Independent Auditor's Report

To the Members of M/s. AEROFLEX INTERNATIONAL LIMITED

Report on the audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. AEROFLEX INTERNATIONAL LIMITED ("*the Company*")** which comprises the Balance Sheet as at 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 information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS) specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2021, and profit & loss statement, 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

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 financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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 financial statements that give a true and fair view of the

R JANGIR & CO. CHARTERED ACCOUNTANTS M. N. 133496

financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind As), 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.

Those 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 Standard on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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CHARTERED ACCOUNTANTS
M. N. 133496

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:

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

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

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

d. In our opinion, the aforesaid financial statements, comply with the Indian 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f. We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion

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

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

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

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

R JANGIR & CO. CHARTERED ACCOUNTANTS M. N. 133496

For R Jangir & Co.
Chartered Accountant
Firm Regn. No. 140085W

Ramawtar Jangir
Partner
M. No. 133496
UDIN: 21133496AAAAER7462

Place: Mumbai
Date: 26th April, 2021

Annexure: A to the Independent Auditor's Report

The annexure referred to in our Independent Auditor's Report to the member of AEROFLEX INTERNATIONAL LIMITED for the year ended march 31st, March 2021

1)

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

2) According to information and explanations given to us, the Company has no inventories during the year. Accordingly, the provisions of clause (ii) of the Order is not applicable to the Company.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause iii (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

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 I86 of the Companies Act, 2013; In respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

7)

a. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, GST, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

b. According to the information and explanation given to us, there are no dues of income tax, GST, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

R JANGIR & CO. CHARTERED ACCOUNTANTS M. N. 13[illegible]

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to debenture holder.

9) Based upon the audit procedures performed and the information and explanations given to us money raised during the year has been applied by the Company for the purposes for which that was raised.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, There is no managerial remuneration paid or provided during the year under review. Accordingly, the provisions of clause (xi) of the order is not applicable to the Company.

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause (xiv) of the Order is not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause (xvi) of the Order are not applicable to the Company and hence not commented upon.

For R Jangir & Co.
Chartered Accountant
Firm Regn. No. 140085W

Ramawtar Jangir
Partner
M. No. 133496
UDIN: 21133496AAAAER7462

Place: Mumbai
Date: 26 h April, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **M/s AEROFLEX INTERNATIONAL LIMITED** of even date)

Report on the internal financial controls over financial reporting 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 **AEROFLEX INTERNATIONAL LIMITED** ("the Company") as of March 31st, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

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, to the best of our information and according to the explanations given to us, 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 March 31, 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 R Jangir & Co.
Chartered Accountant
Firm Regn. No. 140085W

R JANGIR & CO.
CHARTERED ACCOUNTANTS
M. 133496

Ramawtar Jangir
Partner
M. No. 133496
UDIN: 21133496AAAAER7462
Place: Mumbai
Date: 26th April, 2021

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

BALANCE SHEET AS AT 31ST MARCH, 2021

PARTICULARS	Note No	As at 31.03.2021 AMOUNT (Rs.)	As at 31.03.2020 AMOUNT (Rs.)
ASSETS			
NON CURRENT ASSETS			
a) Property, Plant and Equipment	"5"	32,939	41,151
b) Financial assets			
i) Trade Receivables	"6"	-	2,62,250
ii) Loans	"7"	67,66,800	67,23,400
iii) Other financial asset	"8"	-	-
c) Deferred Tax Assets		6,22,828	6,27,259
		74,22,567	76,54,060
CURRENT ASSETS			
a) Financial Assets			
i) Trade Receivables	"9"	-	-
ii) Cash and cash equivalents	"10"	91,782	97,844
iii) Loans	"11"	2,51,400	43,400
b) Other current assets	"12"	5,016	41,816
		3,48,198	1,83,060
	TOTAL	77,70,765	78,37,120
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	"13"	1,00,00,000	1,00,00,000
Other equity	"14"	(22,86,596)	(21,95,652)
		77,13,404	78,04,349
LIABILITIES			
Non-current Liabilities			
a) Financial liabilities			
i) Trade payables	"15"	15,000	-
Current Liabilities			
a) Financial liabilities			
i) Trade payables	"16"	42,361	32,772
	TOTAL	77,70,765	78,37,120
Significant Accounting Policies Notes on Financial Statement	1 to 19		

As per our report of even date
FOR R Jangir & Co.,
CHARTERED ACCOUNTANTS
F.R.N - 140085W

R JANGIR & CO. CHARTERED ACCOUNTANTS M. N. 133496

Ramawtar Jangir
(Partner)
Membership No : 133496
Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board

SHEHNAZ D ALI
(Director)
(DIN-00185452)

HARIKANT TURGALIA
(Director)
(DIN-00049544)

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

PARTICULARS	Note No	For the year ended 31.03.2021 AMOUNT (Rs.)	For the year ended 31.03.2020 AMOUNT (Rs.)
REVENUES:			
Other Income	"17"	3,130	4,386
	TOTAL	3,130	4,386
EXPENSES:			
Depreciation and amortisation expense	"5"	8,212	9,026
Other expenses	"18"	81,432	90,274
	TOTAL	89,644	99,300
Profit/(loss) before exceptional item and tax		(86,514)	(94,914)
Exceptional item			
a) Profit/(Loss) on sale of property, plant and equp.		-	-
b) Profit/(Loss) on sales of Investment		-	-
Profit/(loss) before tax		(86,514)	(94,914)
Tax expense:			
(1) Provision for MAT		-	-
(1) MAT Entitlement		-	-
(3) Income tax of earlier years		-	-
(4) Deferred tax		(4,431)	(30,301)
Profit/(loss) for the period from continuing operation		(90,945)	(64,613)
Profit/(Loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from discontinued operation		-	-
Profit/(loss) for the period		(90,945)	(64,613)
Other Comprehensive income/(loss)			
a) i) Item that will not be reclassified to profit or loss		-	-
ii) Income tax relating to item that will not be reclassified to profit or loss		-	-
b) i) Item that will be reclassified to profit or loss		-	-
ii) Income tax relating to item that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period (Comprising profit (loss) and other Comprehensive Income for the period)		(90,945)	(64,613)
Earnings per equity share : (for continued Operation)			
(1) Basic		(0.09)	(0.06)
(2) Diluted		(0.09)	(0.06)
Earnings per equity share : (for discontinued Operation)			
(1) Basic		-	-
(2) Diluted		-	-
Earnings per equity share : (for discontinued & continuing operations)			
(1) Basic		(0.09)	(0.06)
(2) Diluted		(0.09)	(0.06)
Significant Accounting Policies **Notes on Financial Statement**	1 to 19		

As per our report of even date

FOR R Jangir & Co.,
CHARTERED ACCOUNTANTS
F.R.N. : 140085W

R JANGIR & CO. CHARTERED ACCOUNTANTS M. N. 133496

Ramawtar Jangir
(Partner)
Membership No : 133496
Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board

SHEHNAZ D ALI
(Director)
(DIN-00185452)

HARIKANT TURGALIA
(Director)
(DIN-00049544)

AEROFLEX INTERNATIONAL LIMITED
(CIN NO : U74999MH2002PLC136032)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

PARTICULARS		As at 31.03.2021 AMOUNT (Rs.)	As at 31.03.2020 AMOUNT (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit (Loss) before Tax		(86,514)	(94,914)
Add : Depreciation		8,212	9,026
Operating Profit before working capital changes		(78,302)	(85,888)
Adjustements for :			
(Increase)/Decrease in Non current Trade Receivables		2,62,250	(1,25,000)
(Increase)/Decrease in Non current Loans		(43,400)	(18,10,200)
(Increase)/Decrease in Non current other financial Assets		-	-
(Increase)/Decrease in current Trade Receivables		-	1,25,000
(Increase)/Decrease in Current Loans		(2,08,000)	18,39,800
(Increase)/Decrease in Other current assets		36,800	67,585
Increase/(Decrease) in Non current trade payables		15,000	(15,000)
Increase/(Decrease) in Current trade payables		9,590	(19,649)
Net Cash Flow from Operatiing Activities	TOTAL (A)	(6,062)	(23,352)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Deduction/(Addition) to Fixed Assests		-	21,628
Net Cash Flow from Investing Activities	TOTAL (B)	-	21,628
C. CASH FLOW FROM FINANCEING ACTIVITIES			
Proceeds from Short term borrowings		-	-
Net Cash Flow from Financing activities	TOTAL (C)	-	-
Net Increase in Cash & Cash Equivalents (A+B+C)		(6,062)	(1,724)
Cash and Cash Equivalents at the beginning of the year		97,844	99,568
Cash and Cash Equivalents at the end of the year		91,782	97,844
Net Increase in Cash & Cash Equivalents as at 31st March 2020		(6,062)	(1,724)

As per our report of even date
FOR R Jangir & Co.,
CHARTERED ACCOUNTANTS
F.R.N - 140085W

R JANGIR & CO. CHARTERED ACCOUNTANTS M. N. 133496

Ramawtar Jangir
(Partner)
Membership No : 133496
Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board

SHEHNAZ D ALI
(Director)
(DIN-00185452)

HARIKANT TURGALIA
(Director)
(DIN-00049544)

AEROFLEX INTERNATIONAL LIMITED
(CIN NO : U74999MH2002PLC136032)

NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

NOTE: 01

1) COMPANY OVERVIEW:

AEROFLEX INTERNATIONAL LIMITED (referred to as "the Company" hereinafter) was incorporated on dated 28th February, 2002 under the laws of the Republic of India with its registered office at 121, B-Wing, Mittal Tower, Nariman Point Mumbai - 400021. The main business of the Company is of Manufacturer and Trader of the, fabricate, assemble, machinery, work on process, repair, alter, convert, buy, deal in, import, export or consult for plants, machineries, sub-assemblies, machine parts, tools, gauges, jigs, instruments, appliances, components, accessories and finished or semi-finished engineering products made of Steel, thermoplastic, polymer and/or any other materials for industrial, agricultural or domestic use. SAT Industries Ltd hold 100% of the paid-up equity share capital of company Aeroflex International Limited.

NOTE: 02 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of Compliance with Ind AS:

The financial statements comply in all material aspects with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017 and the Companies (Indian Accounting Standards) Amendment Rules, 2018.

2.2 Basis of measurement

The financial statements of the company are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis, except for certain financial assets and liabilities that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

The financial statements are presented in Indian Rupee (INR), which is the company's functional currency and all the values are rounded off to the nearest rupee except when otherwise indicated

2.3 Current or Non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

i) Expected to be realized or intended to be sold or consumed in normal operating cycle
ii) Expected to be realized within twelve months after the reporting period. Or
iii) 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 the other assets are classified as non-current.

R JANGIR & CO CHARTERED ACCOUNTANTS M. N. 133496

A liability is classified current when

i) It is expected to be settled in normal operating cycle;

ii) It is due to be settled within twelve months after the reporting period; or

iii) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.4 Use of estimates and judgements:

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.5 Property, plant and equipment and Other intangible assets

Property, plant and equipment

a) **Recognition and measurement :**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

R JANGIR & CO.
CHARTERED ACCOUNTANTS
M. N. 133496

Depreciation methods, estimated useful lives :

Depreciation is provided (other than Free hold Land and capital work-in-progress) on Written Down Value(WDV) method for the estimated useful life of assets. The estimated useful lives of assets are as follows

Type of Assets	Period of useful life of Assets
Office Equipment	5 Years
Furniture & Fixtures	10 Years

Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement

2.6 Revenue Recognition :

The Company has adopted Ind AS 115 - 'Revenue from contracts . Revenue from the sale of goods in the course of ordinary activities is recognized at the 'transaction price' when the goods are 'transferred' to the customer. The 'transaction price' is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The goods are considered as 'transferred' when the customer obtains control of those goods.

Sale of Services:

Revenue from services are recognized in the accounting period in which service are rendered. For fixed price contracts, revenue is recognized based on actual services provided to the end of the reporting period as a proportion of the total services to be provided.

Other Income:

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the normal interest rate as applicable.

Other Income has been recorded where no significant uncertainty as to measurability or collectability exists.

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2.7 Taxation:

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in Other Comprehensive Income.

Current Tax:

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using the tax rates that have been enacted or substantially enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on net basis.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period

Deferred Tax:

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes

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provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax and deferred tax for the year :

Current and deferred tax are recognized in the Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.8 Provisions :

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

When some or all of the economic benefits required to settle, provisions are expected to be recovered from a third party, a receivable is recognized as an asset it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably

2.9 Financial instruments:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

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FINANCIAL ASSETS :

Initial recognition and measurement
At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, lessprovision for impairment. These include trade receivables, loans, deposits, balances with banks, and other financial assets with fixed or determinable payments.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Impairment :
The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, other contractual right to receive cash or other financial assets not designated at fair value through profit or loss. The loss allowance for a financial instrument is equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increase significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime

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cash shortfalls that will result if the default occurs within 12 months after the reporting date.

For trade receivables or any contractual right to receive cash or another financial assets that results from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. The Company has used a practical expedient permitted by Ind AS 109 and determines the expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

De-recognition:
The Company derecognizes financial asset when the contractual right to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

FINANCIAL LIABILITIES:

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Classification
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

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Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue costs.

Subsequent measurement

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. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based in the effective interest method. Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses for assets & liabilities:

Financial Assets and liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial Assets and liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial Assets and liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

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De-recognition:

Financial assets liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial assets and liability and recognition of a new financial assets and liability. Similarly, a substantial modification of the terms of an existing financial assets and liability is accounted for as an extinguishment of the original financial assets and liability and the recognition of a new financial assets and liability. The difference between the carrying amount of a financial assets and liability is derecognized and the consideration paid or payable is recognized in the Statement of Profit or Loss.

2.10 Contingent liabilities and contingent assets

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are not accounted in the financial statements unless an inflow of economic benefits is probable.

2.11 Cash and cash equivalents:

Cash and cash equivalents comprise cash in hand and short-term deposits with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.12 Earnings Per Share

The Company reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares (except where the results are anti-dilutive).

2.13 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest Rupees as per requirement of Schedule III of the Act, unless otherwise stated.

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NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

NOTE 3. Significant accounting judgments, estimates and assumptions:

The preparation of financial statements requires management to make judgments, 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 years.

The key assumptions concerning the future and other key sources of estimation uncertainty at the yearend date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates 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.

a) **Useful life's of property, plant and equipment :**
The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period

b) **Recognition of Deferred Tax Assets**
The extent to which deferred tax assets can be recognized is based on an assessment of the profitability of the Company's future taxable income against which the deferred tax assets can be utilized. The Company has identified Deferred Tax Asset for the carry forward losses at the year ended and also has recognized deferred tax for the Depreciation difference. The net effect of the same has been taken in Balance Sheet.

NOTE 4 : RECENT ACCOUNTING PRONOUNCEMENTS:

a) **Ind AS 116 Leases :**
Ministry of Corporate Affairs has notified Ind AS 116, Leases nn March 30, 2020. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value.

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Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2020. The adoption of this Ind AS will not have any material impact on the Financials.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2020). Accordingly, comparatives for the year ended March 31, 2020 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

b) **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :**
On March 30, 2020, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over Income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment,

or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2020.

The adoption of Ind AS 12 Appendix C would not have any material impact on the financial statements.

c) **Amendment to Ind AS 12 - Income taxes :**
On March 30, 2020, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past

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transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2020.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.

d) **Amendment to Ind AS 19- plan amendment, curtailment or settlement** :
The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', on 30 March, 2020 in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

- To recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2020.

The Company does not have any material impact on account of this amendment.

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NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

NOTE 5 : PROPERTY, PLANT AND EQUIPMENTS

	Freehold Land	Freehold Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	TOTAL
Year Ended as on 31st March, 2020							
Gross Carrying Amount				-		-	-
Deemed Cost	-	-	-	1,29,400	-	81,311	**2,10,711**
Exchange Difference	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing Gross Carrying Amount	-	-	-	**1,29,400**	-	**81,311**	2,10,711
Accumulated Depreciation	-	-	-	61,660	-	77,246	**1,38,906**
Depreciation charge during the year	-	-	-	9,026	-	-	**9,026**
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals	-	-	-	21,628	-	-	**21,628**
Exchange Difference	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	-	-	**92,314**	-	**77,246**	**1,69,560**
NET CARRIYING AMOUNT AS ON 31.03.2020	-	-	-	**37,086**	-	**4,065**	**41,151**
Year Ended as on 31st March, 2021.							
Gross Carrying Amount							
Deemed Cost	-	-	-	1,29,400	-	81,311	**2,10,711**
Exchange Difference	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing Gross Carrying Amount	-	-	-	**1,29,400**	-	**81,311**	2,10,711
Accumulated Depreciation				92,314		77,246	**1,69,560**
Depreciation charge during the year				8,212		-	**8,212**
Assets include in a disposal group for sale	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Exchange Difference	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	-	-	**1,00,526**	-	**77,246**	1,77,772
NET CARRIYING AMOUNT AS ON 31.03.2021	-	-	-	**28,874**	-	**4,065**	32,939

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NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

PARTICULARS	As at 31.03.2021 AMOUNT (Rs)	As at 31.03.2020 AMOUNT (Rs)
NOTE 6 : NON CURRENT - TRADE RECEIVABLES		
Long Term Trade Receivables		
Outstanding for more than a year		
(Unsecured, Considered good)	-	2,62,250
TOTAL	-	2,62,250
NOTE 7 : NON CURRENT - LOANS		
Other Advance	67,66,800	67,23,400
TOTAL	67,66,800	67,23,400
NOTE 8 : NON CURRENT - OTHERS FINANCIAL ASSETS		
Unsecured, considered good		
Security deposits	-	-
TOTAL	1,35,33,600	1,39,71,300
NOTE 9 : CURRENT - TRADE RECEIVABLES		
Other Debtors	-	-
Outstanding for less than six months	-	-
(Unsecured, Considered good)		
TOTAL	-	-
NOTE 10 : CASH & CASH EQUIVALENTS		
(i) Cash on Hand	54,936	54,936
(ii) Balance with Banks		
- On current accounts	36,846	42,908
(iii) Cheques/drafts on hand	-	-
TOTAL	91,782	97,844
NOTE 11 : CURRENT - LOANS		
Other Advances	2,51,400	43,400
TOTAL	2,51,400	43,400
NOTE 12 : OTHER CURRENT ASSETS		
Unsecured, considered good		
Balances with statutory/Government authorities	5,016	41,816
TOTAL	5,016	41,816

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NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

NOTE 13 : SHARE CAPITAL

a) SHARE DETAILS

PARTICULARS	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	AMOUNT (`)	No. of Shares	AMOUNT (`)
Authorised Share Capital				
Equity Shares of 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	10,00,000	**1,00,00,000**	**10,00,000**	**1,00,00,000**
Issued, Subscribed & Paid up				
Equity Shares of 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
TOTAL	**10,00,000**	**1,00,00,000**	**10,00,000**	**1,00,00,000**

b) Reconciliation of Number of shares :

PARTICULARS	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	AMOUNT (`)	No. of Shares	AMOUNT (`)
Equity Shares outstanding at the beginning of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Equity Shares Issued during the year	NIL	NIL	NIL	NIL
Equity Shares bought back during the year	NIL	NIL	NIL	NIL
Equity Shares outstanding at the end of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000

c) Shares held by its holding Companies:

Name of Shareholder	As at 31 March 2021		As at 31 March 2020	
	No.of Shares held	% of Holding	No.of Shares held	% of Holding
Sat Industries Ltd & its Nominees	10,00,000	100.00%	10,00,000	100.00%

d) Name of the shareholders holding more than 5% shares in the company:

Name of Shareholder	As at 31 March 2021		As at 31 March 2020	
	No.of Shares held	% of Holding	No.of Shares held	% of Holding
Sat Industries Ltd & its Nominees	10,00,000	100.00%	10,00,000	100.00%

e) The Company has only one class of shares referred to as the equity shares having face value of Rs. 10/- each . Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meting.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

NOTE 14 : STATEMENT OF OTHER EQUITY

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
For the year ended on 31/03/2019	1,00,00,000	-	1,00,00,000
For the year ended on 31/03/2020	1,00,00,000	-	1,00,00,000
For the year ended on 31/03/2021	1,00,00,000	-	1,00,00,000

B. Other Equity

	Share Application Money pending allotment	Equity component of compound financial instrument		Reserves & Surplus				Debt Instruments through other comprehensive income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow hedges	Revaluation Surplus	Exchange difference on translating financial difference on foreign operation	Other Items of other comprehensive income (specify nature)	Money received against share warrants	Total
			Capital Subsidiy	Capital Reserve	Securities premium	General Reserve	Retained earnings								
Balance at the beginning of the reporting period-01/04/2019	-	-	-	-	-	-	(21,31,039)	-	-	-	-	-	-	-	(21,31,039)
Profit for the year	-	-	-	-	-	-	(64,613)	-	-	-	-	-	-	-	(64,613)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount received against share warrants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Equity Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other															-
Balance at the end of the reporting period -31.03.2020	-	-	-	-	-	-	(21,95,652)	-	-	-	-	-	-	-	(21,95,652)

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	Share Application Money pending allotment	Equity component of compound financial instrument	Reserves & Surplus					Debt Instruments through other comprehensive income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow hedges	Revaluation Surplus	Exchange difference on translating financial difference on foreign operation	Other Items of other comprehensive income (specify nature)	Money received against share warrants	Total
			Capital Subsidiy	Capital Reserve	Securities premium	General Reserve	Retained earnings								
Balance at the beginning of the	-	-	-	-	-	-	(21,95,652)	-	-	-	-	-	-	-	(21,95,652)
Profit for the year	-	-	-	-	-	-	(90,945)	-	-	-	-	-	-	-	(90,945)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount received against share warrants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Equity Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other															-
Balance at the end of the reporting period -31.03.2021	-	-	-	-	-	-	(22,86,596)	-	-	-	-	-	-	-	(22,86,596)

As Per Our Report of even date
FOR R Jangir & Co
CHARTERED ACCOUNTANTS
F.R.N. : 140085W

R JANGIR & CO.
CHARTERED ACCOUNTANTS
M. N. 133496

(Partner)
Membership No : 133496
Place : Mumbai
Date: 26th April 2021

For and on behalf of the Board

SHEHNAZ D ALI
(Director)
(DIN-00185452)

HARIKANT TURGALIA
(Director)
(DIN-00049544)

AEROFLEX INTERNATIONAL LIMITED
(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

PARTICULARS	As at 31.03.2021 AMOUNT (Rs.)	As at 31.03.2020 AMOUNT (Rs.)
NOTE 15 : LONG TERM TRADE PAYABLES		
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	15,000	-
TOTAL	15,000	-
NOTE 16 : CURRENT - TRADE PAYABLES		
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	42,361	32,772
TOTAL	42,361	32,772

AEROFLEX INTERNATIONAL LIMITED
(CIN NO : U74999MH2002PLC136032)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

PARTICULARS	For the year ended 31.03.2021 AMOUNT (Rs.)	For the year ended 31.03.2020 AMOUNT (Rs.)
NOTE 17 : OTHER INCOME		
Commission Income	-	-
Interest Income from financial assets at amortised cost		
- Interest on Income Tax Refund	3,130	4,386
Rent Income	-	-
Misc Income	-	-
TOTAL	3,130	4,386
NOTE 18 : OTHER EXPENSES		
Telephone Expenses	12,202	12,202
Audit fee	32,200	17,700
ROC Filling fees	1,800	10,800
Profeesional Fee Paid	27,730	24,780
Professional Tax	7,500	7,500
Loss on Sale of Fixed Assets	-	15,628
Domain Charges	-	1,664
TOTAL	81,432	90,274

R JANGIR & CO. CHARTERED ACCOUNTANTS M. N. 133496

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

NOTE 19 :

I. In the opinion of the Board of Directors, the current assets are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate and are not in excess of the amount considered in the ordinary course of business.

II. Additional liability if any, arising pursuant to respective assessment under various fiscal statues, shall be accounted for in the year of assessment.

III. There is no contingent liability and capital commitment.

IV. Provision for Income Tax has been made based on the assessable income as per Income Tax Act, 1961. Deferred tax for the timing difference of the depreciation and carry forwarded losses for the year has been recognized and the same has been provided in accounts for the year ended on 31st March 2021

V. Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006, based on the information in possession with the Company, there are no dues outstanding at the year ended, which has been identified separately relating to Micro and Small Enterprises referred to in the said Act.

VI. RELATED PARTY DISCLOSURES

a) Holding Compnay

- SAT Industries Ltd : Holding Company.

b) Enterprises over which key management personal are having significant influence : **NIL**

c) Key Management Personnel:

- Harikant Turgalia : Director
- Shehnaz D. Ali : Director
- Hakim S Tidiwala : Director

R JANGIR & CO. CHARTERED ACCOUNTANTS M. N. 133496

VII. Earnings Per Share

PARTICULARS	As at 31.03.2021 AMOUNT (`)	As at 31.03.2020 AMOUNT (`)
Net profit after taxation for the year	(90,945)	(64613)
Number of Equity shares for Basic /Diluted EPS	10,00,000	10,00,000
Nominal Value of Equity Shares (`)	10	10
Basic /Diluted earnings per Equity Share (`)	(0.09)	(0.06)

AEROFLEX INTERNATIONAL LIMITED
(CIN NO : U74999MH2002PLC136032)

NOTES TO IND AS FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

VIII. DEFERRED TAX ASSETS/(LIABILITIES):

The tax effect of the items constituting deferred tax is as under:

PARTICULARS	As at 31.03.2021 AMOUNT (`)	As at 31.03.2020 AMOUNT (`)
Opening Balance (for Depreciation Diff)	13,662	8,881
Add : Deferred Tax Assets/(Liabilities) for the year	(1934)	4,781
Deferred Tax (Liability)/Assets (A)	**11,728**	**13,662**
Opening Balances of Deferred tax Assets (for B/F loss)	6,13,597	5,88,077
Add : Deferred Tax Assets/(Liabilities) for the year	(2497)	25,520
Deferred Tax Assets (B)	**6,11,100**	**6,13,597**
Net Deferred Tax Assets/(Liability) (A+B)	**6,22,828**	**6,27,259**

IX. During the Period under review, there was **NIL** (PY NIL) foreign exchange earnings & outgo

X. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Notes from "1 " to " 19 " form an integral part of the Accounts.

As per our Report of even date attached

For R Jangir & Co.,
CHARTERED ACCOUNTANTS
F.R.N. : 140085W

R JANGIR & CO. CHARTERED ACCOUNTANTS M. N. 133496

Ramawtar Jangir
(Partner)
Membership No.: 133496
Place : Mumbai
Dated : 26th April,2021

For and on behalf of the Board

SHEHNAZ D ALI
Director
(DIN-00185452)

HARIKANT TURGALIA
Director
(DIN-00049544)

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

GROUPING TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

PARTICULARS	As at 31.03.2021 AMOUNT (`)	As at 31.03.2020 AMOUNT (`)
TRADE RECEIVABLES		
Trade Receivables (O/S more than a year)		
Sundry Debtors	-	2,62,250
TOTAL	**-**	**2,62,250**
TRADE RECEIVABLES		
Trade Receivables (O/S less than a six months)		
Sundry Debtors	-	-
Basecamp Communications Pvt Ltd	-	-
TOTAL	**-**	**-**
SHORT TERM LOANS & ADVANCES		
To Others		
Park Continental Pvt Ltd	2,51,400	43,400
TOTAL	**2,51,400**	**43,400**
NET OF TAX REFUND/(TAX PROVISION)		
MAT CREDITS		
MAT Credits (AY 2018-19)	5,016	5,016
TOTAL (A)	**5,016**	**5,016**
ADVANCE TAX & TDS		
Advance Tax & TDS (AY 2019-20)	-	36,800
TOTAL (B)	**-**	**36,800**
LESS: PROVISION FOR TAXATION		
Provision For MAT (AY 2018-19)	-	-
TOTAL (C)	**-**	**-**
TDS & Mat Credits Refunds (Net of Provisions)(A+B-C)	**5,016**	**41,816**

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

GROUPING TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

PARTICULARS	As at 31.03.2021 AMOUNT (`)	As at 31.03.2020 AMOUNT (`)
DEFERRED TAX ASSETS/ (LIABILITY)		
Opening Balances (for Depreciation Diff)	13,662	8,881
Add/Less: Deferred Tax Assets/(Liabilities) for the year	(1,934)	4,781
DEFERRED TAX ASSETS/(LIABILITY)	**11,728**	**13,662**
Opening Balance for Deferred tax Assets (for B/F loss)	5,88,077	5,88,077
Add/Less: Deferred Tax Assets/(Liabilities) for the year	-	-
DEFERRED TAX ASSETS	5,88,077	5,88,077
DEFERRED TAX ASSETS (NET) to be C/F	**5,99,805**	**6,01,739**
CREDITORS FOR EXPENSES - LONG TERM		
Audit Fees Payable	15,000	-
TOTAL	**15,000**	-
CREDITORS FOR EXPENSES - SHORT TERM		
Audit Fees Payable	17,700	15,000
Kiran Jain	-	15,000
S K Jain & Co	-	1,180
R Jangir & Co	23,600	-
Telephone Expenses Payable	1,061	1,592
TOTAL	**42,361**	**32,772**
LONG TERM SECURITY DEPOSIT		
Sunil Chaninani - Office Security Deposit	-	-
TOTAL	-	-
LONG TERM LOANS & ADVANCES		
To Others		
Park Continental Pvt Ltd	67,66,800	67,23,400
TOTAL	**67,66,800**	**67,23,400**
MISCELLANEOUS EXPENDITURE (ASSETS)		
Office Renovation Expenses to be amortise		
Opening Balance	-	-
(-) Amortised During the Year	-	-
TOTAL	-	-

AEROFLEX INTERNATIONAL LIMITED

(CIN NO : U74999MH2002PLC136032)

GROUPING TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

PARTICULARS	As at 31.03.2021 AMOUNT (`)	As at 31.03.2020 AMOUNT (`)
DEFERRED TAX ASSETS/ (LIABILITY)		
Opening Balances (for Depreciation Diff)	13,662	8,881
Add/Less: Deferred Tax Assets/(Liabilities) for the year	(1,934)	4,781
DEFERRED TAX ASSETS/(LIABILITY)	**11,728**	**13,662**
Opening Balance for Deferred tax Assets (for B/F loss)	6,13,597	5,88,077
Add/Less: Deferred Tax Assets/(Liabilities) for the year	(2,497)	25,520
DEFERRED TAX ASSETS	**6,11,100**	**6,13,597**
DEFERRED TAX ASSETS (NET) to be C/F	**6,22,828**	**6,27,259**