

BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present before you the Fifth Annual Reports of Unimech Aerospace and Manufacturing Private Limited together with the audited consolidated financial statements and independent auditors' report of the Company for the financial year from April 1, 2020 to March 31, 2021.

1. STATE OF THE COMPANY'S AFFAIRS (Sec 134(3)(i) of the Companies Act, 2013):

Consolidated Basis

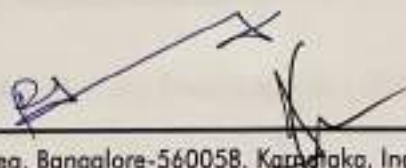
Your Company's total revenue for the financial year ended March 31, 2021 is INR 26,62,42,287/- (Rupees Twenty-Six Crore Sixty-Two Lakh Forty-Two Thousand Two Hundred Eighty-Seven Only), the Profit after taxes for the year is INR 3,62,48,708/- (Rupees Three Crore Sixty-Two Lakh Forty-Eight Thousand Seven Hundred Eight Only) as against to the total revenue of INR 49,05,59,227/- (Rupees Forty Nine Crore Five Lakh Fifty-Nine Thousand Two Hundred Twenty Seven Only), the Profit after taxes for the year is INR 7,83,81,433/- (Rupees Seven Crore Eighty-Three Lakh Eighty-One Thousand Four Hundred Thirty-Three Only) for the year ended March 31, 2020.

Standalone Basis

Your Company's total revenue for the financial year ended March 31, 2021 is INR 21,46,52,569 /- (Rupees Twenty-One Crore Forty-Six Lakh Fifty-Two Thousand Five Hundred Sixty Nine Only), the Profit after taxes for the year is INR 1,51,23,499/- (Rupees One Crore Fifty-One Lakh Twenty-Three Thousand Four Hundred Ninety-Nine Only) as against to the total revenue of INR 49,04,98,407/- (Rupees Forty Nine Crore Four Lakh Ninety-Eight Thousand Four Hundred Seven Only), the Profit after taxes for the year is INR 7,85,82,804/- (Rupees Seven Crore Eighty-Five Lakh Eighty-Two Thousand Eight Hundred Four Only) for the year ended March 31, 2020.

2. FINANCIAL RESULTS/ HIGHLIGHTS (Sec 134(3)(q) read with Rule 8(5)(i) of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

In compliance with the provisions of the Companies Act, 2013, as amended and modified from time to time, the Company has prepared its financial statements as per Accounting Standards for the Financial Year 2020-2021.



The financial highlights of the Company's operations (on consolidated basis) are as follows:

Particulars	From April 1, 2020 to March 31, 2021 (In Rupees)	From April 1, 2019 to March 31, 2020 (In Rupees)
Revenue from Operations	25,44,18,899	45,49,41,930
Other Income	1,18,23,388	3,56,17,296
Total Income	26,62,42,287	49,05,59,226
Total Expenses	23,77,39,292	35,94,41,654
Profit/ (loss) before Tax	2,85,02,995	13,11,17,572
Tax expenses including Deferred Tax	(77,31,783)	5,27,36,139
Profit / (loss) after Tax	3,62,48,708	7,83,81,433
Dividend (including Interim if any and final)	-	-
Net Profit after dividend and Tax	7,83,81,433	7,83,81,433
Amount transferred to General Reserve	-	-
Balance carried to Balance Sheet	7,83,81,433	7,83,81,433
Earnings per share (Basic)	347.78	752.00
Earnings per share (Diluted)	347.78	752.00

The financial highlights of the Company's operations (on standalone basis) are as follows:

Particulars	From April 1, 2020 to March 31, 2021 (In Rupees)	From April 1, 2019 to March 31, 2020 (In Rupees)
Revenue from Operations	20,42,82,545	45,50,06,912
Other Income	1,03,70,024	3,54,91,495
Total Income	21,46,52,569	49,04,98,407
Total Expenses	20,72,71,319	35,92,29,681
Profit/ (loss) before Tax	73,81,250	13,12,68,727
Tax expenses including Deferred Tax	(77,35,247)	5,26,85,923
Profit / (loss) after Tax	1,51,23,499	7,85,82,804
Dividend (including Interim if any and final)	-	-
Net Profit after dividend and Tax	1,51,23,499	7,85,82,804
Amount transferred to General Reserve	-	-
Balance carried to Balance Sheet	1,51,23,499	7,85,82,804
Earnings per share (Basic)	145.10	753.94
Earnings per share (Diluted)	145.10	753.94

3. AMOUNT TRANSFERRED TO RESERVE (Sec 134(3)(j) of the Companies Act, 2013:

For the financial year ended March 31, 2021, your directors do not propose to transfer any amounts to any of the reserves.

4. MATERIAL CHANGES OCCURRED POST-CLOSING OF FINANCIAL YEAR TILL DATE OF THIS REPORT (Sec 134(3)(l) of the Companies Act, 2013):

COVID-19 Impact and measures:

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. India has taken tough measures to fight against the situation including a country wide lockdown. COVID-19 has significantly impacted business operations by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lockdown of production facilities etc. However, the impact of Covid-19 on the operations and state of affairs of our company as on 31.03.2021 has been minimal.

Company is taking necessary actions to mitigate the significant impact of COVID-19 on our business and we are implementing measures to reduce the potential impact on the Company's earnings and cash flows.

5. CHANGE IN THE NATURE OF BUSINESS (Sec 134(3)(q) read with Rule 8(5)(ii) of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

No change in the nature of business.

6. DIVIDEND RECOMMENDED BY THE BOARD (Sec 134(3)(k) of the Companies Act, 2013):

No Dividend is recommended for the current financial year due to conservation of Profit.

7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

8. COMPANIES / BODY CORPORATES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES DURING THIS FINANCIAL YEAR (Sec 134(3)(q) read with Rule 8(5)(iv) of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

Sl. No	Name of the Body Corporate	Nature of relationship	Date of incidence/ ceasing of the relationship	Details of the Body Corporate	Board observations /remarks
Not Applicable					

9. SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURE (Sec 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

Please refer to Annexure I – Form AOC 1.

10. COMPOSITION OF THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (“KMP”) AND CHANGES DURING THE FINANCIAL YEAR (Sec 134(3)(q) read with Rule 8(5)(i) of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

Current members on the Board of Directors:

Sl. No.	Name of the Director	Designation	Change in designation	Date of change in designation
1	Rama Kamojhala Krishna	Director	Nil	Nil
2	Anil Puttan Kumar	Director	Nil	Nil
3	Preetham Venkatesh Shimoga	Director	Nil	Nil
4	Rajanikanth Balaraman	Director	Nil	Nil
5	Mani Puttan	Director	Nil	Nil

Key Managerial Personnel: - NIL

Sl. No.	Name of the Key Managerial Personnel	Designation	Change in designation	Date of change in designation

Members ceased from the Board and / or office of Key Managerial Personnel

Sl. No.	Name of the director and / or Key Managerial Personnel	Designation	Change in designation	Date of change in designation

11. MEETING OF BOARD OF DIRECTORS (Sec 134(3)(b) of the Companies Act, 2013):

The Company had 7 (Seven) Board meetings during the financial year under review.

SL No.	Date of Board Meeting	Names of the Directors Attended Board Meeting	Names of the Directors allowed Leave of Absence	Venue of the Meeting
1	30-06-2020	Rama Kamojhala Krishna Anil Puttan Kumar Preetham Venkatesh Shimoga Rajanikanth Balaraman Mani Puttan	-	Registered Office
2	21-09-2020	Rama Kamojhala Krishna Anil Puttan Kumar Preetham Venkatesh Shimoga Rajanikanth Balaraman Mani Puttan	-	Registered Office
3	12-11-2020	Rama Kamojhala Krishna Anil Puttan Kumar Preetham Venkatesh Shimoga Rajanikanth Balaraman Mani Puttan	-	Registered Office
4	20-11-2020	Rama Kamojhala Krishna Anil Puttan Kumar Preetham Venkatesh Shimoga Rajanikanth Balaraman Mani Puttan	-	Registered Office
5	30-12-2020	Rama Kamojhala Krishna Anil Puttan Kumar Preetham Venkatesh Shimoga Rajanikanth Balaraman Mani Puttan	-	Registered Office
6	31-12-2020	Rama Kamojhala Krishna Anil Puttan Kumar Preetham Venkatesh Shimoga Rajanikanth Balaraman Mani Puttan	-	Registered Office
7	30-03-2021	Rama Kamojhala Krishna Anil Puttan Kumar Preetham Venkatesh Shimoga Rajanikanth Balaraman Mani Puttan	-	Registered Office

Attendance Details of Board Meetings:

Sl. No	Name of the Director	Total No. of Board Meetings Held	No. of Board Meetings Held during the tenure	No. of Meetings attended	No of LOA's
1	Rama Kamojhala Krishna	7	7	7	Nil
2	Anil Puttan Kumar	7	7	7	Nil
3	Preetham Venkatesh Shimoga	7	7	7	Nil
4	Rajanikanth Balaraman	7	7	7	Nil
5	Mani Puttan	7	7	7	Nil

** The maximum interval between any two meetings did not exceed 120 days.

12. ANNUAL EVALUATION BY THE BOARD OF ITS PERFORMANCE AND THAT OF IT'S COMMITTEE(S) AND INDEPENDENT DIRECTORS (Sec 134(3)(q) read with Rule 8(4) of Companies (Accounts) Rules, 2014, of the Companies Act, 2013):

Not Applicable

13. COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE AND THEIR POLICIES (Sec 134(3)(e) read with Sec 178(3) of the Companies Act, 2013):

Not Applicable

SL No.	Name of the Director	Designation	Nature of directorship

Policies for appointing and remunerating directors including criteria for determining their qualification, positive attribute and independence:

Not Applicable

Policies for remunerating key managerial personnel and other employees:

Not Applicable

14. COMPOSITION OF AUDIT COMMITTEE AND THEIR RECOMMENDATION(S) NOT ACCEPTED BY THE BOARD AND REASON(S) THEREFOR, IF ANY (Sec 177(8) and (9) of the Companies Act, 2013):

Current members on the committee: *Not Applicable*

SL No.	Name of the Director	Designation	Nature of directorship

Recommendation(s) not accepted by the Board: *Not Applicable*

Sl. No.	Recommendation(s) of the committee, if any	Boards comment / observation, if any	Reason(s) for not accepting the recommendation(s), if any

Details of vigil mechanism for directors and employees: *Not Applicable*

15. MAINTENANCE OF COST ACCOUNTING RECORDS

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act, is not applicable to your company.

16. EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE (Sec 134(3)(f) of the Companies Act, 2013)

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in the audit report.

Secretarial Audit report is not applicable for the company.

17. LOANS, GUARANTEES GIVEN OR INVESTMENT MADE DURING THE REPORTING YEAR (Sec 134(3)(g) of the Companies Act, 2013)

Company has not granted any loans and made any investments during the year.

18. REMUNERATION PAID TO EMPLOYEES (Rule 5 of Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013):

Name and designation of the Employee;	
Who was employed for a part of the financial year and was in receipt of remuneration for any part of that year in the aggregate, was not less than eight lakh and fifty thousand rupees per month.	NA
Who was employed throughout the financial year and was in receipt of remuneration in the aggregate, was not less than One Crore Two Lakhs Rupees per annum.	NA
Who was employed throughout the financial year or part thereof and was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	N.A

19. APPOINTMENT OF STATUTORY AUDITOR(S) OF THE COMPANY: (Sec 139(1) of the companies Act, 2013)

M/s. Tejus & Ravi Kiran, Chartered Accountants, Bangalore who were appointed as Statutory Auditors of the Company by the Shareholders at the Annual General Meeting to hold the office from the conclusion of Second Annual General Meeting of the Company till the conclusion of Fifth Annual General Meeting of the Company.

The tenure of Tejus & Ravi Kiran, Chartered Accountants Statutory Auditors comes to an end this Annual General Meeting and your board recommends their reappointment at the ensuing Annual General Meeting

Tejus & Ravi Kiran, Chartered Accountants have given a certificate to the effect that if they are reappointment, their appointment would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

20. FINANCE AND SHARE CAPITAL:

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

The Company has not issued any Bonus Shares during the year.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

e. SHARES WITH DIFFERENTIAL VOTING RIGHTS

The Company has not issued any Shares with differential voting rights during the year under review.

21. DETAILS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS (Sec 134(3)(q) read with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

Given the nature of business and size of operations, Your Company's Internal Financial Control System has been designed to provide for:

- Accurate recording of transactions with internal checks and prompt reporting.
- Adherence to applicable Accounting Standards and Policies.



- Compliance with applicable statutes, policies and management policies and procedures.
- Effective use of resources and safeguarding of assets.

This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. An extensive program of internal audits and management reviews supplements the process of internal financial control framework. Properly documented policies, guidelines and procedures are laid down for this purpose. The internal financial control framework has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. The Internal Control System provides for well documented policies/guidelines, authorizations and approval procedures.

The Company has independently conducted the review of financial controls over reporting as at the year end. There was no reportable weakness identified.

22. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013 (Sec 134(3)(d) of the Companies Act, 2013):

Not Applicable

23. DETAILS RELATING TO DEPOSITS (Sec 134(3)(q) read with Rule 8(5)(v) of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

The Company has neither accepted nor renewed any deposits during the year under review.

24. DETAILS OF DEPOSITS NOT IN COMPLIANCE WITH PROVISIONS (Sec 134(3)(q) read with Rule 8(5)(vi) of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

Not Applicable

25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE (Sec 134(3)(q) read with Rule 8(5)(vii) of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

No significant and material orders have been passed by any Regulators or Courts or Tribunals against the Company.

26. RISK MANAGEMENT POLICY OF THE COMPANY (Sec 134(3)(n) of the Companies Act, 2013):

The Company has in place a Risk Management Policy approved by the Board. The policy aims at eliminating or reducing risks through the systematic identification and analysis of various types of risks and facilitating timely action for mitigation.

The risk assessment meeting happens periodically and risk mitigation plans are identified.

27. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors of the Company has constituted Committee on Corporate Social Responsibility in line with the provision of Section 135 of the Companies Act, 2013. The Committee has formulated and recommended to the Board CSR policy indicating the project / activities to be undertaken by the Company as specified in the Schedule of the Companies Act, 2013.

The annual report on CSR activity is provided in Annexure II

28. ANNUAL RETURN (Sec 134(3)(a) read with Sec 92(3) of the Companies Act, 2013):

Annual return in from MGT 7 has been placed on the company's website and the same can be assessed at url: <https://unimechaerospace.com/annual-return>

29. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES (Sec 134(3)(h) and Rule 8(2) of Companies (Accounts) Rules, 2014 read with Sec 188(1) of the Companies Act, 2013):

The Company has not entered into any contracts or arrangements with the related parties during the financial year 2020-21 for which the provisions of Section 188 of the Companies Act, 2013 will apply.

However, there are payments made to persons specified under section 40A(2)(b) of the Income Tax Act, 1961, details of the same are attached in Note No 2.35 of Financial Statements.

30. APPLICABLE STATUTES TO THE COMPANY

Company has duly complied with all the applicable laws for the operations of its business, including but not limited to, Companies Act, 2013 and rules made there under; Foreign Exchange Management Act, 1999; Income Tax Act, 1961; Custom duty Act, 1962; The Minimum Wages Act, 1948; The Karnataka Shops and Establishments Act, 1961; The Karnataka Tax On Professions, Trades, Callings And Employment Act, 1976; The National & Festival Holidays Act, 1963; The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; The Information Technology Act, 2000; Integrated Goods and Service Tax Act 2017; Central Goods and Service Tax Act 2017; Karnataka State Goods and Service Tax Act 2017.

31. DIRECTORS' RESPONSIBILITY STATEMENT (Sec 134(3)(c) and 134(5) of the Companies Act, 2013:

The Directors confirm and state that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;



- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT- GOINGS (Sec 134(3)(q) read with Rule 8(3) of Companies (Accounts) Rules, 2014 of the Companies Act, 2013):

a) CONSERVATION OF ENERGY

The Company has taken various measures towards reducing energy costs by using energy-efficient equipment. The company proposes to evaluate new technologies and invest in energy efficient infrastructure.

b) TECHNOLOGY ABSORPTION

i. the efforts made towards technology absorption:

The Company's efforts are towards absorption and usage of latest technology and innovative methodology to achieve customer satisfaction.

ii. the benefits derived like product improvement, cost reduction, product development or import substitution:

Not Applicable.

iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

Company has not imported any technology during the last three years.

Sl. No	Details of Technology imported	Year of import	Fully absorbed Yes/No	Areas for non-absorption of technology	Reasons
Not Applicable					

- iv. the expenditure incurred on Research and Development: The Company has not obtained any technology from outside parties and not entered into any technical collaboration agreement with any party from abroad. Company has not incurred any expenditure on research and development.

33. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the Foreign Exchange Earnings and Expenditures were as follows:

Description	Year Ended	
	March 31, 2021	March 31, 2020
Foreign Exchange Earnings FOB Value of Exports	20,24,39,379	45,37,81,651
Foreign Exchange Expenditure CIF Value of Imports		
• Capital Goods	-	-
• Components	1,22,51,128	2,29,73,977
• Travel and Conveyance	4,20,207	28,33,673

34. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Board would like to inform you that since our company is having less than 10 women employees, disclosure under Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act 2013 is not applicable to our company. However, the board has taken adequate measures for the safety & welfare of women.

35. ACKNOWLEDGEMENT:

Your directors acknowledge with thanks the support and valuable co-operation extended by the bankers and shareholders of the Company. Your Director's also sincerely acknowledge the significant contributions made by the employees for their dedicated services to the Company.

FOR AND ON BEHALF OF THE BOARD


RAMA KAMOJHALA KRISHNA
 Director
 DIN: 07004517


MANI PUTTAN
 Director
 DIN: 08042129

Date: 29/11/2021
 Place: Bangalore

Annexure II

Corporate Social Responsibility (CSR) Financial Year 2020-2021

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Company's CSR Policy:

- CSR Policy is framed based on the provisions of the Companies Act, 2013 and rules notified there under.
- CSR Budget is calculated 2% of the average net profits (PBT) of the company made during the three immediately preceding financial years and for the year FY 2020-21.
- Only those CSR Projects/activities falling within the ambit of Schedule VII Of the companies Act, 2013 would be considered as valid CSR activity.
- CSR project/activity would be prepared and monitored by the CSR committee.
- Surplus arising out of the CSR project shall not form part of the business profit.
- Separate Bank account to be opened.

CSR Project undertaken by the Company:

As recommended by the CSR committee, company has identified the following activities as part of CSR Spendings

- Planting of Saplings in and around the Devanahalli Village.
- Contribution towards renovation of facilities at government schools and anganwadi kendra in and around Devanahalli Village.

2. The Composition of the CSR Committee:

Mr. Mani Puthan,

Mr. Rajanikanth Balaraman

Mr. Ramakrishna Kamojhala

3. Average net profit of the company for last three financial years:

Profits of the Three Previous Years		
2017-18	2018-19	2019-20
64,44,026	12,79,53,587	13,12,68,727
Average Profits		8,85,55,447

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

Rs. 17,71,109/-

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year – Rs. 1,24,700

(b) Amount unspent- Rs. 25,42,377

(Including unspent amount brought forward from previous financial year amounting to Rs. 8,95,968)

(c) Manner in which the amount spent during the financial year is detailed below. –

1	2	3	4	5	6	7	8
SL. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency*
1	Planting of Trees	Ensuring environmental sustainability, ecological balance, protection of flora and fauna	Local Area – Devanahalli, Near Bangalore	1,24,700	1,24,700	1,24,700	Directly

7. The CSR Committee is during the Financial Year had Committee Meeting on 21-09-2020 and 31-12-2020 to review and recommend the contribution to be made towards CSR Contribution of the company as per CSR objectives and Policy of the Company.

8. Reasons for not being able to apply CSR contribution in implementing the projects identified:

- Due to Covid pandemic and restriction imposed by the state and central government on the number of people gathering at a public place in undertaking activity, company could not undertake planting of saplings during the year, however, the company as during the period after the close of financial year and the date of this report, undertaken sapling plantation activity and incurred a sum of Rs. 1,24,700 towards the same.
- Due to Covid pandemic and restriction imposed by the state and central government on the functioning of the Schools and Anganwadi Kendra's, company could not actively engage in CSR activities in this area. Company is committed to undertake and complete the activities in the current financial year 2021-22.

Annexure – I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part-A: Subsidiaries

1. Sl. No.	1
2. Name of the subsidiary	Innomech Aerospace Tooling Private Limited U29200KA2018PTC118006
3. Reporting period for the subsidiary concerned	01/04/2020 to 31/03/2021
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
5. Share capital	Rs.1,00,000
6. Reserves & surplus	Rs. 2,12,80,385
7. Total assets	Rs. 25,24,44,367
8. Total Liabilities	Rs. 25,24,44,367
9. Investments	-
10. Turnover	Rs. 7,65,87,427
11. Profit before taxation	Rs. 2,11,21,744
12. Provision for taxation	(Rs.3,465)
13. Profit after taxation	Rs. 2,11,25,209
14. Proposed Dividend	-
15. % of Share-holding	99.90%

1. Names of subsidiaries which are yet to commence operations

NA

2. Names of subsidiaries which have been liquidated or sold during the year.

NA

Part-B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

NIL

1. Names of associates or joint ventures which are yet to commence operations.
NA
2. Names of associates or joint ventures which have been liquidated or sold during the year.
NA

FOR AND ON BEHALF OF THE BOARD


RAMA KAMOJHALA KRISHNA
Director
DIN: 07004517


MANI PUTTAN
Director
DIN: 08042129



Date: 29.11.2021
Place: Bangalore

Annexure II

Corporate Social Responsibility (CSR) Financial Year 2020-2021

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Company's CSR Policy:

- CSR Policy is framed based on the provisions of the Companies Act, 2013 and rules notified there under.
- CSR Budget is calculated 2% of the average net profits (PBT) of the company made during the three immediately preceding financial years and for the year FY 2020-21.
- Only those CSR Projects/activities falling within the ambit of Schedule VII Of the companies Act, 2013 would be considered as valid CSR activity.
- CSR project/activity would be prepared and monitored by the CSR committee.
- Surplus arising out of the CSR project shall not form part of the business profit.
- Separate Bank account to be opened.

CSR Project undertaken by the Company:

As recommended by the CSR committee, company has identified the following activities as part of CSR Spendings

- Planting of Saplings in and around the Devanahalli Village.
- Contribution towards renovation of facilities at government schools and anganwadi kendra in and around Devanahalli Village.

2. The Composition of the CSR Committee:

Mr. Mani Puthan,

Mr. Rajanikanth Balaraman

Mr. Ramakrishna Kamojhala

3. Average net profit of the company for last three financial years:

Profits of the Three Previous Years		
2017-18	2018-19	2019-20
64,44,026	12,79,53,587	13,12,68,727
Average Profits		8,85,55,447

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

Rs. 17,71,109/-

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year – Rs. 1,24,700

(b) Amount unspent- Rs. 25,42,377

(Including unspent amount brought forward from previous financial year amounting to Rs. 8,95,968)

(c) Manner in which the amount spent during the financial year is detailed below. –

1	2	3	4	5	6	7	8
SL. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency*
1	Planting of Trees	Ensuring environmental sustainability, ecological balance, protection of flora and fauna	Local Area – Devanahalli, Near Bangalore	1,24,700	1,24,700	1,24,700	Directly

7. The CSR Committee is during the Financial Year had Committee Meeting on 21-09-2020 and 31-12-2020 to review and recommend the contribution to be made towards CSR Contribution of the company as per CSR objectives and Policy of the Company.

8. Reasons for not being able to apply CSR contribution in implementing the projects identified:

- Due to Covid pandemic and restriction imposed by the state and central government on the number of people gathering at a public place in undertaking activity, company could not undertake planting of saplings during the year, however, the company as during the period after the close of financial year and the date of this report, undertaken sapling plantation activity and incurred a sum of Rs. 1,24,700 towards the same.
- Due to Covid pandemic and restriction imposed by the state and central government on the functioning of the Schools and Anganwadi Kendra's, company could not actively engage in CSR activities in this area. Company is committed to undertake and complete the activities in the current financial year 2021-22.



To the Members of M/s. Unimech Aerospace and Manufacturing Private Limited
Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of M/s. **Unimech Aerospace and Manufacturing Private Limited ("the Company")**, which comprises the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss, Cash Flow Statements 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 Companies Act, 2013("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the profit and its cash flow 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.

Key audit matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we concluded 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 financial position, and financial performance, (changes in equity) of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 boards 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 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 not responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls as the Company's turnover as per latest audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, as per notification dated June 13, 2017
- 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.

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 Cash Flow Statements dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the 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) 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 does not have any pending litigations which would impact its financial position.
2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. There were no amounts which were required to be transferred to the investor education and protection fund by the company

For Tejus and Ravi Kiran
Chartered Accountants
FRN: 013418S

Tejus B S



Tejus B S
Partner
M.No: 224893
Place: Bangalore

Date: 29th November 2021
UDIN: 22224893AAAABI9621

Annexure "A" to the Independent Auditor's Report

- 1) In respect of the Company's fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
 - c) The Company has maintained proper title deeds of immovable property which are held in the name of the company.
- 2) a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the nature of business and volume of operations and the same have been properly dealt with in the books of accounts.
- 3) According to information and explanation given to us, the company granted an unsecured loan to its subsidiary company and same is covered in the register required under section 189 of the Companies Act, 2013 and the terms and conditions of the grant of such unsecured loan are not prejudicial to the company's interest and that the schedule of repayment of principal has been stipulated and that the repayments partly repaid as per the terms of repayment.
- 4) In our opinion and according to information and explanation provided, the company has granted an unsecured loan amounting to Rs.9,29,12,195/- to its subsidiary company and accordingly the provision of section 186 of the Companies Act, 2013 has been complied with; the provisions of section 186 of the Companies Act, 2013 is not applicable as the loan is granted to its subsidiary company.
- 5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
- 6) We have broadly reviewed the books of accounts relating to materials, labor and other items of costs maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We



have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

7) In respect of statutory dues:

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally and regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

- 8) In our opinion and according to the information and explanations given to us, the Company has no outstanding dues to bank during the year and the company has no defaults in repayment of loans or borrowings to the financial institutions, banks, Government or dues to debenture holders.
- 9) The Company has not raised any funds from initial public offer or further public offer including debt instruments, however, that the company has raised money by way of term loan from the bank and the loan has been applied for the purpose for which it was raised.
- 10) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- 11) The company is a private limited company and hence provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.
- 12) The Company is not a Nidhi or Chit Company and accordingly paragraph 3 (xii) of the order is not applicable to the Company.
- 13) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- 15) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
- 16) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Tejus and Ravi Kiran
Chartered Accountants
FRN: 013418S

Tejus B.S.

Tejus B S

Partner

M.No: 224893

UDIN: 22224893AAAABI9621



Place: Bangalore

Date: 29th November 2021

Unimech Aerospace and Manufacturing Private Limited

Statement of cash flows

(All amounts are in Indian rupees, except share data and where otherwise stated)

	For the period ended 31 March 2021	For the period ended 31 March 2020
Cash flows from operating activities		
Profit/Loss before tax	73,81,250	13,12,68,727
Adjustments:		
Depreciation and amortisation	1,41,59,306	92,08,546
Deferred Tax Net		
Loss on sale of assets	13,38,493	-
Interest income	(37,63,553)	(15,51,285)
Finance costs	23,26,309	10,76,165
Operating cash flows before working capital changes	2,14,41,804	14,06,02,153
Decrease (or Increase) in inventories	49,56,847	4,99,58,599
Decrease (or Increase) in receivables	(40,32,978)	1,03,71,094
Decrease (or Increase) in loans and advances	3,01,20,131	(10,71,89,237)
Increase (or Decrease) in liabilities and provisions	(5,71,00,410)	(3,40,20,688)
Cash flow from operations	(1,46,14,606)	5,91,21,921
Taxes paid	3,501.00	(2,42,00,000)
CSR Provision	(1,49,166)	(10,000)
Net cash inflow from operating activities	(1,47,60,271)	3,49,11,921
Cash flows from investing activities		
Purchase of fixed assets	(2,67,89,224)	(2,37,77,522)
Sale proceeds from assets	99,36,892	-
Interest received	37,63,553	15,51,285
Net cash used in investing activities	(1,30,88,779)	(2,22,26,237)
Cash flows from financing activities		
Long term loan	52,60,555	81,40,621
Interest & processing fee paid	(23,26,309)	(10,76,162)
Net cash generated from financing activities	29,34,246	71,64,459
Net increase in cash and cash equivalents	(2,49,14,894)	1,98,50,143
Cash and cash equivalents at the beginning of the period/year	7,02,28,815	5,03,78,672
Cash and cash equivalents at the end of the period/year	4,53,14,010	7,02,28,815

As per our report of even date attached

for **Tejus & Ravi Kiran**

Chartered Accountants

Firm registration No.: 0134185

Tejus B S

Partner

Membership No.: 224893

Date : 29/11/2021

UDIN: 22224893AAAAB/9621



For Unimech Aerospace And Manufacturing Private Limited

(Signature)

Director

(K. Ramakrishna)

DIN No. 07004517



(Signature)

Director

(PREETHAM S)

DIN - 07683268

Unimech Aerospace and Manufacturing Private Limited

Balance sheet as on 31st Mar 2021

(All amounts are in Indian rupees, except share data and where otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
Equity and liabilities			
Shareholders' funds			
Share capital	2.01	1,04,23,000	1,04,23,000
Reserves and surplus	2.02	18,83,68,144	17,33,93,812
		19,87,91,144	18,38,16,812
Non-current liabilities			
Long-term borrowings	2.03	2,20,80,795	1,68,20,237
Deferred tax Liability	2.26	-	74,29,361
Long-term provisions	2.04	3,55,78,700	7,07,50,071
		5,76,59,495	9,49,99,669
Current liabilities			
Trade payables	2.05	2,52,98,951	4,22,92,041
Other current liabilities	2.06	86,06,599	1,20,02,485
Short-term provisions	2.07	33,60,678	1,49,00,741
		3,72,66,228	6,91,95,267
		29,37,16,867	34,80,11,748
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	2.08	4,38,94,451	4,26,95,206
- Intangible assets	2.08	27,71,096	24,33,765
- Capital work-in-progress		-	1,82,040
Long-term investments	2.36	99,900	99,900
Long-term loans and advances	2.09	1,22,15,284	2,13,10,085
Deferred tax asset (net)	2.26	3,09,388	-
		5,92,90,119	6,67,20,996
Current assets			
Inventories	2.10	1,33,76,033	1,83,32,880
Trade receivables	2.11	6,46,41,510	6,06,08,532
Cash and bank balances	2.12	4,53,14,010	7,02,28,815
Short-term loans and advances	2.13	11,10,75,985	13,17,18,570
Other current assets	2.14	19,210	4,01,955
		23,44,26,748	28,12,90,752
		29,37,16,867	34,80,11,748

As per our report of even date attached

for **Tejus & Ravi Kiran**

Chartered Accountants

Firm registration No.: 013418S

Tejus B S
Tejus B S

Partner

Membership No.: 224893

UDIN: 22224893AAAAB19621

Date : 29/11/2021

Place: Bangalore



for **Unimech Aerospace And Manufacturing Private Limited**

Director
(K. Ramakrishna)
DIN No. 07004517



Director
(FREETHAM .S)
DIN - 07683268

Unimech Aerospace and Manufacturing Private Limited

Statement of Profit and Loss

(All amounts are in Indian rupees, except share data and where otherwise stated)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	2.15	20,42,82,545	45,50,06,912
Other income	2.16	1,03,70,024	3,54,91,495
		21,46,52,569	49,04,98,407
Expenses			
Cost of materials and sub-contract cost	2.17	10,29,26,444	18,49,66,154
Change in inventories of finished goods and work-in-progress	2.18	61,00,509	3,28,75,546
People cost	2.19	6,95,01,583	5,65,23,330
Finance costs	2.20	23,26,309	10,76,165
Depreciation and amortisation expense	2.08	1,41,59,306	92,08,546
Other expenses	2.21	1,22,57,168	7,45,79,939
		20,72,71,319	35,92,29,681
Profit/(Loss) before and tax		73,81,250	13,12,68,727
Tax expense			
- Current tax		-	2,42,00,000
- Previous year		3,501	
- Deferred tax		(77,38,748)	2,84,85,923
Profit / (Loss) after and tax		1,51,23,499	7,85,82,804

Earning per equity share (equity shares, par value of Rs 100 each)

Basic	2.22	145	754
Diluted	2.22	145	754
Weighted average number of equity shares outstanding			

Number of shares used in computing earnings per share

Basic & Diluted

The Company has no potentially dilutive equity shares outstanding during the year

As per our report of even date attached

for **Tejus & Ravi Kiran**

Chartered Accountants

Firm registration No.: 013418S

Tejus B S

Partner

Membership No.: 224893

UDIN: 22224893AAAABI9621

Date : 29/11/2021

Place: Bangalore



for **Unimech Aerospace And Manufacturing Private Limited**

Director
(K. Ramakrishna)
DIN No. 07004517



Director
(PREETHAM .S)
DIN - 07683268

Unimech Aerospace and Manufacturing Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian rupees, except share data and where otherwise stated)

2.01 Share capital

	As at 31 March 2021	As at 31 March 2020
Authorised share capital		
1,10,000 (previous year: 100,000) equity shares of Rs 100 each	1,10,00,000	1,10,00,000
Issued, subscribed and paid-up share capital		
1,04,230 (previous year: 104,230) equity shares of Rs 100 each, fully paid-up	1,04,23,000	1,04,23,000

(a) List of persons holding more than 5 percent of the total equity shares in the Company

Name of the share holder	As at 31 March 2021	
	% of share holding	No. of shares
(a) Mrs. Rashmi Anil Kumar	34%	35,439
(b) Mr. Ramakrishna Kamojhala	18%	18,761
(c) Mr. Mani Puthan	18%	18,761
(d) Mr. Preetham Shimoga	12%	12,508
(e) Mr. Rajanikartha Balaraman	18%	18,761

(b) The reconciliation of number of shares outstanding at the beginning and end of the reporting period/year.

Equity shares	As at 31 March 2021	
	Amount	No. of shares
Number of shares at the beginning of the year	1,04,23,000	1,04,230
Add: shares issued during the period/year	-	-
Company has agreed to issue	1,04,23,000	1,04,230

(c) Rights, preferences and restrictions attached to shares

The Company has only one class of shares referred to as equity shares having a par value of Rs 100. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company in the proportion of equity shares held by the shareholders.

All the shareholders have equal rights in all matters including dividends.

There has been no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash since the incorporation of the Company.

2.02 Reserves and surplus

	As at 31 March 2021	As at 31 March 2020
Profit and Loss - Statement of Profit		
Balance at the beginning of the year	17,25,38,094	9,47,86,842
Add/Less : Surplus (or Deficit) for the period	1,51,23,499	7,85,82,804
Less: Transfer to Corporate Social Responsibility Reserve	(18,35,525)	(8,31,551.78)
Balance at the end of the period	18,58,26,067	17,25,38,094
Corporate Social Responsibility Reserve		
Balance at the beginning of the year	8,55,718	34,166
Add : Transfer from Profit & Loss Account (*)	18,35,525	8,31,552
Less: Utilization of Reserve(**)	(1,49,166)	(10,000)
Balance at the end of the period	25,42,077	8,55,718
Total of Reserves & Surplus (A+B)	18,83,68,144	17,33,93,812



[Signature]



[Signature]

Unimech Aerospace and Manufacturing Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian rupees, except share data and where otherwise stated)

2.03 Long-term borrowings

	As at 31 March 2021	As at 31 March 2020
Secured Loans		
Machine Loan-Siemens	18,62,003	1,38,20,237
Machine Loan-SIB	92,14,621	-
Unsecured Loans		
0.01% Compulsorily Convertible Debentures - Rs 100 each	30,00,000	30,00,000
Business loans from Banks		
Business loans from Non-Banking Financial Corporations		
Loans from Directors	80,04,171	-
	2,20,80,795	1,68,20,237

2.04 Long-term provisions

	As at 31 March 2021	As at 31 March 2020
Provision for longevity bonus (Refer note 1.17 & 2.40)	3,13,36,200	2,48,82,215
Provision for warranty (Refer note 1.14 & 2.39)	-	1,51,62,332
Provision for liquidated damages (Refer note 2.41)	-	2,77,36,828
Gratuity	18,33,402	13,87,837
Compensated absences	24,09,098	15,80,859
	3,55,78,700	7,07,50,071

2.05 Trade payables

	As at 31 March 2021	As at 31 March 2020
- Dues to other creditors	2,52,98,951	4,22,92,041
- Dues to MSME creditors	-	-
	2,52,98,951	4,22,92,041

Company has not received any letter with regard to MSME status from any creditors, hence the company has not classified any dues payable to MSME.

2.06 Other current liabilities

	As at 31 March 2021	As at 31 March 2020
Statutory liabilities payable	10,79,505	16,65,440
Debt Interest	300	600
Other payables		
- Due to employees	19,51,857	31,57,687
- Due to management	41,62,558	20,02,704
- Due to others	14,12,379	51,76,054
	86,06,599	1,20,02,485

2.07 Short-term provisions

	As at 31 March 2021	As at 31 March 2020
Provision for longevity bonus (Refer note 1.15 & 2.40)	36,592	36,592
Provision for warranty (Refer note 1.12 & 2.39)	-	24,02,205
Provision for liquidated damages (Refer note 1.19 & 2.41)	-	89,97,915
Provision for employee benefits (Refer note 2.38)		
Gratuity	1,966	1,401
Compensated absences	1,42,092	1,49,822
Provision for outstanding bills	31,80,028	33,12,806
Provision for tax (net of advance tax)	-	-
	33,60,678	1,49,00,741




Unimech Aerospace and Manufacturing Private Limited
Notes to the financial statements (continued)

(All amounts are in Indian rupees, except share data and where otherwise stated)

2.09 Long-term loans and advances

	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good</i>		
Deposit held as margin money for Bank Guarantee	37,11,510	37,11,510
Rental deposits	78,07,009	1,31,50,000
Security deposits - with Govt authorities	-	2,97,469
- with Others	38,387	31,63,058
Advance tax (net of provision for tax)*	6,58,378	9,88,048
	1,22,15,284	2,13,10,085

2.10 Inventories

	As at 31 March 2021	As at 31 March 2020
Raw materials including packing materials	73,45,412	62,01,750
Work-in-progress	59,87,021	1,19,65,330
Finished goods	-	-
Disposable scrap	43,600	1,65,800
	1,33,76,033	1,83,32,880

2.11 Trade receivables

	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, Considered good</i>		
Debt outstanding less than 6 months from the due date	6,18,34,494	5,38,68,359
Debt outstanding more than 6 months	28,07,016	67,40,173
	6,46,41,510	6,06,08,532

2.12 Cash and bank balances

	As at 31 March 2021	As at 31 March 2020
Cash and cash equivalents		
Balances with banks		
- In current accounts	22,36,777	11,44,819
- In deposit accounts	4,30,75,056	6,90,50,000
Cash in hand	2,177	33,996
	4,53,14,010	7,02,28,815

2.13 Short-term loans and advances

	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good</i>		
Balance with government authorities	1,60,12,827	2,42,81,756
Capital advances*	18,07,798	1,68,99,291
Advance to employees	80,544	5,29,509
Other advance and receivables	9,31,74,816	9,00,08,014
	11,10,75,985	13,17,18,570

2.14 Other current assets

	As at 31 March 2021	As at 31 March 2020
Interest accrued on deposits	-	3,49,269
Income Tax Refund Receivable	19,210	52,686
TDS Receivables	-	-
	19,210	4,01,955




Unimech Aerospace and Manufacturing Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian rupees, except share data and where otherwise stated)

2.15 Revenue from operations

	As at 31 March 2021	As at 31 March 2020
Sale of products	20,24,39,379	45,37,81,651
Other operating income	18,43,166	12,25,261
	20,42,82,545	45,50,06,912

Refer note 2.30

2.16 Other income

	As at 31 March 2021	As at 31 March 2020
Interest income	37,63,553	15,51,285
Duty drawbacks received	22,85,992	81,37,274
Merchant exporter incentive*	43,13,889	1,10,24,459
Other non-operating income	6,590	-
Gain on foreign exchange transactions (net)*	-	1,47,78,477
	1,03,70,024	3,54,91,495

2.17 Cost of materials and Subcontract cost

	As at 31 March 2021	As at 31 March 2020
Inventory of materials at the beginning of the year	62,01,750	2,32,84,803
Add: Purchases	6,03,99,425	8,71,99,664
Less: Inventory of material at the end of the period	(73,45,412)	(62,01,750)
Consumption of materials	5,92,55,763	10,42,82,717
Add: Subcontract cost	4,36,70,681	8,06,83,436
Total	10,29,26,444	18,49,66,154

Refer note 2.29

2.18 Change in inventories of finished goods and work-in-progress

	As at 31 March 2021	As at 31 March 2020
Opening stock		
Work-in-progress	1,21,31,130	4,50,06,676
Finished goods	-	-
Closing stock		
Work-in-progress	(59,87,021)	(1,19,65,330)
Finished goods	-	-
Disposable Scrap	(43,600)	(1,65,800)
	61,00,509	3,28,75,546

2.19 People cost

	As at 31 March 2021	As at 31 March 2020
Salaries, wages and allowances	2,87,85,521	2,14,82,852
Contribution to provident and other funds	16,45,314	24,08,850
Staff welfare expenses	24,19,312	22,06,902
Manpower support cost	1,40,87,451	1,01,27,064
Directors and Key-managerial people cost	1,61,10,000	1,63,26,500
Longevity bonus (Refer not 1.15 & 2.40)	64,53,985	39,71,163
	6,95,01,583	5,65,23,330

Note - People cost consist of cost incurred for Key Managerial People, Full time employees and Part time staff.



Unimech Aerospace and Manufacturing Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian rupees, except share data and where otherwise stated)

2.20 Finance costs

	As at 31 March 2021	As at 31 March 2020
Interest on loans*	13,53,670	3,85,624
Other interest cost	9,72,339	17,295
Other financing cost	-	6,72,946
Debt Interest	300	300
	23,26,309	10,76,165

2.21 Other expenses

	As at 31 March 2021	As at 31 March 2020
Claims and Damages**	(3,67,34,743)	21,09,593
Promotion Cost	65,564	10,43,243
Travelling and conveyance	20,44,875	81,10,000
Communication expenses	3,60,530	4,20,669
Insurance	13,08,677	6,34,338
Rent(including rent equilsation)	3,11,11,382	3,10,70,101
Utilities	52,28,369	42,71,092
Repairs and maintenance		
- Factory	20,17,050	12,54,923
- Machinery and equipments	9,17,215	44,79,825
Rework and warranty cost (Refer note 1.12 & 2.39)	(1,59,90,033)	64,33,992
Legal and professional charges (*)	1,44,26,116	59,04,186
Factory expenses	19,47,526	40,86,622
Office expenses	3,64,976	5,79,413
IT expenses	16,87,077	23,08,669
Rates and taxes	76,979	75,598
Loss on sale of assets	13,38,493	-
Baddebts and writte offs	-	2,94,130
Printing and stationery	5,64,968	5,37,316
Interest on TDS	-	16,626
Bank charges	5,66,996	8,45,314
Loss on foreign exchange transactions (net)*	8,91,150	-
Miscellaneous expenses	64,000	1,04,288
	1,22,57,168	7,45,79,939



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Unimach Aerospace and Manufacturing Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian rupees, except share data and where otherwise stated)

2.08 Fixed assets

Description	Gross block			Accumulated depreciation/ amortisation/impairment				Net block	
	As at 1 April 2020	Addition	Deletion	As at 31 Mar 2021	Charge for the period	Deletions	As at 31 Mar 2021	As at 31 Mar 2021	As at 31 Mar 2020
Tangible assets, owned									
Plant and machinery	3,31,64,888	2,46,59,252	1,18,09,300	4,59,60,840	64,13,700	21,27,633	1,23,63,797	3,35,97,132	2,50,52,248
Furniture and fixtures	32,71,267	-	6,75,500	25,95,767	8,09,526	2,87,259	15,85,590	10,10,177	22,07,744
Computer	30,30,578	-	1,65,000	34,71,578	11,82,762	23,634	21,93,349	12,78,229	26,00,337
Office equipment	61,92,531	7,13,323	18,01,418	55,04,434	15,79,714	6,58,293	18,81,904	36,22,520	52,32,042
Vehicles	54,490	-	-	54,490	13,623	-	36,214	18,176	71,798
Leasehold Improvement	88,08,413	-	2,62,510	85,45,903	29,29,833	29,825	41,77,686	43,68,217	75,31,036
Sub-total (A)	5,53,28,257	2,54,08,573	1,44,03,228	6,61,33,002	1,29,33,941	31,28,344	2,22,38,449	4,38,94,451	4,26,95,205
Intangible assets, owned									
Software	33,17,804	15,62,699	-	48,80,494	12,25,259	-	21,69,538	27,71,090	24,33,765
Sub-total (B)	48,97,044	15,62,699	-	48,80,494	12,25,259	-	21,69,538	27,71,090	24,33,765
Capital work in progress	1,82,040	-	-	-	-	-	-	-	-
Total (A+B)	5,99,07,241	2,69,71,263	1,44,03,228	7,10,13,496	1,41,59,200	31,28,344	2,43,47,987	4,66,65,541	4,51,28,970




Note 1: Significant Accounting Policies

Background

Unimech Aerospace & Manufacturing Private Limited ("Unimech/Aerospace"/"the Company"), a private limited company, was incorporated on 16 July 2017 under the Companies Act, 2013 ("the Act"). The registered office of the Company is in Bangalore, India. The Company's main objective is to carry on business in manufacturing tooling's and components to be used in the aerospace sector.

1.01 Basis of accounting

The financial statements are prepared and presented under the historical cost convention, in accordance with Generally Accepted Accounting Principles in India (GAAP), on the accrual basis of accounting, except as stated herein. GAAP comprises the mandatory Accounting Standards (AS) covered by the Companies (Accounts) Rules, 2014 issued by the Central Government, to the extent applicable, and the provisions of the Companies Act, 2013 and these have been consistently applied, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Accounting policies followed in the interim financial statements are same as those followed in the most recent annual financial statements.

1.02 Use of estimates

The preparation of the financial statements in conformity with GAAP, requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liability as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognized in the period in which the results are ascertained.

1.03 Revenue recognition

Revenue from sale of goods is recognized as under:

- in the case of Free Carrier (FCA)/Free on Board (FOB) contracts, when the goods are loaded over to the carrier for transmission to the buyer after prior inspection and acceptance, if stipulated, and in the case of FCA/DOR destination contracts, if there is a reasonable expectation of the goods reaching destination within the accounting period. Revenue is recognized even if goods are retained with the Company at the request of the Customer.
- in the case of ex-works contracts, when the specified goods are unconditionally appropriated to the contract after prior inspection and acceptance.
- sales excludes duties and taxes.

Revenue from services is recognized as and when services are rendered as per the terms of the contract.

Income from Export incentives such as duty drawback and MEIS are recognised on cash basis.

Interest on deployment of funds is recognized using the time proportionate method, based on the underlying interest rates.

1.04 Fixed assets and capital work in progress

The gross block of fixed assets is stated at cost of acquisition or construction including any cost attributable to bringing the assets to their working conditions for their intended use. Borrowing costs, whether specific or general, utilized for acquisition, construction or production of qualifying assets, are capitalized as part of the cost of such assets, till the activities necessary for its intended use or sale are complete. Where the actual cost of fixed assets are not readily ascertainable, they are accounted initially on provisional basis but adjusted subsequently to cost when ascertained. The entire excess of sale proceeds over the net book value of fixed assets is credited to the statement of profit and loss. Expenditure on re-conditioning, re-sitting and re-layout of machinery and equipment which do not increase the future benefits from the existing asset beyond the previously assessed standard of performance based on the technical assessment, is not capitalized. Cost of the initial pack of spares procured with plant, machinery and equipment is capitalized and depreciated in the same manner as plant, machinery and equipment. The cost of the fixed assets not ready for their intended use before such date, are disclosed as capital work-in-progress. Indirect expenses on administration and supervision are charged to revenue.

1.05 Intangible assets

The cost of software internally generated / acquired for internal use which is not an integral part of the related hardware, is recognized as an intangible asset. Such intangible asset are amortized over a period not exceeding three years, on straight line method. Amortization commences when the asset is available for use.



1.06 Depreciation and/or amortization

Fixed assets are depreciated on straight-line method at the rates laid in the manner prescribed in Schedule II to the Companies Act, 2013. Pro-rata depreciation is charged from the date on which the assets are ready to be put to use and nominal value of 5% to be retained on gross book value for asset control purpose until disposal of the final asset.

1.07 Impairment of assets

The Company assesses the impairment of assets at each balance sheet date if events or changes in circumstances, based on internal and external factors, indicate that the carrying value may not be recoverable in full. The loss on account of impairment, which is the difference between the carrying amount and recoverable amount, is accounted accordingly. Recoverable amount is its Net Selling Price or Value in Use whichever is higher. The Value in Use is arrived at on the basis of estimated future cash flows discounted at Company's pre-tax borrowing rates.

Reversal of impairment provision is made when there is an increase in the estimated service potential of an asset, either from use or sale, on measurement after the date when impairment loss for that asset was last recognized.

1.08 Trade receivables

Full provision is made for all debts considered doubtful of recovery.

Provision for bad and doubtful debts is generally made for debts outstanding for more than three years.

1.09 Investments

Investments are categorized as Trade or Non-Trade. Trade investments are the investments made to enhance the Company's business interests. Investments are further classified either as long-term or current based on the Management's intention at the time of purchase. Long term investments are valued at acquisition cost. Any diminution in the value other than of temporary nature is provided for. Current investments are carried at lower of cost or fair value.

1.10 Inventory valuation

Cost of raw material, components and stores is ascertained by using the actual cost or weighted average cost formula and those in transit at cost to date. Cost of work in progress and finished goods include materials, direct labour and appropriate overheads.

The raw materials and supplies are valued at weighted average cost when the finished goods are expected to be sold at or above cost else at their net realizable value which is their replacement cost.

Adequate provision is made for inventory which is more than two years old which may not be required for further use.

Stores declared surplus/unserviceable/redundant are charged to revenue.

Consumables issued from main stores and lying unused at the end of the period/year are not reckoned as inventory.

Finished goods at factories include applicable excise duty.

1.11 Earnings per share

In determining earnings per share, the Company considers net profit/ (loss) after tax and includes the post-tax effect of any extraordinary item. The number of equity shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the period.

1.12 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at the fair value of the assets or the present value of the minimum lease payments at the inception of the lease whichever is lower. Lease payments under operating lease are recognized as an expense on a straight line basis in the statement of profit or loss account over the lease term.

1.13 Pre-incorporation/ preliminary expenses

These are charged to revenue in the year of commercial production.



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1.14 Provision for warranties

Provision for warranty represents cost associated with defects rectification which are accrued at the time of recognition of revenues and are expected to be utilized or spent up to two years from the date of balance sheet. Liability is ascertained at the Balance Sheet date using actuarial valuation.

Potential expenditure on account of engineering defects, handling or packing defects, performance guarantee and replacement / repairs for the goods sold is made on the basis of past trends. Company currently providing provision towards this risk at 2% of dispatches made in last twenty four months.

1.15 Foreign currency transactions

Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at period-end rates. The resultant exchange differences arising from settlement of transactions during the period and translations at the period end relating to acquisition of fixed assets from a place outside India are adjusted to relevant capital asset.

1.16 Employee benefits

Incremental liability for payment of long term compensated absences such as annual and other types of leave is determined as the difference between present value of the obligation determined annually on actuarial basis using projected unit credit method and the carrying value of the provision contained in the balance sheet and provided for.

Defined contribution to the Employee Provident Fund is made on monthly accrual basis at the applicable rates.

Incremental liability for payment of gratuity to employees is determined as the difference between present value of the obligation determined annually on actuarial basis using Projected Unit Credit Method and the Fair Value of Plan Assets funded in an approved Fund set up for the purpose for which periodical contributions are made.

Actuarial liability for the period is determined with reference to employees at the end of period.

1.17 Longevity bonus

Longevity bonus liability is accrued for certain class of Key managerial persons, as may be decided by the Board from time to time to recognize their immense contribution in driving the organization, and payable upon their resignation or exit from the company or substantial changes in the composition of promoter Board. Amount to be payable is equal to 20% of best remuneration of the year multiplied by number of years of completion of service.

Longevity bonus is recognized as liability at the present value of the defined benefit obligation using actuarial valuation at the Balance sheet date.

1.18 Prior period adjustments and extraordinary items

Prior period adjustments and extraordinary items having material impact on the financial affairs of the Company are disclosed.

1.19 Tax expenses

Tax expense comprising current tax after considering deferred tax as determined under the prevailing tax laws are recognized in the statement of profit and loss for the year/period.

Certain items of income and expenditure are not considered in tax returns and financial statements in the same period. The net tax effect calculated at the current enacted tax rates of this timing difference is reported as deferred income tax asset / liability. The effect on deferred tax assets and liabilities due to change in such assets / liabilities as at the end of the accounting period as compared to the beginning of the period and due to a change in tax rates are recognized in the statement of profit and loss for the period/year. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets / liabilities are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Assets and liabilities representing current and deferred tax are disclosed on a net basis when there is a legally enforceable right to set off and management intends to settle the asset and liability on a net basis.

1.20 Provision and contingent liabilities

Provisions for losses and contingencies arising as a result of a past event where the management considers it probable that a liability may be incurred, are made on the basis of the best reliable estimate of the expenditure required to settle the present obligation on the Balance Sheet date, and are not discounted to its present value. Provisions are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Significant variations thereof are disclosed. Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

Claims against the company

- Claims on suppliers / underwriters / carriers towards loss / damages, claims for export subsidy, duty drawbacks, and claims on Customs department for refunds are accounted when claims are preferred.
- Claims for Liquidated damages by / against the Company are recognized in accounts on provisional basis.
- No provision is made for liabilities which are contingent in nature, but if material, are disclosed by way of notes.



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Unitech Aerospace and Manufacturing Private Limited
Notes to the financial statements (continued)
(All amounts are in Indian rupees, except share data and where otherwise stated)

	As at 31 March 2021	As at 31 March 2020
2.22 Basic and diluted earning per share		
Profit for the period	1,51,23,499	7,85,82,804
Weighted average number of equity shares outstanding during the period	1,04,230	1,04,230
Face value of equity shares	100	100
Basic Earning Per Share	145	754
Number of equity shares after potential conversion and sweaty equity shares	1,04,230	1,04,230
Adjusted net profit for the year after interest on debentures	1,51,23,799	7,85,83,104
Diluted Earning Per Share	145	754
2.23 Auditors' remuneration (included in legal and professional charges)	As at 31 March 2021	As at 31 March 2020
Statutory audit	50,000	50,000
Other Audits	1,00,000	1,00,000
Advisory services	50,000	50,000
	2,00,000	2,00,000
2.24 Deferred Tax	As at 31 March 2021	As at 31 March 2020
Deferred Tax Assets on account of timing difference		
Gratuity provision	1,15,994	3,49,671
Leave provision	2,13,332	5,03,342
Disallowance U/s 40(a)(ia) & U/s 37	-	(83,26,848)
Depreciation difference	(19,939)	44,475
Deferred tax (liability)/Asset	3,09,388	(74,29,360)
Less: Existing Deferred Tax Asset on account of timing difference	(74,29,360)	2,10,56,562
Net Deferred Tax (Liability)/Asset	77,38,748	(2,84,85,923)

2.25 Leases

The Company do not have any non cancellable leases

2.26 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st Mar 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period;	Nil	Nil
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the period;	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil



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Unimech Aerospace and Manufacturing Private Limited
Notes to the financial statements (continued)
 (All amounts are in Indian rupees, except share data and where otherwise stated)

2.27 Particulars of raw materials and components consumed

	As at 31 March 2021	As at 31 March 2020
Raw materials	4,22,14,003	7,78,39,357
Packing materials	16,07,255	2,81,195
Standard bought-out items	96,46,558	1,80,89,746
Cutting tools	45,33,606	18,36,728
Other production consumables	12,54,341	62,33,692
	<u>5,92,55,763</u>	<u>10,42,82,717</u>
		% Amount
Imported	16% 96,27,644	17% 1,80,89,746
Indigenous	84% 4,96,28,119	83% 8,61,92,971
	<u>5,92,55,763</u>	<u>10,42,82,717</u>

2.28 Particulars of sales

	As at 31 March 2021	As at 31 March 2020
Export sales	20,24,39,379	45,37,81,651
Domestic sales	18,43,166	12,25,261
	<u>20,42,82,545</u>	<u>45,50,06,912</u>

2.29 CIF value of imports

	As at 31 March 2021	As at 31 March 2020
Capital goods	-	-
Components	1,22,51,128	2,29,73,977
	<u>1,22,51,128</u>	<u>2,29,73,977</u>

2.30 Expenditure in foreign currency

	As at 31 March 2021	As at 31 March 2020
Travel and conveyance	4,20,207	28,33,673
	<u>4,20,207</u>	<u>28,33,673</u>

2.31 Earnings in foreign currency

	As at 31 March 2021	As at 31 March 2020
F.O.B value of export sales	20,24,39,379	45,37,81,651
	<u>20,24,39,379</u>	<u>45,37,81,651</u>

2.32 Unhedged foreign currency exposures

Receivables & Payables	As at 31st March 2021	As at 31st March 2020
	Amount (in FC) Amount (in INR)	Amount (in FC) Amount (in INR)
USD	3,13,715 2,25,49,308	7,68,543 5,50,60,731
GBP	- -	695 58,415
EURO	2,71,772 2,35,39,378	12,301 9,79,865
	<u>5,85,487 4,60,88,686</u>	<u>7,81,539 5,60,99,011</u>

2.33 Borrowing cost

None of the capital assets falls under the category of 'qualifying asset' under the definition of 'AS-16 Borrowing cost' hence interest cost of loan borrowed for capital assets have not been capitalized.



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2.34 Related party transactions

(i) Names of related parties and description of relationships :

Entities where control exists

1. Entity with common management	M/s Unimech Consulting Engineers
2. Key managerial persons (KMPs)	Mr. Anil Kumar Puthan Mr. Rajanikanth Balaraman Mr. Ramakrishna Karnojhala Mr. Mani Puthan Mr. Preetham Shimoga
3. People having controlling interest in the business (excl KMPs)	Mrs. Rashmi Anil Kumar Puthan
4. Subsidiary Company	M/s Innomech Aerospace Toolings Private Limited

(ii) Transactions with related parties:

	As at 31 March 2021	As at 31st March 2020
Professional consultancy charges		
Mr. Anil Kumar Puthan	43,80,000	44,51,500
Mrs. Rashmi Anil Kumar	9,80,000	1,25,000
Mr. Ramakrishna Karnojhala	45,00,000	28,75,000
Mr. Mani Puthan	30,00,000	27,50,000
Mr. Preetham Shimoga	30,00,000	31,25,000
Mr. Rajanikanth Balaraman	-	-
Reimbursement of expenses		
Mr. Anil kumar Puthan	1,85,026	7,01,527
Mr. Ramakrishna Karnojhala	4,41,011	4,79,363
Mr. Mani Puthan	2,05,367	18,963
Mr. Preetham Shimoga	5,88,481	4,57,710
Mr. Rajanikanth Balaraman	-	-
Directors' loan - Borrowed(or Repaid)		
Mr. Ramakrishna Karnojhala	80,00,000	-
Mr. Rajanikanth Balaraman	0	-
Interest on Loan		
Mr. Ramakrishna Karnojhala	4,171	-
Mr. Rajanikanth Balaraman	0	-
Current liabilities		
Other payables & accruals- Anil kumar Puthan	12,24,689	-
Other payables & accruals- Rashmi Anil kumar	2,00,315	5,88,689
Other payables & accruals- Mani Puthan	7,21,250	11,98,513
Other payables & accruals - Preetham	7,71,250	1,27,323
Other payables & accruals - Ramakrishna Karnojhala	12,45,054	88,179
Other payables & accruals- Rajanikanth Balaraman	-	-
v) Loan Paid to Innomech Aerospace Toolings Private Limited	9,29,12,195	8,90,64,836
vi) Sales & service to Innomech Aerospace Toolings Pvt. Ltd.		
Sales - Raw material	20,06,893	7,79,274
Service - Subcontract	2,29,90,817	-



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2.35 Investments

	As at 31st March 2021	As at 31st March 2020
Long term		
Non-Trade		
- Investment in Wholly owned subsidiary company	99,900	99,900
Current - Trade	-	-
Total Investments	<u>99,900</u>	<u>99,900</u>

The company has floated a new 100% wholly owned subsidiary company in the name of M/s Innomech Aerospace Tooling Pvt Ltd on 26th October 2018, to setup a dedicated factory for exports in Aerospace Special Economic Zone (SEZ) in Devanahalli, Bangalore. This unit focuses on heavy structural toolings and precision parts required for overseas customers.

The authorized capital of the company is INR 1,000,000 divided of 10,000 shares of INR 100 each. The subscribers to the memorandum are:

- (a) M/s Unimech Aerospace and Manufacturing Pvt Ltd - 999 shares - INR 99,900/-
 (b) Mr. Anilkumar Putan - 1 share - INR 100/-

2.36 Disclosure related to borrowings

	Loans	Loan Borrowed (INR)	Loan repaid during the year	Repayable < 365 days	Repayable > 365 days
1	Unsecured Loan from HDFC bank Ltd (*)	-	-	-	-
2	Unsecured Loan from Capital First Pvt Ltd (*)	-	-	-	-
3	Machine loans from Siemens Financial Services Pvt Ltd (*)	-	19,78,812	18,62,003	-
4	Machine Loan From South Indian Bank	-	12,17,286	20,86,776	71,27,845
5	Debenture subscribed by Mrs. Shakuntala	15,00,000	-	-	15,00,000
6	Debentures subscribed by Mr. Shankar	15,00,000	-	-	15,00,000
7	Loan from Directors - Ramakrishna K	80,00,000	-	80,00,000	-
	Total	1,10,00,000	31,96,098	1,19,48,779	1,01,27,845

2.37 Disclosure on movement of provision as per AS29

List of Provision	Opening Balance	Provision made during the year	Utilization	Closing Balance
Provision for Gratuity	13,89,238	4,46,130	-	18,35,368
Provision for Compensated leaves	17,30,681	8,20,509	-	25,51,190
Provision for Outstanding bills	33,12,806	28,85,609	30,18,387	31,80,028
Provision for Performance bonus	-	-	-	-
Provision for Warranty	1,75,64,537	-	1,75,64,537	-
Provision for Liquidated damages	3,67,34,743	-	3,67,34,743	-
Provision for Longevity bonus	2,49,18,807	64,53,985	-	3,13,72,792



[Signature]



2.38 Employee benefits

Disclosure as per AS 15 - R - Defined Benefit Plans

Assumptions	As at 31st March 2021	
	For Gratuity	For Leaves
Discount rate	7.22%	7.22%
Expected rate of return on plan assets	0.00%	0.00%
Expected rate of salary increase	28%	8%
Attrition rate	60%	5%
Retirement age	60 years	60 years
Change in benefit obligations	For Gratuity	For Leaves
Obligations at period beginning (01.04.2017) - Current	-	-
Obligations at period beginning - Non-current	-	-
Service Cost	15,89,238	17,30,681
Interest on Defined benefit obligation	8,09,467	14,15,729
Benefits settled (* Amount paid to trust)	94,746	1,18,032
Actuarial (gain)/loss	(4,28,083)	(7,13,253)
Obligations at period end	18,35,368	25,51,189
Current Liability (within 12 months)	1,966	1,42,092
Non Current Liability	18,33,402	24,09,097

2.39 Longevity bonus

Particulars	31st March 2021	31st March 2020
The principal actuarial assumptions used at the balance sheet date are as follows :		
Discount rate per annum	7.22%	6.82%
Remuneration escalation for future years	8.00%	8.00%
Resignation rate	5.00%	5.00%
Mortality rate	0.003103	0.003103
Obligation at the end of the year		
Non-current portion	3,13,26,723	2,48,82,215
Current portion	46,069	36,592
Charges to Statement of Profit and Loss account	64,53,985	39,71,163

Refer note 1.17 for details of policy and scope

2.40 Potential claims and damages

The company has decided to reverse this provision of claims of customer penalties because the company has 4 year experience on this business, hence this provisions not required due to past experiences as per the management view.

2.41 Warranty liability

The company has decided to reverse this provision of warranty liability because the company has 4 year experience on this business, hence this provisions not required due to past experiences as per the management view.

2.42 The comparative figures have been re-grouped/reclassified wherever necessary to conform to the current period's presentation.

2.43 The company has capitalised exchange difference arising on capital import advance paid for machinery purchase.

2.44 The company has started new business in health care segments, product like disinfection UV product, clear air system etc.

2.45 The company has paid short term borrowings to his subsidiary but amount has not received due to covid.

2.46 The company has made sales and service to his subsidiary company at arm's length price as per section 188 as per companies act and board has approved this transaction on 01/04/2020.

2.47 Corporate Social Responsibility

a) Gross amount required to be spent by the company during the year is Rs.18,35,525/-

b) Amount spent during the year is Rs.1,49,166/-

c) Amount unutilized including previous year is Rs.25,42,077/-

The Company could not transfer the funds to the CSR bank account as the Axis bank had closed the current account along with CSR account of the company without giving any prior information.

As per our report of even date attached
for Tejus & Ravi Kiran
Chartered Accountants
Firm registration No.: 0134185

Tejus B.S.

Tejus B.S.
Partner
Membership No.: 224893
UDIN: 22224893AAAA819621
Date : 29/11/2021
Place: Bangalore



for Unimech Aerospace And Manufacturing Private Limited

Director
(K. Ramakrishna)
DIN No. 07004517

Director
(PREETHAM S)
DIN - 07683268

