MKUK & ASSOCIATES
CHARTERED ACCOUNTANTS

To the Members of M/s. ENERTEC CONTROLS LIMITED

Report on the standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **M/s. Enertec Controls Limited ("*the Company*")** which comprises the Balance Sheet as of March 31, 2021, the Statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory.

In Our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by 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, 2021, and it's profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and We have fulfilled our 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.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the 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.

Responsibility of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind

M.K.U.K & ASSOCIATES BENGALURU CHARTERED ACCOUNTANTS

AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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- 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'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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "*Annexure A*", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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.

a. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, other than Ind AS40, to the extent that the Company has not classified properties falling within the definition of investment properties as investment properties in the balance sheet, as required by Ind As40.

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e. On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

1. The Company has disclosed the impact of pending litigations, if any, on its financial position in its financial

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

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

for **MKUK & ASSOCIATES.**
Chartered Accountants
Firm's registration number: 050113S

M.K.U.K & ASSOCIATES BENGALURU CHARTERED ACCOUNTANTS

Anto Joseph
Partner
Membership number: 203958
UDIN: 21203958AAAABB4422

Bangalore
Date: 14.05.2021

Annexure - A

To the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2021, we report that:

1.(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As informed by the management, the company has conducted physical verification of any of its fixed and no differences were noticed.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.

2. As the company does not have any inventory during the year under audit, need for commenting on the same does not arise.

3. The company has not granted any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 189 of companies act, 2013.Accordingly the provisions of clauses 3(iii)(a). 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and guarantees given by it after the commencement of Companies Act 2013.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.

6. According to the information and explanations provided by the management, the company is not engaged in production, processing, manufacturing or mining activities. Hence, the provisions of Sub section (1) of Section 148 do not apply to the company. Hence, in our opinion, no comment on maintenance of cost records under Sub section (1) of Section 148 is required.

7. (a) According to the records of the Company and information and explanation given to us, the Company is generally regular in remittance of undisputed statutory dues including Income Tax Deducted at Source, Service tax and other statutory dues with the appropriate authorities during the year.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty were outstanding, as at 31st March 2021, for a period more than six months from the date of they become payable. (c) According to the records of the company, there are no dues of Sales tax, Wealth Tax, Customs Duty, Excise Duty and Cess, which have

M.K.U.K & ASSOCIATES BENGALURU CHARTERED ACCOUNTANTS

not been deposited on account of any dispute, except for demand of Rs.67.33 Lakhs for Assessment Year 2016-17 under Income Tax Act 1961, on account of various disallowance, which is pending under appeal before Deputy Commissioner of Income Tax.

8. As per information given to us by the management, the company has not taken any loans or borrowed any amount from financial institutions, banks, government or from debenture holders. Accordingly provisions of paragraph 3(viii) of the order not applicable.
9. According to the records of the company and the information and explanations provided by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanation given to us, no managerial remuneration has been paid or provided during the year. Therefore provision of Section 197 read with schedule 5 to the Companies Act, 2013 does not applicable.
12. In our opinion and according to the information and explanations given, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **MKUK & ASSOCIATES.**
Chartered Accountants
Firm's registration number: 050113S

BENGALURU

Anto Joseph
Partner
Membership number: 203958
UDIN: 21203958AAAABB4422

Bangalore
Date: 14.05.2021

Annexure B

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 ENERTEC CONTROLS LIMITED ("the Company") as of 31 March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

M.K.U.K & ASSOCIATES BENGALURU CHARTERED ACCOUNTANTS

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

Our 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 31 March 2021, based on the internal control 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **MKUK & ASSOCIATES.**
Chartered Accountants
Firm's registration number: 050113S

M.K.U.K & ASSOCIATES BENGALURU CHARTERED ACCOUNTANTS

Anto Joseph
Proprietor
Membership number: 203958
UDIN: 21203958AAAABB44

Bangalore
Date: 14.05.2021

Enertec Controls Limited
CIN:U31101KA1988PLC008860
Balance Sheet as at 31 March 2021
(All amounts in ₹ lakhs, unless otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,818.77	3,827.22
Capital work-in-progress	4	-	-
Financial assets			
Investments	5	-	-
Loans	6	3.05	3.05
Other Financial Assets	10	-	0.00
Deferred tax assets, net	7	17.64	11.37
Non-current tax asset, net	8	8.40	8.40
		3,847.86	**3,850.03**
Current assets			
Financial assets			
Cash and cash equivalents	9	4.35	1.67
Other Financial Assets	10	241.71	212.77
Other current assets	11	0.78	8.39
		246.84	**222.83**
TOTAL ASSETS		**4,094.70**	**4,072.87**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	136.59	136.59
Other equity	13	3,403.05	3,362.84
		3,539.64	**3,499.43**
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	14	383.00	348.64
Deferred tax liabilities, net		-	-
Other non-current liabilities	15	-	-
		383.00	**348.64**
Current liabilities			
Financial liabilities			
Other financial liabilities	14	2.19	12.70
Other current liabilities	15	169.87	212.10
		172.05	**224.80**
TOTAL LIABILITIES		**4,094.70**	**4,072.87**

See accompanying notes (1-25) forming part of financial statements

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

For MKUK & Associates
Chartered Accountants
ICAI Registration number: 050113S

M.K.U.K & ASSOCIATES BENGALURU CHARTERED ACCOUNTANTS

per **Anto Joseph**
Partner
Membership No: 203958

Bengaluru
May 14, 2021

For and on behalf of the Board of Directors of Enertec Controls Limited

Srinivas Anumanchipalli
Director
DIN: 05355507

Bengaluru
May 14, 2021

Sreedhar Rao Ellentala
Director
DIN: 00117324

Bengaluru
May 14, 2021

Enertec Controls Limited
CIN:U31101KA1988PLC008860
Statement of Profit and Loss for the Period ended 31 March 2021
(All amounts in ₹ lakhs, unless otherwise stated)

	Note	Period Ended 31 March 2021	Period Ended 31 March 2020
INCOME			
Other income	16	110.08	99.38
TOTAL INCOME		110.08	99.38
EXPENSES			
Finance cost	17	34.36	30.55
Depreciation expense	18	8.45	8.45
Other expenses	19	27.06	4.68
TOTAL EXPENSES		69.86	43.69
PROFIT BEFORE TAX		40.22	55.69
Tax expense:			
Current tax	20	6.27	8.69
Prior Period tax		-	(2.68)
MAT Credit		(6.27)	(8.69)
PROFIT AFTER TAX		**40.22**	**58.37**
Other comprehensive income		-	-
Other comprehensive income, net of tax		-	-
Total comprehensive income		**40.22**	**58.37**

In the period of five years immediately preceding the Balance Sheet date, the Company has not issued any bonus shares or has bought back any shares.

Basic and diluted	22	2.94	0.82

See accompanying notes (1-25) forming part of financial statements

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

For MKUK & Associates
Chartered Accountants
ICAI Registration number: 050113S

M.K.U.K & ASSOCIATES * BENGALURU * CHARTERED ACCOUNTANTS

per Anto Joseph
Partner
Membership No: 203958

Bengaluru
May 14, 2021

For and on behalf of the Board of Directors of Enertec Controls Limited

Srinivas Anumanchipalli
Director
DIN: 05355507

Bengaluru
May 14, 2021

Sreedhar Rao Ellentala
Director
DIN: 00117324

Bengaluru
May 14, 2021

Enertec Controls Limited
CIN:U31101KA1988PLC008860
Statement of Changes in Equity for the Period ended 31 March 2021
(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Equity shares of ₹ 10 each, fully paid-up	Equity shares Number (in lakhs)	Amount
As at 31 March 2019	13.66	136.59
Add: Issued and subscribed during the year	-	-
As at 31 March 2020	13.66	136.59
Add: Issued and subscribed during the year	-	-
As at 31 March 2021	13.66	136.59

B. Other equity

For the Period ended 31 March 2021

	Reserves and Surplus			Items of OCI	
	General Reserve	Securities Premium Account	Deficit in the Statement of Profit and Loss	Revaluation Reserve (Refer note 3(a))	Total
Balance as at 31 March 2019	3.39	2,729.74	571.33	-	3,304.47
Profit for the year	-	-	58.37	-	58.37
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income	3.39	2,729.74	629.70	-	3,362.84
Balance as at 31 March 2020	3.39	2,729.74	629.70	-	3,362.84
Profit for the year	-	-	40.22	-	40.22
Other Comprehensive Income	-	-		-	-
Total Comprehensive Income	3.39	2,730	669.92	-	3,403.06
Balance as at 31 March 2021	3.39	2,730	669.92	-	3,403.06

See accompanying notes (1-25) forming part of financial statements

This is the Statement of Changes in Equity referred to in our report of even date.

For MKUK & Associates
Chartered Accountants
ICAI Registration number: 050113S

M.K.U.K & ASSOCIATES BENGALURU CHARTERED ACCOUNTANTS

per Anto Joseph
Partner
Membership No: 203958
January 28, 2021
Bengaluru
May 14, 2021

For and on behalf of the Board of Directors of Enertec Controls Limited

Srinivas Anumanchipalli
Director
DIN: 05355507

Bengaluru
May 14, 2021

Sreedhar Rao Ellentala
Director
DIN: 00117324

Bengaluru
May 14, 2021

Enertec Controls Limited
CIN:U31101KA1988PLC008860
Statement of Cash Flows for the year ended 31 March 2021
(All amounts in ₹ lakhs, unless otherwise stated)

	Period Ended 31 March 2021	Period Ended 31 March 2020
(A) Cash flow from the operating activities		
Profit before tax	40.22	55.69
Adjustments for:		
Depreciation	8.45	8.45
Liabilities not longer required written back	9.96	0.40
Operating loss before working capital changes	**58.63**	**64.54**
Adjustments for working capital changes		
(Increase) / decrease in trade receivables	(28.95)	(200.29)
Increase in loans	-	-
Decrease in other current & financial assets	7.62	43.35
Increase / (decrease) in trade payables	(24.66)	98.28
Increase in other non-current liabilities	(9.96)	(0.40)
Increase in other current liabilities		
Cash generated from operations	**(55.96)**	**(59.06)**
Direct taxes paid (net of refunds)	-	(4.56)
Net cash generated from operating activities (A)	**2.68**	**0.92**
(B) Cash flow from investing activities		
Acquisition of property, plant and equipment	-	-
Net cash used in investing activities (B)	**0.00**	**-**
(C) Cash flow from financing activities		
Proceeds from issue of equity shares	-	-
Net cash flow from financing activities (C)	**-**	**-**
Net increase/ (decrease) in Cash and cash equivalents (A+B+C)	2.68	0.92
Cash and cash equivalents at the beginning of the year	1.67	0.75
Cash and cash equivalents at the end of the year (refer note 8)	**4.35**	**1.67**

See accompanying notes (1-25) forming part of financial statements

This is the Cash Flow Statement referred to in our report of even date.

For MKUK & Associates
Chartered Accountants
ICAI Registration number: 050113S

M.K.U.K & ASSOCIATES BENGALURU CHARTERED ACCOUNTANTS

per Anto Joseph
Partner
Membership No: 203958

Bengaluru
May 14, 2021

For and on behalf of the Board of Directors of Enertec Controls Limited

Srinivas Anumanchipalli
Director
DIN: 05355507

Bengaluru
May 14, 2021

Sreedhar Rao Ellentala
Director
DIN: 00117324

Bengaluru
May 14, 2021

1. General Information:

Enertec Controls Limited is a Public Limited Company incorporated under the provisions of the Companies Act, 1956 ('the Act') on 20 January 1988. The Company holds land and building at Electronic City, Bangalore. The said property has been rented out to AXISCADES Aerospace & Technologies Private Limited.

2. Summary of significant accounting policies

a) Basis of accounting and preparation

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 14 **May 2021.**

This standalone Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

b) Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Useful lives of depreciable / amortisable assets

Management reviews its estimate of the useful lives of depreciable / amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 12 months.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

d) Property, plant and equipment

The Company has elected to fair value for all of its property, plant and equipment as at 1 April 2016 and consider the fair value as deemed cost as at the transition date i.e., 1 April 2016.

Property, plant and equipment are stated at deemed cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of respective asset if the recognition criteria for a provision are met.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	**Useful lives**
Office buildings *	61

* Based on an internal assessment, the management believes that the useful lives as given above represents the period over which management expects to use the assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The Company has evaluated the applicability of component accounting as prescribed under Ind AS 16 and Schedule II of the Companies Act, 2013, the management has not identified any significant component having different useful lives. Schedule II requires the Company to identify and depreciate significant components with different useful lives separately.

Depreciation methods, useful lives and residual values are reviewed periodically and updated as required, including at each financial year end.

f) Revenue recognition

The Company has lease contracts for buildings. Lease term is 5 years.

The Company has no revenue from operations. Other income represents primarily rental income. The Company leases commercial property and derives rental income.

Rental income

As per Ind AS 116 Income from rentals are recognized as an income in the statement of profit and loss on a straight-line basis over the lease term except where scheduled increase in rent compensates the Group with expected inflationary costs

i) Income taxes

Income tax expense comprises current and deferred income tax. Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.
Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

j) Provisions and contingencies

Provisions
A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets
Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

k) Financial instruments

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
i. Debt instruments at amortised cost;
ii. Debt instruments at fair value through other comprehensive income (FVTOCI);
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL); and
iv. Equity investments.

l) Financial instruments (cont'd)

i. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

ii. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit & loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit & loss.

iv. Equity investments

All equity investments in scope of Ind AS 109 Financial Instruments, are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 Business Combinations, applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

De-recognition of financial assets

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit & loss.
A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a. The rights to receive cash flows from the asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

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

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial guarantee contracts
Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 Financial Instruments and the amount recognised less cumulative amortisation.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

n) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

o) Earnings/ (Loss) per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in leasing its premises to its fellow subsidiary, which constitutes its single reportable segment.

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(All amounts in ₹ lakhs, unless otherwise stated)

3 Property, plant and equipment

	Land	Building	Total
Gross block			
Deemed cost as at 31 Mar 2019	3,370.50	485.19	3,855.69
Additions during the Period		-	-
Deletions during the Period			-
Deemed cost as at 31 March 2020	3,370.50	485.19	3,855.69
Additions during the Period	-	-	-
Deletions during the Period	-	-	-
Deemed cost as at 31 March 2021	3,370.50	485.19	3,855.69
Accumulated depreciation			-
Deemed cost as at 31 Mar 2019	-	20.02	20.02
Charge for the year	-	8.45	8.45
Deletions	-	-	-
Deemed cost as at 31 March 2020	-	28.47	28.47
Charge for the year		8.45	8.45
Deletions			
Deemed cost as at 31 March 2021		36.92	36.92
Net Block			
As at 31 March 2019	3,370.50	465.17	3,835.67
As at 31 March 2020	3,370.50	456.72	3,827.22
As at 31 March 2021	3,370.50	448.27	3,818.77

Note:
Information regarding income and expenditure of Investment Property

(a) Contractual obligations
There are no contractual commitments for the acquisition of property, plant and equipment.

(b) Capitalised borrowing cost
There is no borrowing costs capitalised during the Period ended 31 March 2021 & 31 March 2020 .

(c) Property, plant and equipment pledged as security
Details of properties pledged are as per Note 24.

4 Capital work-in-progress

	As at 31 March 2021	As at 31 March 2020
Opening capital work-in-progress	-	-
Add: Additions during the year	-	-
Less: Deletion during the year	-	-
Closing capital work-in-progress	-	-

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(All amounts in ₹ lakhs, unless otherwise stated)

5 Investments	As at 31 March 2021	As at 31 March 2020
Non-Trade		
At amortised cost		
National savings certificate	-	-
	-	-

6 Loans	As at 31 March 2021	As at 31 March 2020
Non-current		
(Unsecured, considered good, unless otherwise stated)		
Security deposits	3.05	3.05
	3.05	3.05

7 Deferred tax asset, net	As at 31 March 2021	As at 31 March 2020
MAT credit	17.64	11.37
	17.64	11.37

8 Non-current tax asset, net	As at 31 March 2021	As at 31 March 2020
Advance income tax	8.40	8.40
	8.40	8.40

9 Cash and cash equivalents	As at 31 March 2021	As at 31 March 2020
Balances with banks		
-current accounts	4.35	1.67
	4.35	1.67

10 Other financial Assets	As at 31 March 2021	As at 31 March 2020
Non Current		
(Unsecured, considered good, unless otherwise stated)		
Capital Advance	-	-
	-	-
Current		
(Unsecured, considered good, unless otherwise stated)		
Receivable from related parties	241.71	212.77
	241.71	212.77

11 Other current assets	As at 31 March 2021	As at 31 March 2020
Current		
Duties and taxes	0.47	8.46
Prepaid expenses	0.30 -	0.07
	0.78	8.39

M.K.U.K & ASSOCIATES * BENGALURU * CHARTERED ACCOUNTANTS

(All amounts in ₹ lakhs, unless otherwise stated)

12 Equity share capital

	As at 31 March 2021		As at 31 March 2020	
	Number (in lakhs)	Amount	Number (in lakhs)	Amount
Authorised				
Equity shares of ₹ 10 each	50.00	500.00	50.00	500.00
	50.00	500.00	50.00	500.00
Issued, subscribed & paid up				
Equity shares of ₹ 10 each, fully paid	13.66	136.59	13.66	136.59
	13.66	**136.59**	**13.66**	**136.59**

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 31 March 2021		As at 31 March 2020	
	Number (in lakhs)	Amount	Number (in lakhs)	Amount
Equity shares of ₹ 10 each, par value				
Equity shares at the beginning of the year	13.66	136.59	13.66	136.59
Add: Issued during the year	-	-	-	-
Balance at the end of year	**13.66**	**136.59**	**13.66**	**136.59**

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each equity share is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and shall be payable in Indian rupees. In the event of liquidation of the company, the shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shares held by Holding Company and subsidiaries of Holding Company

	As at 31 March 2021		As at 31 March 2020	
	Number (in lakhs)	Amount	Number (in lakhs)	Amount
AXISCADES Aerospace & Technologies Private Limited (formerly known as AXISCADES Aerospace & Technologies Limited)	7.08	70.80	7.08	70.80
AXISCADES Aerospace Infrastructure Private Limited (formerly known as Jupiter Aviation Services Private Limited)	6.58	65.79	6.58	65.79
Balance at the end of year	**13.66**	**136.59**	**13.66**	**136.59**

(d) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2021		As at 31 March 2020	
	Number (in lakhs)	Percentage	Number (in lakhs)	Percentage
AXISCADES Aerospace & Technologies Private Limited (formerly known as AXISCADES Aerospace & Technologies Limited)	7.08	51.84%	7.08	51.84%
AXISCADES Aerospace Infrastructure Private Limited (formerly known as Jupiter Aviation Services Private Limited)	6.58	48.16%	6.58	48.16%
	13.66	**100.00%**	**13.66**	**100.00%**

(e) In the period of five years immediately preceding the Balance Sheet date, the Company has not issued any bonus shares or has bought back any shares.

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(All amounts in ₹ lakhs, unless otherwise stated)

13 Other equity	As at 31 March 2021	As at 31 March 2020
General reserve	3.39	3.39
Securities premium	2,729.74	2,729.74
Balance at the beginning of the year	629.70	571.33
Add : Addition during the year	40.22	58.37
Surplus in Statement of Profit and Loss	669.92	629.70
	3,403.05	**3,362.84**

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

14 Other financial liabilities	As at 31 March 2021	As at 31 March 2020
Non-current		
Security deposit from holding company	383.00	348.64
	383.00	**348.64**
Current		
Security deposit from holding company	-	-
Accrued expenses	8.01	0.95
Creditors for capital goods		
Due to Micro, small and medium enterprises	-	-
Due to others	10.20	11.75
	2.19	**12.70**

15 Other liabilities	As at 31 March 2021	As at 31 March 2020
Non-current		
Deferred income	-	-
Payables to related parties	-	-
	-	-
Current		
Payable to Others	-	-
Deferred income (Payable to related Parties)	160.49	200.61
Payables to related parties	-	-
Payable to Revenue Authorities	6.27	8.69
Duties and taxes payable	3.10	2.80
	169.87	**212.09**

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M.K.U.K & ASSOCIATES * BENGALURU * CHARTERED ACCOUNTANTS

Enertec Controls Limited

CIN:U31101KA1988PLC008860

Summary of significant accounting policies and other explanatory information for the Period ended 31 March 2021 (cont'd)

(All amounts in ₹ lakhs, unless otherwise stated)

16	**Other income**	**Period Ended 31 March 2021**	**Period Ended 31 March 2020**
	Rental income	100.12	98.90
	Liabilities not longer required written back	9.96	0.40
	Interest income		
	- from income tax refund	-	0.08
		110.08	**99.38**

17	**Finance cost**	**Period Ended 31 March 2021**	**Period Ended 31 March 2020**
	Interest expense		
	- on rental deposits	34.36	30.55
		34.36	**30.55**

18	**Depreciation expense**	**Period Ended 31 March 2021**	**Period Ended 31 March 2020**
	Depreciation on tangible assets	8.45	8.45
		8.45	**8.45**

19	**Other expenses**	**Period Ended 31 March 2021**	**Period Ended 31 March 2020**
	Rates and taxes	1.59	1.11
	Professional Charges	1.47	0.86
	Consultancy/Retainership Fee	17.72	-
	Remuneration to auditors	1.00	1.00
	Insurance	0.29	0.39
	Conveyance	0.77	-
	Security Charges	4.04	-
	Bad Debt written off	-	0.13
	Bank charges	0.01	0.01
	Repairs and maintenance	0.18	1.18
		27.06	**4.68**

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M.K.U.K & ASSOCIATES * BENGALURU * CHARTERED ACCOUNTANTS

(All amounts in ₹ lakhs, unless otherwise stated)

20 Tax expense

	Period Ended 31 March 2021	Period Ended 31 March 2020
The major components of income tax expense for the year ended 31 March 2021 and 31 March 2020 are:		
Current income tax		
Current income tax charge	6.27	8.69
	6.27	**8.69**
Deferred tax charge/ (credit)	-	-
Minimum alternative tax credit entitlement	- 6.27	- 8.69
Income tax expense reported in the Statement of Profit and Loss	-	-

Reconciliation of deferred tax asset / (liability), net	As at 31 March 2021	As at 31 March 2020
Opening balance	-	-
Tax credit/ (expense) during the year recognized in statement of profit and loss	-	-
Tax expense during the year recognised in OCI	-	-
Tax credits utilised under minimum alternate tax credit entitlement during the year	-	-
Closing balance	-	-

Notes:

1. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	Period Ended 31 March 2021	Year Ended 31 March 2020
Accounting profit before tax	40.22	55.69
Tax at the Indian tax rate [31 March 2021: 25.75%; 31 March 2020: 25.75%]	10.36	14.34
Deferred tax charge on temporary differences	-	-
Tax effect of other items, net	(10.36)	(14.34)
At effective income tax rate of 25.75%	-	-
Income tax expense reported in the Statement of Profit and Loss	**6.27**	**8.69**

(i) The Company has not recognised deferred tax assets on carried forward losses. The Company has concluded that the deferred tax assets will be not be recoverable since no future taxable income will be available to recover the carry forward business loss.

Nature of loss/allowance	Pertains to	C/F losses	Expiry date
Business loss	AY 2013-14	3.88	AY 2021-22
Business loss	AY 2015-16	51.37	AY 2023-24
Business loss	AY 2016-17	198.05	AY 2024-25
Business loss	AY 2017-18	259.94	AY 2025-26
Business loss	AY 2018-19	240.62	AY 2026-27
Business loss	AY 2019-20		AY 2027-28

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M.K.U.K & ASSOCIATES BENGALURU CHARTERED ACCOUNTANTS

21 Related Party Transactions

The list of related parties are as follows:

Nature of relationship	Name of party
Holding Company	AXISCADES Aerospace & Technologies Private Limited
Fellow Subsidiary Company	Hindustan Infrastructure Projects and Engineering Private Limited AXISCADES Aerospace Infrastructure Private Limited

i. Transactions with related parties:

Nature of transaction	Relationship	Period Ended 31 March 2021	Period Ended 31 March 2020
Other Financial Assets			
AXISCADES Aerospace & Technologies Private Limited	Holding Company	28.95	200.29
Rent Income			
AXISCADES Aerospace & Technologies Private Limited	Holding Company	100.12	98.90
Security deposit received			
AXISCADES Aerospace & Technologies Private Limited	Holding Company	0.00	104.45

ii. Balances as at the year end:

Nature of transaction	Relationship	Period Ended 31 March 2021	As at 31 March 2020
Security Deposits			
AXISCADES Aerospace & Technologies Private Limited	Holding Company	383.00	348.64
Other Financial Assets			
AXISCADES Aerospace & Technologies Private Limited (Rent & Cross Charge receivables)	Holding Company	241.71	212.77
Current Liabilities			
AXISCADES Aerospace & Technologies Private Limited (Advance Rent Received)	Holding Company	160.49	200.61

22 Earning Per Share	Period Ended 31 March 2021	Period Ended 31 March 2020
Profit after tax attributable CX	40.22	58.37
Weighted average number of shares outstanding (in lakhs)	13.66	13.66
Nominal value of shares (in ₹)	10.00	10.00
Basic and diluted earning per share (in ₹)	2.94	4.27

23 Segment Reporting

The Company has only other income and no operating revenue. The Company does not have any geographical or business segment and hence disclosure under Indian Accounting Standard (Ind AS) 108 is not applicable.

24 Commitment	As at 31 March 2021	As at 31 March 2020
Equitable mortgage to Yes Bank Limited for facilities availed by Holding Company	5,300.00	3,500.00
First Pari passu charge by way of Equitable mortgage to RBL Bank Limited for facilities availed by Holding Company	5,000.00	5,000.00

(i) Cash credit facility (inclusive of post shipment credit facility and packing credit facility in foreign currency) from YES bank Ltd by the holding company are secured by equitable mortgage on property owned by the company situated at 14-15, I Phase, Electronic city, Bangalore.

(ii) Term loan facility availed by the holding company from RBL bank are secured by first pari passu charge by way of equitable mortgage on property owned by the company situated at 15-16, 1st Phase, Electronic city, Bangalore.

Capital Commitment

There is no capital commitment as on 31-03-2021 .

25 Contingent liabilities and commitments

During the previous year, the Company has received demand Notice of Rs.67.33 Lakhs for Assessment Year 2016-17 under Income Tax Act 1961. the Company has filed appeal before Deputy Commissioner of Income Tax.

The Company is contesting the demands/ litigations and the Management believes that its position will be upheld in the appellate process or assessment process and therefore, will not impact these financial statements. Consequently, no provision has been created in the financial statements for the above.

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(All amounts in ₹ lakhs, unless otherwise stated)

26 Fair value measurements

(i) Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2021 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Carrying value
Assets:				
Cash and cash equivalents	4.35	-	-	4.35
Financial assets	-	-	-	-
Investments	-		-	-
Loans	3.05	-	-	3.05
Other financial assets	241.71	-	-	241.71
Total	**249.11**	-	-	**249.11**
Liabilities:				
Financial liabilities				
Security deposit	383.00	-	-	383.00
Creditors for capital goods	2.18	-	-	2.18
Total	**385.19**	-	-	**385.18**

The carrying value and fair value of financial instruments by categories as at 31 March 2020 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Carrying value
Assets:				
Cash and cash equivalents	1.67	-	-	1.67
Financial assets	-	-	-	-
Investments	-		-	0.04
Loans	3.05	-	-	3.05
Other financial assets	212.77			212.77
Total	**217.49**	-	-	**4.76**
Liabilities:				
Financial liabilities				
Security deposit	-	-	-	-
Creditors for capital goods	11.75	-	-	-
Total	**11.75**	-	-	-

All the financial assets and liabilities of the Company are being measured at amortised cost. The Company does not have any financial asset / liability requiring measurement at fair value.

The management assessed that the fair value of cash and cash equivalents, loans, other financial assets, and working capital loans, if any approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: the fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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