

INDEPENDENT AUDITORS' REPORT

To the Members of Enertech Pennar Defense and Engineering Systems Pvt. Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Enertech Pennar Defense and Engineering Systems Pvt. Ltd. ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of Profit and Loss (including other comprehensive income), 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, 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 Act. Our responsibilities under those SAs 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 year. 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.



Key audit matter	Response to key audit matter
<p>Contract accounting and revenue recognition</p> <p>The Company recognizes revenue from procurement and installation of light weight steel buildings and other related civil works over a period of time. The Company transfers control of goods and services over time and therefore satisfies a performance obligation and recognizes revenue over the period of the contract as the Company's performance creates an asset that the customer controls. Further the Company has a contractual right to payment for the performance completed to date.</p>	<p>Our procedures includes the following:</p> <ul style="list-style-type: none"> - We have obtained an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls in relation to revenue recognition;

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 statements 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 Responsibilities 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 auditors' 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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 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 "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) 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 (including other comprehensive income), the statement of changes in equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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 31 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 adequacy of the internal financial controls over financial reporting with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) 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:

The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts to the financial statements;

- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

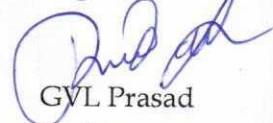
In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place: Hyderabad

Date: 24.05.2021

UDIN: 21026548AAAAFE4730

For Rambabu & Co.,
Chartered Accountants
Reg. No.0029766


GVL Prasad
Partner
M. No. 026548



Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- 2) In respect of Inventories:
 - a) As explained to us the inventories have been physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.
 - c) In our opinion and according to the information and explanations given to us the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- 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 3 (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 186 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) We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government of India under Section 148(1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 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 is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, 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, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- c) In our opinion there are no amounts required to be transferred to Investor Education and Protection Fund by the company.
- 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 financial institution or banks. The Company has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 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, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;



- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (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 any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are 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 3 (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 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Hyderabad
Date: 24.05.2021

For Rambabu & Co.,
Chartered Accountants
Reg. No.0029765


GVL Prasad
Partner
M. No. 026548



UDIN: 21026548AAAAFE4730

"Annexure B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Enertech Pennar Defense and Engineering Systems Pvt. Ltd ("the Company") as of March 31, 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 Company's management responsible for establishing and maintaining internal financial controls base 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, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 judgement, 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 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 authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



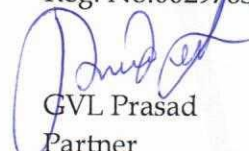
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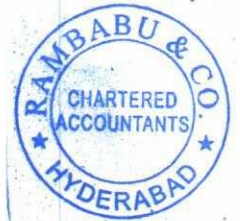
In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria 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.

Place: Hyderabad
Date: 24.05.2021

UDIN: 21026548AAAAFE4730

For Rambabu & Co.,
Chartered Accountants
Reg. No.002976S


GVL Prasad
Partner
M. No. 026548



M/s. ENERTECH PENNAR DEFENSE AND ENGINEERING SYSTEMS PVT LTD
3rd Floor, DHFLVC Silicon Towers, Madhapur Road, Kothaguda, Kondapur, Hyderabad - 500 084

Balance Sheet as at 31 March, 2021

S.No	Particulars	Note	(Amount in Rs.)	
			As at 31.03.2021	As at 31.03.2020
I	ASSETS			
1	Non-current assets			
	a) Fixed assets			
	(i) Tangible assets	3	62,585	47,698
	(ii) Intangible assets			-
	Other Financial Assets	4	1,25,53,081	1,18,85,904
			1,26,15,666	1,19,33,602
2	Current Assets			
	Inventories	5	6,09,89,134	42,60,624
	Financial assets			
	(a) Trade receivables	6	2,32,85,927	1,43,66,972
	(b) Cash and cash equivalents	7	1,08,20,453	37,59,794
	(c) Other Financial Assets	8	99,227	16,288
	Other current assets	9	2,79,04,693	2,38,61,653
			12,30,99,434	4,62,65,331
	TOTAL		13,57,15,100	5,81,98,933
II	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	10	1,00,000	1,00,000
	(b) Other equity	11	1,75,98,032	1,13,90,826
			1,76,98,032	1,14,90,826
2	Non Current liabilities			
	Deferred tax Liabilities (Net)		4,794	2,041
3	Current liabilities			
	(a) Short term borrowings	12	1,80,00,000	1,00,00,000
	(b) Trade payables	13	9,81,52,440	3,57,05,999
	(c) Other current liabilities	14	11,48,895	3,59,763
	(d) Short term provisions(net)	15	7,10,937	6,40,303
			11,80,17,066	4,67,08,107
	TOTAL		13,57,15,100	5,81,98,933

See accompanying notes forming part of the financial statements I to 28

In terms of our report attached.

For Rambabu & Co.,
Chartered Accountants
Firm Reg.No:002976S

G V L Prasad
Partner
M.No.026548

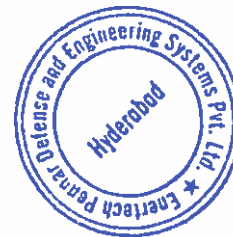


Place : Hyderabad
Date 24-05-2021

For and on behalf of the Board

Aditya Narsing Rao

Aditya Narsing Rao
Director
DIN No.01307343



Rishab Chadha

Rishab Chadha
Director
DIN No.00809985

M/s. ENERTECH PENNAR DEFENSE AND ENGINEERING SYSTEMS PVT LTD

3rd Floor, DHFLVC Silicon Towers, Madhapur Road, Kothaguda, Kondapur, Hyderabad - 500 084

Statement of Profit and Loss for the year ended 31 March, 2021

S.No.	Particulars	Note.	For the year ended 31.03.2021	For the year ended 31.03.2020
1	Revenue from operations	16	12,04,01,899	6,19,70,491
	Other Income	17	21,21,414	15,88,144
	Total revenue		12,25,23,313	6,35,58,635
2	Expenses			
	(a) Cost of consumption	18	16,26,84,978	5,46,40,323
	(b) Change in Inventories of WIP	19	(5,67,28,510)	(42,60,624)
	(c) Employee benefits expense	20	43,93,515	12,99,968
	(d) Finance costs	21	21,13,119	15,94,962
	(e) Other expenses	22	16,02,655	7,80,132
	(f) Depreciation	3	29,515	7,094
	Total		11,40,95,272	5,40,61,856
3	Profit before Tax		84,28,041	94,96,779
4	Tax expense		84,28,041	94,96,779
	(a) Current year tax		22,18,081	24,36,815
	(b) Deffered tax (Assets) / Liability		2,753	2,896
	Other comprehensive income for the period (net of tax)		-	-
	Total comprehensive income for the period (net of tax)		-	-
5	Net profit after Tax		62,07,207	70,57,069
	Earning per share (Nominal Value of 10/- each):			
	Basic and diluted earning per share	23	620.72	705.71

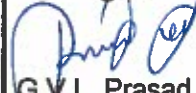
See accompanying notes forming part of the financial statements 1 to 28

In terms of our report attached.

For Rambabu & Co.,

Chartered Accountants

Firm Reg.No:002976S


GVL Prasad
Partner
M.No.026548Place : Hyderabad
Date : 24-05-2021

For and on behalf of the Board

Aditya Narsing Rao
Director
DIN No.01307343
Rishab Chadha
Director
DIN No.00809985

M/s. ENERTECH PENNAR DEFENSE AND ENGINEERING SYSTEMS PVT LTD					
3rd Floor, DHFLVC Silicon Towers, Madhapur Road, Kothaguda, Kondapur, Hyderabad - 500 084					
4	OTHER FINANCIAL ASSETS				
	Particulars		As at 31.03.2021	As at 31.03.2020	
			Rs.	Rs.	
	Earnest Money Deposit		12,553,081	11,885,904	
Total		12,553,081	11,885,904		
5	INVENTORIES				
	Particulars		As at 31.03.2021	As at 31.03.2020	
			Rs.	Rs.	
	Work-In-Progress		60,989,134	4,260,624	
Total		60,989,134	4,260,624		
6	TRADE RECEIVABLES				
	Particulars		As at 31.03.2021	As at 31.03.2020	
			Rs.	Rs.	
	Outstanding for a period exceeding six months			-	
Other Trader Receivables		23,285,927	14,366,972		
Total		23,285,927	14,366,972		
7	CASH AND BANK BALANCES				
	Particulars		As at 31.03.2021	As at 31.03.2020	
			Rs.	Rs.	
	Cash and Cash Equivalents				
	Cash on hand		472,344	840,544	
	Balances with banks				
	In Current Accounts		7,348,109	50,208	
In Deposit Account		3,000,000	2,869,042		
Total		10,820,453	3,759,794		
8	OTHER FINANCIAL ASSETS				
	Particulars		As at 31.03.2021	As at 31.03.2020	
			Rs.	Rs.	
	Accured Interest on FD		75,227	16,288	
Rental Deposit		24,000	-		
Total		99,227	16,288		
9	OTHER CURRENT ASSETS				
	Particulars		As at 31.03.2021	As at 31.03.2020	
			Rs.	Rs.	
	Advance to Suppliers		20,967,809	23,350,238	
GST Inputs		6,936,884	511,415		
Total		27,904,693	23,861,653		
10	SHARE CAPITAL				
	Particulars		As at 31.03.2021	As at 31.03.2020	
			Rs.	Rs.	
Authorised Share Capital					
10,000 Equity shares of Rs.10 each with voting rights		100,000	100,000		
(Previous year 10,000 Equity shares of Rs. 10 each with voting rights)					
10.1	Issued, Subscribed and fully paid up				
	10,000 Equity shares of Rs.10 each with voting rights		100,000	100,000	
10.1.1	All Equity shares issued by the Company carry equal voting and participatory rights.				
10.1.2	The reconciliation of the no. of shares outstanding is set out below				
	Particulars		As at 31.03.2021	As at 31.03.2020	
	Equity shares at the beginning of the year		-	-	
	Equity shares at the end of the year		10,000	10,000	
10.1.3	The details of share holders holding more than 5% shares				
	Name of the share holder	As at 31.03.2021		As at 31.03.2020	
		No of shares	% held	No of shares	% held
	Pennar Industries Limited	5,100	51.00	5,100	51.00
	Epizon Infra and Engineering Private Limited	4,900	49.00	4,900	49.00

11	OTHER EQUITY		
	Particulars	As at 31.03.2021	As at 31.03.2020
		Rs.	Rs.
	(a) Statement Profit and Loss		
	Opening balance	11,390,826	4,332,903
Add: Profit for the year	6,207,206	7,057,923	
Closing balance	6,207,206	7,057,923	
Total	17,598,032	11,390,826	
12	SHORT TERM BORROWINGS		
	Particulars	As at 31.03.2021	As at 31.03.2020
		Rs.	Rs.
	Short Term Borrowings	18,000,000	10,000,000
	Total	18,000,000	10,000,000
13	TRADE PAYABLES		
	Particulars	As at 31.03.2021	As at 31.03.2020
		Rs.	Rs.
	Dues to micro and small enterprises	-	-
	Dues to other than micro and small enterprises	98,152,440	35,705,999
Total	98,152,440	35,705,999	
14	OTHER CURRENT LIABILITIES		
	Particulars	As at 31.03.2021	As at 31.03.2020
		Rs.	Rs.
	<i>i) Statutory remittances</i>		
	TDS Payable	175,898	31,888
	Professional Tax Payable	4,000	1,650
	<i>ii) Interest Payable</i>	554,238	207,125
	<i>iii) Salaries and wages payable</i>	414,759	119,100
Total	1,148,895	359,763	
15	SHORT TERM PROVISIONS(NET)		
	Particulars	As at 31.03.2021	As at 31.03.2020
		Rs.	Rs.
	Provision for taxes (net of Prepaid Taxes)	710,937	640,303
	Total	710,937	640,303

16	REVENUE FROM OPERATIONS		
	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
		Rs.	Rs.
	Sale of Goods	13,88,50,940	7,65,48,243
	Less: GST	1,84,49,041	1,45,77,752
	Net Revenue from Operations	12,04,01,899	6,19,70,491
17	OTHER INCOME		
	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
		Rs.	Rs.
	Interest on Loans	13,99,999	14,03,835
	Interest on Fixed Deposits	1,52,997	1,84,309
	Liabilities no Longer Payable	5,68,418	-
	Total	21,21,414	15,88,144
18	COST OF CONSUMPTION		
	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
		Rs.	Rs.
	a) Material consumed:		
	Add: Purchases during the year	5,91,96,872	1,69,48,402
		5,91,96,872	1,69,48,402
	b) Other operating expenses		
	Erection, Testing and Commissioning Charges	10,34,88,106	3,76,91,921
	Cost of material consumed	16,26,84,978	5,46,40,323
19	CHANGES IN INVENTORIES OF WORK-IN-PROGRESS		
	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
		Rs.	Rs.
	Opening Work-In-Progress	42,60,624	-
	Closing Work-In-Progress		
	Finished Goods	-	-
	Material	-6,09,89,134	-42,60,624
	Increase in Work-In-Progress	5,67,28,510	42,60,624
20	EMPLOYEE BENEFITS EXPENSE		
	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
		Rs.	Rs.
	Salaries and wages	39,20,915	12,99,968
	Staff Welfare Expenses	4,72,600	-
	Total	43,93,515	12,99,968
21	FINANCE COST		
	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
		Rs.	Rs.
	Interest on Loans	19,76,358	14,03,836
	Interest on TDS Payments	9,162	32,017
	Interest on Income tax	1,27,599	1,59,109
	Total	21,13,119	15,94,962
22	OTHER EXPENSES		
	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
		Rs.	Rs.
	Consultancy Charges	56,000	71,600
	Rates and Taxes	62,417	19,400
	Bank Charges	3,264	2,713
	GST Late Filing Charges	2,51,664	2,400
	Travelling Expenses	6,97,662	4,36,518
	Payments to Auditors	2,00,000	2,00,000
	Office Expenses	38,096	20,000
	Professional tax	7,500	7,500
	Rent	2,56,000	20,000
	Tender Fee	3,195	-
	Electricity Charges	26,857	-
	Total	16,02,655	7,80,132
22.1	Payments to the auditors comprises (Excluding GST)		
	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
		Rs.	Rs.
	Audit Fee	1,50,000	1,50,000
	Tax Audit Fee	50,000	50,000
	Total	2,00,000	2,00,000

23	EARNING PER SHARE		
	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
	Net profit attributable to equity Share holders	62,07,207	70,57,069
	No of Equity Shares	10,000	10,000
	Basic and diluted Earning per Share `	620.72	705.71

24 **CONTINGENT LIABILITIES: Not Acknowledged as debt**

25 **Related Party Disclosures**

	Relationship	Name
25.1	Key Management Personnel	Aditya Narsing Rao Rishab Chadha
	Holding Compnay	Pennar Industries Ltd
	Fellow Subsidiary Compnay	Pennar Global Inc Pennar GMBH Pennar Global Metal Ascent Buildings Oneworks BIM Technologies Pvt Ltd

25.2 **Aggregate Related Party Transactions :**

SI No	Particulars	Holding Company	Holding Company
	Particulars	31.03.2021	31.03.2020
1	Sales Made during the year	4,93,86,468	13,00,000
2	Services Received during the year	1,38,44,850	2,80,61,819
3	Purchases Made during the year	5,53,37,260	65,08,551
4	Interest paid during the year	19,76,358	-
5	Inter Corporate Deposit Received during the year	80,00,000	-
6	Balances payable	9,59,46,528	2,98,66,389
7	Balance Receivables	-	1,30,36,100
8	Interest Payable	2,89,369	-
9	Incorporate Deposit payable	1,80,00,000	-

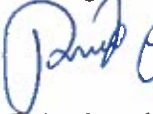
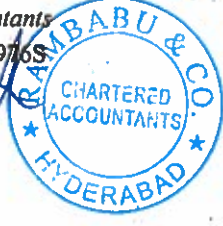
26 **Dues to Micro,Small and Medium Enterprises**
The identification of micro, small and medium enterprise suppliers as defined under the provisions of "Micro, small and medium enterprises Act, 2006" is based on Management's knowledge of their status. Disclosure of Sundry Creditors is based on the information available with the company regarding the status of suppliers as defined under the ' Micro, Small and Medium enterprises development (Act 2006)' and is relied upon by the Auditors.

27 **Confirmations are not received in respect of the amounts relating to trade receivable, trade payables.**

28 **Figures are rounded off to nearest rupee**

In terms of our report attached.


For Rambabu & Co.,
Chartered Accountants
Firm Reg.No:002976S


G V L Prasad
Partner
M.No.026548



For and on behalf of the board



Aditya Narsing Rao
Director
DIN No.01307343



Rishab Chadha
Director
DIN No.00809985

Place : Hyderabad
Date : 24-05-2021

Enertech Pennar Defense and Engineering Systems Private Limited
Cash Flow Statement for the year ended March 31, 2021
 (All amounts in ₹)

Particulars	For 31st March 2021	For 31st March 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	84,28,041	94,96,779
<u>Adjustments for :</u>		
Depreciation and amortisation expense	29,515	7,094
Finance costs	21,13,119	15,94,962
Interest income		
Operating profit before working capital changes	1,05,70,675	1,10,98,836
<u>Changes in operating assets and liabilities:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	(5,67,28,510)	(42,60,624)
Trade receivables	(89,18,955)	(12,57,683)
Other non current assets	(6,67,177)	
Other Financial assets	(82,939)	-
Other current asset	(40,43,040)	(1,38,77,941)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	6,24,46,441	2,03,56,351
Other financial liabilities	7,89,132	(11,15,034)
Other Current Liabilities		
Cash generated from operations	33,65,627	1,09,43,904
Net income taxes paid	(21,47,448)	(33,18,884)
Net cash flow (used in) / generated by operating activities (A)	12,18,179	76,25,020
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment towards purchase of plant and equipment	(44,401)	(54,792)
Fixed Deposits	-	(85,59,504)
Interest received	-	-
Net cash flow used in investing activities (B)	(44,401)	(86,14,296)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short term borrowings	80,00,000	
Interest paid on Borrowing	(21,13,119)	(15,94,962)
Net cash flow from / (used in) financing activities (C)	58,86,881	(15,94,962)
Net increase in cash and cash equivalents (A+B+C)	70,60,659	(25,84,238)
Cash and cash equivalents at the beginning of the year	37,59,794	63,44,032
Cash and cash equivalents at the end of the year	1,08,20,453	37,59,794
Cash and cash equivalents comprises of: (refer note 5)		
Cash on hand	4,72,344	8,40,544
Balances with Banks		
- in current accounts	73,48,109	50,208
- in deposit accounts	30,00,000	28,69,042
	1,08,20,453	37,59,794

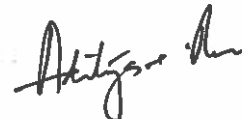
In terms of our report attached.

For and on behalf of the Board of Directors

For RAMBABU & Co.,
 Chartered Accountants
 Firm Reg No: 0029765

G V L Prasad
 Partner
 Membership.No:026548

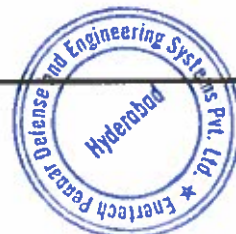
Place : Hyderabad
 Date : 24-05-2021



Aditya Narsing Rao
 Director
 DIN 01307343



Rishab Chadha
 Director
 DIN 00809985



NOTE 3 : FIXED ASSETS

Amount in Rs.

Particulars	Gross Block			Depreciation Block		Net Block	
	As at 01-04-2020	Additions during the year	As at 31-03-2021	For the year	As at 31-03-2021	As at 31-03-2020	
a) Tangible Assets							
Computer	47,698	44,401	92,099	29,515	62,584	47,698	
TOTAL (a)	47,698	44,401	92,099	29,515	62,584	47,698	
b) Intangible Assets							
		-	-				
TOTAL (b)		-	-				
TOTAL (a+b)	47,698	44,401	92,099	29,515	62,584	47,698	
Previous year Figures							

