle time for completion is spreading over one or more accounting periods, revenue is recognised, subject to provision of anticipated losses, based on percentage completion as certified by management or customers' acceptance wherever applicable.
- (v) Interest income is reported on accrual basis.

(g) Current and Deferred Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable (if any) is based on taxable profit for the year from the statement of profit and loss. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(h) Foreign currency transactions

- (i) Transactions relating to non-monetary items and Purchase and Sale of goods/services denominated in foreign currency are recorded at the exchange rate prevailing or a rate that approximates the actual rate on the date of transaction.
- (ii) Assets and liabilities in the nature of monetary items denominated in foreign currencies are translated and restated at prevailing exchange rates as at the end of the reporting period.
- (iii) Exchange differences arising on account of settlement / conversion of foreign currency monetary items are recognized as expense or income in the period in which they arise.
- (iv) Foreign currency gains and losses are reported on a net basis which are accounted at fair value through profit or loss.

(i) Financial Assets – Trade receivables

Trade receivables are reported at actual outstanding balances. Any recognition of impairment loss allowance on trade receivable is based on lifetime expected credit loss at each reporting date.

(j) Non Financial Assets

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

(k) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period,

3. Notes to the Financial Statements: (All amounts in Rupees)

- (a) The Company is in the business of supply / sale and/or providing services to customers in the field of marine engineering and there is no other reportable segment.
- (b) As the Company is engaged in sale and service activity, quantitative particulars as required as per Schedule III of Companies Act 2013 are not applicable.

Item (Amount in ₹ lakhs).	2022-23	2021-22
Expenditure in Foreign Currency		
Raw Materials, Components and Spares	764.10	608.90
Travelling Expenses	2.45	8.38
Others	16.24	16.31
Earnings In Foreign Currency (CIF Basis)		
Sales/Service Income	1.25	25.38

(c) Contingent Liabilities not provided for:

1. Guarantees given by banks on behalf of the company to various customers as per contractual obligation, as on 31.03.2023 were Rs. 341.38 lakhs (previous year Rs.275.76 lakhs). These were fully secured against fixed deposits with bank kept as margin money.
2. One of the past employees of the company filed a suit in Hon'ble Delhi High Court (which was since shifted to Karkardooma Courts) claiming certain compensation and payments (for special training abroad) amounting to Rs 56.90 lakhs the demand of which was not acknowledged by the company. The Hon'ble Court of Additional District Judge-2, Karkardooma Courts, Delhi gave a judgement on 26.10.2020 in CS No. 2439/16 which was against the Company, awarding a compensation of Rs 20,21,000 and other charges and interest, which provisionally comes to approximately Rs 31 lakhs. The Company appealed against this judgement and an amount of Rs.20,25,600 was deposited under protest in the court. No provision was made for this contingent liability. The case is in Delhi High Court, next hearing is on 07 August 2023.

3. There was a tax demand of Rs 5,72,970 on certain TDS deductions from FY 2009-10 till 2016-17. The Company is representing this matter to the concerned authorities as TDS payments have been made regularly. Pending a decision of the Income Tax Department on this, no provision has been made for this claim.
4. For the Assessment Year 2017-18 the assessment has been completed u/s 143(3) of the Income Tax Act 1961 raising a demand of Rs. 17.75 lakhs. This has been disputed by filing an appeal before CIT Appeals Hyderabad 4. As the appeal is pending no liability has been provided in the books of accounts.

(d) Remuneration to Auditors in Rupees (excluding GST as applicable):-

Particulars	2022-23	2021-22
Statutory Audit	40000	40000
Tax Audit	20000	20000

- (e) Cmde Arvind Sharma Director and CEO is eligible for 20% of the profits as a commission besides monthly salary. A sum of Rs. 82.30 lakhs is provided as commission on profits for the year, which is subject to approval of members. (previous year commission was Rs. 53.63 Lakhs.)

(f) Related Party Disclosures

Related Party	Relationship	Shareholding % in the Company
HBL Power Systems Ltd (HBL)	Associate Company	41%
Futuristic Technologies (FT)	Firm/Proprietary concern in which Cmde(retd) Arvind Sharma, CEO is interested as a proprietor/partner	49%
MSS Srinath	Director	10%
Mrs Rita Sharma	Related to Cmde(retd) Arvind Sharma	Nil
Ashwin Sharma	Related to Cmde(retd) Arvind Sharma	Nil

(g). Companies in which Directors are interested

Name of the Director	Directorship in other companies	Shareholding %
Mr. MSS Srinath	HBL Power Systems Limited	HBL Power Systems Ltd (0.71%)
	Naval Systems and Technologies Private Limited	Naval Systems & Technologies Pvt. Ltd (10%)
	Beaver Technologies Private Limited	Beaver Technologies Private Limited (21.71%)
Mrs. Kavita Prasad Aluru	HBL Power Systems Limited	HBL Power Systems Ltd (3.53%)
	Naval Systems and Technologies Private Limited	Beaver Technologies Private Limited (21.71%)
Cmde (retd) Arvind Sharma, CEO	Futuristic Technologies	Proprietary concern or Firm Partnership Firm (50%)
	A&A Enterprises	Partnership Firm (75%)
	A Square Enterprises	Partnership Firm (75%)

(h). Transactions with companies where Directors are interested: (Amount Rs lakhs)

S No	Party	Nature of Transaction	During the Year	Outstanding at the year end
1	HBL Power Systems Ltd	Expenses	Nil	Nil
2	Remuneration to CEO & Commission	Remuneration Commission Loan Received Loan Refund Interest on Loan	60.00 82.30 10.00 31.00 10.76	1.86 52.78 112.25 2.32
3	Payments to relatives of a Director Mrs. Rita Sharma Mr. Ashwin Sharma	Remuneration Remuneration	18.00 45.00	1.11 1.48

(i) Income and Expenditure exceeding one per cent of the revenue from operations:

(i) Income: Interest Received on FDR's during the year Rs. 71.29 lakhs (Previous Year Rs. 76.33 lakhs)

(ii) Expenditure (Other than materials, components and salaries and benefits):

Rs. In Lakhs			
S No	Nature of Expenses	2022-23	2021-22
1	Travelling Expenses		
	- Domestic	6.44	3.43
	- Foreign	5.72	8.88
2	Technical and other Consultancy	166.04	147.03

(j) Previous year's figures have been regrouped wherever necessary in accordance with Ind AS presentation requirement.

For **K. Raghunath & Co**
Chartered Accountants
FR No. 03341S



K. Raghunath
Proprietor
M No. 022637
UDIN : 23022637BGWASQ8887

Place: Hyderabad
Date: May 15, 2023

For and on behalf of the Board of Directors of
Naval Systems and Technologies Private Limited

Cmde Arvind Sharma (Retd)
Director/CEO
DIN No. 01483101

M S S Srinath
Director
DIN No. 00319175



Place: Hyderabad
Date: May 15, 2023

Place: Hyderabad
Date: May 15, 2023