



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 at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income if any), 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

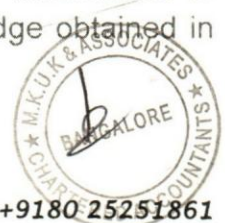
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial Statements section of our report. 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 other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence We have obtained is sufficient and appropriate to provide a basis for our opinion.

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 IndAS financial statements and our auditor's report thereon.

Our opinion on the IndAS 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 IndAS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the IndAS 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 if 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 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 IndAS 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.
- 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 IndAS 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 my 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 IndAS financial statements, including the disclosures, and whether the IndAS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure



about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "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, Statement of Changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

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

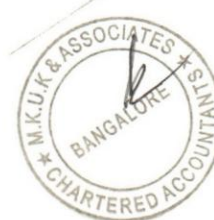
f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid by the Company to its directors during the year.

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

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.

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

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

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

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

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



Anto Joseph
Partner
Membership number: 203958
UDIN: 23203958 B6W QDH 3131

Bangalore
Date: 02.05.2023

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 2023, 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) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder..
2. a) As the company does not have any inventory during the year under audit, need for commenting on the same does not arise.
 - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
3. The company has not made investments, 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. However, the Company has provided security for loans given to holding Company as detailed in Note no.25 to Balance Sheet, in our opinion, the terms and conditions thereof are not prejudicial to the interests of the Company
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, if any, 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 my 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 me, 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 me, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty were outstanding, as at 31st March 2023, 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 Income Tax, Sales tax, Wealth Tax, Customs Duty, Excise Duty and cess, which have not been deposited on account of any dispute, other than Income Tax Demand of Rs67,33,108 for assessment year 2016-17 by Income Tax Officer on account of various disallowance. The Company is in the process of filing appeal with CIT (Appeals) against the demand.

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

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

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

(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.



10. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) We have taken into consideration the whistle blower complaints, if any, received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
12. The Company is not a Nidhi Company and hence reporting under clause(xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. Based on information and explanation given to us, in our opinion, the requirement of Internal audit is not applicable to the company for the year under audit.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us



to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. The requirements of Corporate Social Responsibility (CSR) are not applicable to the Company. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

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



Anto Joseph
Partner



Membership number: 203958

UDIN: 23203958B6WQDH3131

Bangalore
Date: 02.05.2023

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 2023 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.



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 31 March 2023, 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

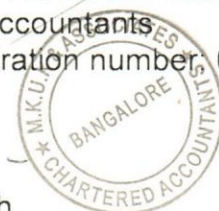
Firm's registration number: 050113S



Anto Joseph
Partner

Membership number: 203958

UDIN: 23203958 B6 WQ DH3131



Bangalore
Date: 02.05.2023

Financial Statements and Auditors' Report
Enertec Controls Limited

31 March 2023

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Enertec Controls Limited

CIN:U31101KA1988PLC008860

Balance Sheet as at 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,801.70	3,810.07
Financial assets			
Investments	5	-	-
Loans	6	-	-
Other Financial Assets	11	3.05	3.05
Deferred tax assets, net	7	24.21	19.02
Non-current tax asset, net	8	13.02	8.40
Other Non-Current Assets	9	-	-
		3,841.98	3,840.54
Current assets			
Financial assets			
Cash and cash equivalents	10	4.35	4.35
Other Financial Assets	11	294.54	263.35
Other current assets	12	0.41	0.70
		299.30	268.39
TOTAL ASSETS		4,141.27	4,108.92
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	136.59	136.59
Other equity	14	3,445.16	3,411.88
		3,581.75	3,548.47
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	15	430.61	391.98
Deferred tax liabilities, net		-	-
Other non-current liabilities	16	-	-
		430.61	391.98
Current liabilities			
Financial liabilities			
Other financial liabilities	15	0.77	0.70
Other current liabilities	16	128.15	167.77
		128.92	168.47
TOTAL LIABILITIES		4,141.27	4,108.92

See accompanying notes (1-28) 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

per **Anto Joseph**

Partner

Membership No: 203958

Bengaluru

May 02, 2023

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

Director

DIN: 02050146

Bengaluru

May 02, 2023

Sreedhar Rao Ellentala

Director

DIN: 00117324

Bengaluru

May 02, 2023



Statement of Profit and Loss for the Year Ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Note	Year Ended 31 March 2023	Year Ended 31 March 2022
INCOME			
Other income	17	103.70	101.00
TOTAL INCOME		103.70	101.00
EXPENSES			
Finance cost	18	38.63	37.08
Depreciation expense	19	8.37	8.70
Other expenses	20	23.42	46.39
TOTAL EXPENSES		70.42	92.17
PROFIT BEFORE TAX		33.28	8.83
Tax expense:			
Current tax	21	5.19	1.38
Prior Period tax		-	-
MAT Credit		(5.19)	(1.38)
PROFIT AFTER TAX		33.28	8.83
Other comprehensive income		-	-
Other comprehensive income, net of tax		-	-
Total comprehensive income		33.28	8.83

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	23	2.44	0.65
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See accompanying notes (1-28) 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


per Anto Joseph


Partner
Membership No: 203958

Bengaluru
May 02, 2023

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



Shashidhar SK

Director
DIN: 02050146

Bengaluru
May 02, 2023



Sreedhar Rao Ellentala

Director
DIN: 00117324

Bengaluru
May 02, 2023



Enertec Controls Limited

CIN:U31101KA1988PLC008860

Statement of Cash Flows for the Year Ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	Year Ended 31 March 2023	Year Ended 31 March 2022
(A) Cash flow from the operating activities		
Profit before tax	33.28	8.83
Adjustments for:		
Depreciation	8.37	8.70
Liabilities not longer required written back	-	-
Operating loss before working capital changes	41.65	17.53
Adjustments for working capital changes		
(Increase) / decrease in trade receivables	(31.20)	(21.63)
Increase in loans	-	-
Decrease in other current & financial assets	(4.33)	1.47
Increase / (decrease) in trade payables	(0.92)	4.02
Increase in other non-current liabilities	-	-
Increase in other current liabilities	-	-
Cash generated from operations	(36.45)	(16.15)
Direct taxes paid (net of refunds)	(5.19)	(1.38)
Net cash generated from operating activities (A)	-	(0.01)
(B) Cash flow from investing activities		
Acquisition of property, plant and equipment	-	-
Net cash used in investing activities (B)	-	-
(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)	-	(0.01)
Cash and cash equivalents at the beginning of the year	4.35	4.36
Cash and cash equivalents at the end of the year (refer note 8)	4.35	4.35

See accompanying notes (1-28) 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




per Anto Joseph

Partner

Membership No: 203958

Bengaluru

May 02, 2023

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

Shashidhar SK

Director

DIN: 02050146

Bengaluru

May 02, 2023


Sreedhar Rao Ellentala

Director

DIN: 00117324

Bengaluru

May 02, 2023



Statement of Changes in Equity for the Year Ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Equity shares of ₹ 10 each, fully paid-up

As at 31 March 2021

Add: Issued and subscribed during the year

As at 31 March 2022

Add: Issued and subscribed during the year

As at 31 March 2023

Equity shares	
Number (in lakhs)	Amount
13.66	136.59
-	-
13.66	136.59
-	-
13.66	136.59

B. Other equity

For the Year Ended 31 March 2023

	Reserves and Surplus			Items of OCI	
	General Reserve	Securities Premium Account	Surplus in the Statement of Profit and Loss	Revaluation Reserve (Refer note 3(a))	Total
Balance as at 31 March 2021	3.39	2,729.74	669.92	-	3,403.06
Profit for the year	-	-	8.83	-	8.83
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income	3.39	2,729.74	678.76	-	3,411.89
Balance as at 31 March 2022	3.39	2,729.74	678.76	-	3,411.89
Profit for the year	-	-	33.28	-	33.28
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income	3.39	2,729.74	712.04	-	3,445.17
Balance as at 31 March 2023	3.39	2,729.74	712.04	-	3,445.17

See accompanying notes (1-28) 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



per Anto Joseph

Partner

Membership No: 203958

Bengaluru

May 02, 2023



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



Shashidhar SK

Director

DIN: 02050146

Bengaluru

May 02, 2023



Sreedhar Rao Ellentala

Director

DIN: 00117324

Bengaluru

May 02, 2023



Enertec Controls Limited

CIN:U31101KA1988PLC008860

Summary of Material accounting policies and other explanatory information for the Year Ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

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 Material 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 May 02, 2023.

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.



Enertec Controls Limited

CIN:U31101KA1988PLC008860

Summary of Material accounting policies and other explanatory information for the Year Ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

c) 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:

<u>Asset Category</u>	<u>Useful lives</u>
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.

d) 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



3 Property, plant and equipment

	Land	Building	Total
Gross block			
Deemed cost as at 31 March 2021	3,370.50	485.19	3,855.69
Additions during the Period	-	-	-
Deletions during the Period	-	-	-
Deemed cost as at 31 March 2022	3,370.50	485.19	3,855.69
Additions during the Period	-	-	-
Deletions during the Period	-	-	-
Deemed cost as at 31 March 2023	3,370.50	485.19	3,855.69
Accumulated depreciation			
Deemed cost as at 31 March 2021	-	36.92	36.92
Charge for the year	-	8.70	8.70
Deletions	-	-	-
Deemed cost as at 31 March 2022	-	45.62	45.62
Charge for the year	-	8.37	8.37
Deletions	-	-	-
Deemed cost as at 31 March 2023	-	53.99	53.99
Net Block			
As at 31 March 2021	3,370.50	448.27	3,818.77
As at 31 March 2022	3,370.50	439.57	3,810.07
As at 31 March 2023	3,370.50	431.20	3,801.70

Note:

Additional Information for Land & Building

Land : 48373 SFT of land situated at No. 14 & 15, 2nd cross, 2nd main, Electronic city phase-I, Bangalore-560100 & the title deed of the land registered in the name of Enertec Controls Limited.

Building : building with Total Built up area 12445 Sft. At aforementioned land is leased out to AXISCADES aerospace & Technologies Pvt Ltd.

The Land and Building is leased out to AXISCADES Aerospace & Technologies Pvt Ltd (A holding Company) for a monthly rent of Rs.5 Lakhs and received Rs. 5.58Crore as a Deposit.

4 Capital work-in-progress

	As at 31 March 2023	As at 31 March 2022
Opening capital work-in-progress	-	-
Add: Additions during the year	-	-
Less: Deletion during the year	-	-
Closing capital work-in-progress	-	-



Enertec Controls Limited

CIN:U31101KA1988PLC008860

Summary of Material accounting policies and other explanatory information for the Year Ended 31 March 2023 (cont'd)

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
5 Investments		
Non-Trade		
At amortised cost		
National savings certificate	-	-
	-	-
	-	-
6 Loans		
Non-current		
(Unsecured, considered good, unless otherwise stated)		
Security deposits		-
	-	-
	-	-
7 Deferred tax asset, net		
	As at 31 March 2023	As at 31 March 2022
MAT credit	24.21	19.02
	24.21	19.02
8 Non-current tax asset, net		
	As at 31 March 2023	As at 31 March 2022
Advance income tax	13.02	8.40
	13.02	8.40
9 Other Non-Current Assets		
	As at 31 March 2023	As at 31 March 2021
(Unsecured, considered good, unless otherwise stated)		
	-	-
	-	-
	-	-
10 Cash and cash equivalents		
	As at 31 March 2023	As at 31 March 2022
Balances with banks		
-current accounts	4.35	4.35
	4.35	4.35
11 Other financial Assets		
	As at 31 March 2023	As at 31 March 2022
Non Current		
(Unsecured, considered good, unless otherwise stated)		
Security deposits	3.05	3.05
	3.05	3.05
Current		
(Unsecured, considered good, unless otherwise stated)		
Receivable from related parties	294.54	263.35
	294.54	263.35



Trade Receivables aging Schedules as at Year Ended 31 March 2023

[Amount in Lacs]

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 Months	6 Months - 1 year	1-2 year	2-3 Years	More Than 3 years	
i. Undisputed Trade Receivables- considered good	13.65	32.47	22.85	12.04	213.53	294.54
ii. Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-
iii. Disputed Trade Receivables- considered good	-	-	-	-	-	-
iv. Disputed Trade Receivables- considered doubtful	-	-	-	-	-	-

Trade Receivables aging Schedules as at 31 March 2022

[Amount in Lakhs]

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 Months	6 Months - 1 year	1-2 year	2-3 Years	More Than 3 years	
i. Undisputed Trade Receivables- considered good	10.37	10.50	28.95	200.29	13.24	263.35
ii. Undisputed Trade Receivables- considered doubtful	-	-	-	-	-	-
iii. Disputed Trade Receivables- considered good	-	-	-	-	-	-
iv. Disputed Trade Receivables- considered doubtful	-	-	-	-	-	-

12 Other current assets

Current

Duties and taxes
Prepaid expenses
Advance to suppliers

	As at 31 March 2023	As at 31 March 2022
	-	-
	0.11	0.23
	0.30	0.02
	0.00	0.44
	0.41	0.70

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Summary of Material accounting policies and other explanatory information for the Year Ended 31 March 2023 (cont'd)

(All amounts in ₹ lakhs, unless otherwise stated)

13 Equity share capital

	As at 31 March 2023		As at 31 March 2022	
	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 2023		As at 31 March 2022	
	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 2023		As at 31 March 2022	
	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

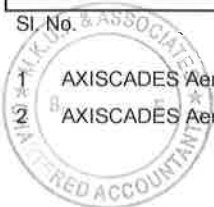
(d) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2023		As at 31 March 2022	
	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.

(f) Details of Shareholding by Promoters

Shares held by Promoters at the end of the year		Number (in lakhs)	%	% Change during the Year
Sl. No.	Promoter Name	No. of Shares	% of Total Shares	
1	AXISCADES Aerospace & Technologies Pvt Ltd	7.08	51.84%	Nil
2	AXISCADES Aerospace Infrastructure Pvt Ltd	6.58	48.16%	Nil
	Total	13.66	100.00%	Nil



Summary of Material accounting policies and other explanatory information for the Year Ended 31 March 2023 (cont'd)

(All amounts in ₹ lakhs, unless otherwise stated)

14 Other equity	As at 31 March 2023	As at 31 March 2022
General reserve	3.39	3.39
Securities premium	2,729.74	2,729.74
Balance at the beginning of the year	678.75	669.92
Add : Addition during the year	33.28	8.83
Surplus in Statement of Profit and Loss	712.03	678.75
	3,445.16	3,411.88

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.

15 Other financial liabilities	As at 31 March 2023	As at 31 March 2022
Non-current		
Security deposit from holding company	430.61	391.98
	430.61	391.98

Current

Trade Payables

Security deposit from holding company	-	-
Accrued expenses	0.45	0.45
Creditors		
Due to Micro, small and medium enterprises	-	-
Due to others	0.32	0.25
	0.77	0.70

Trade Payables Ageing Schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of Payment					Total
	Not yet due	Less than 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) MSME		-	-	-	-	-
(ii) Others	0.45	0.09	-	0.23	-	0.77
(iii) Disputed dues - MSME		-	-	-	-	-
(iv) Disputed dues -Others		-	-	-	-	-

Trade Payables Ageing Schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of Payment					Total
	Not yet due	Less than 1 year	1-2 Years	2-3 Years	More Than 3 Years	
(i) MSME		-	-	-	-	-
(ii) Others	0.45	0.25	-	-	-	0.70
(iii) Disputed dues - MSME		-	-	-	-	-
(iv) Disputed dues -Others		-	-	-	-	-



	<u>As at</u> <u>31 March 2023</u>	<u>As at</u> <u>31 March 2022</u>
16 Other liabilities		
Non-current		
Deferred income	-	-
Payables to related parties	-	-
	<hr/>	<hr/>
Current		
Payable to Others	-	-
Deferred income (Payable to related Parties)	120.32	164.02
Payables to related parties	-	-
Payable to Revenue Authorities	5.19	1.38
Duties and taxes payable	2.64	2.38
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	128.15	167.76

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Enertec Controls Limited

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Summary of Material accounting policies and other explanatory information for the Year Ended 31 March 2023 (cont'd)

(All amounts in ₹ lakhs, unless otherwise stated)

	Year Ended 31 March 2023	Year Ended 31 March 2022
17 Other income		
Rental income	103.70	101.00
Liabilities not longer required written back	-	-
Interest income	-	-
- from income tax refund	-	-
	103.70	101.00
18 Finance cost		
Interest expense	38.63	37.08
- on rental deposits	38.63	37.08
	38.63	37.08
19 Depreciation expense		
Depreciation on tangible assets	8.37	8.70
	8.37	8.70
20 Other expenses		
Rates and taxes	6.54	1.14
Professional Charges	0.67	0.82
Consultancy/Retainership Fee	13.80	18.30
Remuneration to auditors *	1.00	1.00
Insurance	0.46	0.29
Security Charges	-	7.97
Bank charges	0.00	0.00
Office Expenses	0.68	0.45
Loss on modification of Lease Agreement	-	16.43
	23.42	46.39
*Auditors remuneration		
As a auditor		
Statutory audit fee (excluding goods and services tax)	1.00	1.00
	1.00	1.00

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Enertec Controls Limited

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Summary of Material accounting policies and other explanatory information for the Year Ended 31 March 2023 (cont'd)

(All amounts in ₹ lakhs, unless otherwise stated)

21 Tax expense

	Year Ended 31 March 2023	As at 31 March 2022
The major components of income tax expense for the Year Ended 31 March 2023 and 31 March 2022 are:		
Current income tax		
Current income tax charge	5.19	1.38
	5.19	1.38
Deferred tax charge/ (credit)		
Minimum alternative tax credit entitlement	5.19 -	1.38
	-	-
Income tax expense reported in the Statement of Profit and Loss	-	-
Reconciliation of deferred tax asset / (liability), net		
	As at 31 March 2023	As at 31 March 2022
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**

	Year Ended 31 March 2023	As at 31 March 2022
Accounting profit before tax	33.28	8.83
Tax at the Indian tax rate [31 March 2023: 26; 31 March 2022: 26%]	8.65	2.30
Deferred tax charge on temporary differences	-	-
Tax effect of other items, net	(8.65)	(2.30)
At effective income tax rate of 26%	-	-
Income tax expense reported in the Statement of Profit and Loss	5.19	1.38

- (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 2019-20	240.27	AY 2027-28
Business loss	AY 2021-22	158.57	AY 2029-30
Business loss	AY 2022-23	153.17	AY 2030-31

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22 Related Party Transactions

The list of related parties are as follows:

<u>Nature of relationship</u>	<u>Name of party</u>
Holding Company	AXISCADES Aerospace & Technologies Private Limited
Fellow Subsidiary Company	AXISCADES Aerospace Infrastructure Private Limited

i. Transactions with related parties:

Nature of transaction	Relationship	Year Ended 31 March 2023	Year Ended 31 March 2022
Other Financial Assets-Receiveable AXISCADES Aerospace & Technologies Private Limited	Holding Company	31.20	21.63
Rent Income AXISCADES Aerospace & Technologies Private Limited	Holding Company	103.70	101.00
Finance Cost on Security deposit received AXISCADES Aerospace & Technologies Private Limited	Holding Company	38.63	37.08

ii. Balances as at the year end:

Nature of transaction	Relationship	Year Ended 31 March 2023	As at 31 March 2021
Security Deposits AXISCADES Aerospace & Technologies Private Limited	Holding Company	430.61	391.98
Other Financial Assets AXISCADES Aerospace & Technologies Private Limited (Rent & Cross Charge receivables)	Holding Company	294.54	263.35
Current Liabilities AXISCADES Aerospace & Technologies Private Limited (Advance Rent Received)	Holding Company	120.32	164.02

	Year Ended 31 March 2023	Year Ended 31 March 2022
23 Earning Per Share		
Profit after tax attributable to equity shares (in ₹)	33.28	8.83
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 ₹)	2.44	0.65

24 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.

25 Commitment

	As at 31 March 2023	As at 31 March 2022
Equitable mortgage to Yes Bank Limited for facilities availed by Holding Company	-	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
(i) Cash credit facility (inclusive of post shipment credit facility and packing credit facility in foreign currency) from YES bank Ltd availed 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 HDFC bank are secured by way of equitable mortgage on property owned by the company situated at 14-15, 1st Phase, Electronic city, Bangalore.		
Equitable mortgage to HDFC Bank Limited for facilities availed by Holding Companies.	8,700	-

Total 8,700 8,500

Capital Commitment

There is no capital commitment as on 31 March 2023.

26 Contingent liabilities and commitments

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.



Enertec Controls Limited

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Summary of Material accounting policies and other explanatory information for the Year Ended 31 March 2023 (cont'd)

(All amounts in ₹ lakhs, unless otherwise stated)

27 Fair value measurements**(i) Financial instruments by category**

The carrying value and fair value of financial instruments by categories as at 31 March 2023 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	-	-	-	-
Other financial assets	297.59	-	-	297.59
Total	301.93	-	-	301.93
Liabilities:				
Financial liabilities				
Security deposit	430.61	-	-	430.61
Creditors	0.32	-	-	0.32
Total	430.93	-	-	430.93

The carrying value and fair value of financial instruments by categories as at 31 March 2022 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	-	-	-	-
Other financial assets	266.39	-	-	266.39
Total	270.74	-	-	4.76
Liabilities:				
Financial liabilities				
Security deposit	391.98	-	-	391.98
Creditors	0.25	-	-	0.25
Total	392.23	-	-	392.23

ii) Fair value of Land & building

	31 December 2022	31 March 2022
Property, plant and equipment	4,167	4,478

Name of Valuer

: Excedor Valuers Pvt Ltd.

Date of Valuation

: 21-07-2022

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.



Enertec Controls Limited

CIN:U31101KA1988PLC008860

Summary of Material accounting policies and other explanatory information for the Year Ended 31 March 2023 (cont'd)

(All amounts in ₹ lakhs, unless otherwise stated)

28. Ratios

Particulars	Reference	31-03-2023	31-03-2022	Variance	Reason for Variance >25%
(a) Current Ratio,	CA/CL	232%	159%	46.01%	Due to Increase in Trade Receivables & due to decrease in current liabilities.
(b) Debt-Equity Ratio,		NA	NA	NA	
(c) Debt Service Coverage Ratio,		NA	NA	NA	
(d) Return on Equity Ratio,	NP/Total Equity	0.9%	0.2%	364.58%	Due to Increase in Net Profit
(e) Inventory turnover ratio,		NA	NA	NA	
(f) Trade Receivables turnover ratio,	Net Credit Sales / Average Accounts Receivable	22%	24%	-10.38%	
(g) Trade payables turnover ratio,	Average no. of Days Dues /365	1%	1%	0.00%	
(h) Net capital turnover ratio,		NA	NA	NA	
(i) Net profit ratio,	NP/Total Sales	32%	9%	256.59%	Due to Increase in Net Profit
(j) Return on Capital employed,	EBIT/Capital Employed	2.0%	1.3%	54.43%	Due to Increase in EBIT
(k) Return on investment		NA	NA	NA	

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

per Arjo Joseph
Partner
Membership No: 203958

Bengaluru
May 02, 2023

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

Shashidhar SK
Director
DIN: 02050146

Bengaluru
May 02, 2023

Sreedhar Rao Ellentala
Director
DIN: 00117324

Bengaluru
May 02, 2023

