



aerpace Industries Limited

(Formerly known as Supremex Shine Steels Limited)

12th Annual Report 2022-23

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Corporate Information

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BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mrs. Amisha Milan Shah
Chairperson & Non-Executive Director

Mr. Virendra Singh Verma
Non-Executive Independent Director

Mr. Milan Bhupendra Shah
Managing Director

Mr. Prem Singh Rawat
Additional - Non-Executive Director (w.e.f. 2nd September 2023)

Mr. Sanjay Ram Takale
Non-Executive Director

Mr. Anand Manoj Shah
Chief Financial Officer (w.e.f. 10th March 2023)

Mrs. Akanksha Sunny Bilaney
Non-Executive Independent Director

Ms. Shalaka Modi
Company Secretary

STATUTORY AUDITORS

M/s. Singrodia & Co LLP.,
Chartered Accountants, Mumbai

INTERNAL AUDITORS

M/s. Rohit Gondhiya & Associates
Chartered Accountants, Mumbai

SECRETARIAL AUDITORS

M/s. SCP & Co.,
Company Secretaries, Mumbai

BANKERS

ICICI Bank
Mumbai

REGISTERED OFFICE

Kanakia Wall Street, No -1005, 10th Floor, A Wing, Andheri
—Kurla, Road, Andheri (east), Mumbai- 400093,
Maharashtra

Phone: 022 69245000
Website: www.supremexshinesteels.in
E-mail: infosupremexshine@gmail.com

REGISTRAR & SHARE TRANSFER AGENTS

PURVA SHAREGISTRY (INDIA) PVT. LTD.
Address: No-9, Shiv Shakti Industrial Estate, Ground Floor, J. R.
Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai -
400 011

Phone: 022-23016761 / 23018261
Fax: 022-23012517
Website: www.purvashare.com
E-mail: support@purvashare.com

Brief Profile of Directors

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Mrs. Amisha Milan Shah

Chairperson & Non-Executive Director

Mrs. Amisha Milan Shah, aged about 43 years is a Non-Executive Director of our Company. She holds master's degree in commerce. She has been in the educational field and has been guiding students and conducting aptitude tests /counselling for over 5 years. She provides an end-to-end assistance in clearing all aptitude tests. She has catered the age group of 15 years to 21 years in well-known Universities in Australia, UK, USA, Canada and others. She is associated with our Company since 9th March 2022.

Mr. Milan Bhupendra Shah

Managing Director

Mr. Milan Bhupendra Shah, aged about 42 years is the Managing Director of our Company. He is a Commerce Graduate and has Post Graduate Diploma in Computer Application (DOEACC-A level). He has over 15 years of experience in field of software development and networking. He is responsible for the company's vision and strategy, products, and global operations. He is associated with our Company since 9th March 2022 as Managing Director.

Mr. Sanjay Ram Takale

Non-Executive Director

Mr. Sanjay Takale aged 53 years is a Non-Executive Director of our Company. He is winner of Shiv Chhatrapati Award. He is a Commerce Graduation from BMCC and Law from Symbiosis. Originally a Two Wheelers Champion from 1987 to 2001 and he has won more than 75 Trophies. He has won Ashtavinayak Rally – Overall 1st, Sinhagad Hill climb – Overall 1st, Indore Motocross, Poona Motocross, Poona Dirt Track, Seizers Action Rally-Coimbatore, NASA Rally-Nasik, MASA RallyMumbai and many Dir Track Races. He is associated with our Company since 4th May 2022.

Mrs. Akanksha Sunny Bilaney

Non-Executive Independent Director

Mrs. Akanksha Bilaney aged 33 years is an Independent Director of our Company. She is a Commerce and Law Graduate from Pune University and a Fellow Member of Institute of Company Secretaries of India. She also holds diploma in Merger and Acquisition from Symbiosis International University. She is a founder of firm A.S. Bilaney & Associates based in Mumbai. She has an overall experience of around 10 years in handling Company law related compliances. She is also running a foundation with the name 'Onef9Planet Foundation'. She is associated with our Company since 9th March 2022.

Mr. Virendra Singh Verma

Non-Executive Independent Director

Mr. Virendra Singh Verma aged 72 years is an Independent Director of our Company. He has over 43 years of experience in the power sector in the field of Planning, thermal and Hydro power plant engineering, project monitoring, construction, supervision, operation monitoring, human resource development, grid operations, conservation and efficiency, low carbon growth strategy and other environmental issues. He started his career in the Central Power Engineering Service (CPES 1971 batch) in Central Electricity Authority (CEA) and was appointed as Member (Planning) in Central Electricity Authority in the year 2002. He was the Director General of Bureau of Energy Efficiency (BEE) for three years and Member (Hydro) in CEA for a year. Mr. V.S. Verma has merited a degree in Bachelor of Science from Agra University followed by BE Mechanical (Hons) and ME Mechanical (Hons) in Applied Thermal Sciences from IIT Roorkee. He is also trained under UNDP, with CEGB, UK and Gilbert Commonwealth of USA. Mr. Verma has also been on the Governing Council/Board of Directors of various institutions like CPRI, NPTI, CWET, DVC etc. He is now Professor adjunct for IIT Kanpur. He is a distinguished professor at Central Power Research Institute in Bangalore, India reviewing the research projects in the power sector and the issues relating to the power sector in the Power Sector. Mr. Verma is also a visiting professor at IIT Kanpur as Adjunct Faculty. He is advising Govt of Rajasthan for improving their Distribution System of electricity in general including generation and transmission. He is associated with our Company since 4th May 2022.

Mr. Prem Singh Rawat

Additional - Non-Executive Director

Mr. Prem Singh Rawat aged 61, having thirty-five plus years of experience in Business and Strategy Management, Social Management, Industrial Relation Management, Sales, Marketing, Administration, Operation, Commercial Management. He is B.Com graduate from, Dayal Singh College, Delhi University in 1984 and did PG Diploma in Personnel Management and & Industrial Relation in 1986 (MBA).

Addressed to Shareholders

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Dear Shareholders,

aerpace Industries Limited (formerly known as Supremex Shine Steel Limited) is a public limited company that is listed on the Bombay Stock Exchange (BSE). The company was established in 2011 and its registered office is in Mumbai, India.

aerpace is a new ecosystem. aerpace is a national flying system for inter-city and interstate travel, fully designed and crafted to provide an unparalleled travel experience. This idea is expected to bring about positive change in the environment, travel time management, land space utilization and resource optimization.

With the aim of improving transportation in India, aerpace conducted a study on the existing intercity and interstate travel demand analysis model. The result was a combined model of road and air transport, which promises to be the most convenient, economical, and comfortable mode of transport. The purpose of aerpace is to increase access to and use of private and public transit, while at the same time reducing motor vehicle miles driven and traffic congestion.

Additionally, the aerpace transportation ecosystem has the potential to benefit the Indian economy by reducing the country's dependence on foreign oils and reducing crude oil imports. The focus is on creating a sustainable and efficient transportation system that caters to the needs of India's growing population and economy.

“aerpace transportation ecosystem has been designed for a better environment, better travel time management, minimization of land space and optimizations of resources.”

Detail about company's project is elaborated in Management Discussion Analysis Report which is the part of this Annual Report.

AERPACE INDUSTRIES LIMITED
(Formerly known as Supremex Shine Steels Limited)
CIN: L74110MH2011PLC214373

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REGISTERED OFFICE:
A/1005, 10th Floor, A Wing, Kanakia Wall Street, Andheri
Kurla Road, Andheri (East), Mumbai-400093
Phone: 022 69245000 Website: www.supremexshinesteels.in E-mail: infosupremexshine@gmail.com

NOTICE OF 12TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 12th Annual General Meeting (AGM) of the Members of aerpace Industries Limited (Formerly known as Supremex Shine Steels Limited) will be held on Wednesday, 27th September 2023 at 12:00 P.M. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS

1. Adoption of Financial Statement: To consider and adopt the Financial Statement of the company for the financial year ending 31st March 2023, and the Reports of the Board of Directors and Auditors thereon.
2. Re-appointment of Mr. Sanjay Takale (DIN:07111445): To appoint a Director in place Mr. Sanjay Takale (DIN:07111445), who retires by rotation and being eligible, offer himself for re-appointment.

SPECIAL BUSINESS

3. Appointment of Mr. Prem Singh Rawat (DIN:01423453) as a Non-Executive Director of the Company

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 152 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications(s) or re-enactment thereof for the time being in force) and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended from time to time, Articles of Association of the Company and pursuant to the recommendations of the Nomination and Remuneration Committee, Mr. Prem Singh Rawat (DIN:01423453), who was appointed as an Additional Director of the Company by the Board of Directors at their Meeting held on 2nd September, 2023 and who holds office until passing of this resolution, be and is hereby appointed as a Non-Executive Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

By order of the Board of Directors
For Aerpace Industries Limited
(Formerly Known as Supremex Shine Steels Limited)

Mr. Milan Bhupendra Shah
Managing Director
DIN: 08163535

Date: 2nd September 2023
Place: Mumbai
CIN: L74110MH2011PLC214373

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REGISTERED OFFICE

A/1005, 10th Floor, A Wing, Kanakia Wall Street, Andheri
Kurla Road, Andheri (East), Mumbai-400093

Phone: 022 69245000
Website: www.supremexshinesteels.in
E-mail: infosupremexshine@gmail.com

NOTES

1. The AGM is held in compliance with the MCA General Circular dated 28th December 2022 read with circulars dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January 2021, 8th December 2021, 14th December 2021 and 5th May 2022 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/-PoD-2/P/CIR/2023/4 dated 5th January, 2023, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022, Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue.

2. Pursuant to the Circular No. 14/2020 dated 8th April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April 2020, 13th April 2020 and 5th May 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.supremexshinesteels.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act,

2013 read with MCA Circular No. 14/2020 dated 8 th April 2020 and MCA Circular No. 17/2020 dated 13th April 2020, MCA Circular No. 20/2020 dated 5 th May 05, 2020, and MCA Circular No. 2/2021 dated 13th January 2021.

8. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.

9. Dispatch of Annual Report through E-mail: In accordance with the MCA Circulars and the said SEBI Circular dated 12th May 2020, and 15th January 2021 the Notice along with the Annual Report of the Company for the financial year ended 31st March 2023, will be sent only through e-mail, to those Members whose email addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Purva Shareregistry Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended 31st March 2023 shall be available on the websites of the Company viz., www.supremexshinesteels.in. and of the Stock Exchange where Equity Shares of the Company are listed. The Notice shall also be available on the e-Voting website of the agency engaged for providing e-Voting facility, NSDL (agency for providing the Remote e-Voting facility) i.e. <https://evoting.nsdl.com/>.

10. Pursuant to regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended hereinafter referred to as 'Listing Regulations' and Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India, details of Directors who are proposed to be appointed, forms a part of notice.

11. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 21st September 2023 to Wednesday, 27th September 2023 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable regulation of the Listing Regulation entered with the Stock Exchanges.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to M/s. Purva Shareregistry Pvt. Ltd. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, M/s. Purva Shareregistry Private Limited or to their depository participants in case shares are held in depository form.

13. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

14. All documents referred to in the notice are open for inspection at the registered office of the Company during office hours.

15. Members who desires of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may send the same to the office of the Registrar and Transfer Agent of the Company.

16. The Board of Directors has appointed Mr. Swapnil Pande, Proprietor, M/s. SCP & Co. (ACS: 44893/C.P. No.: 21962), as the Scrutinizer for scrutinizing the process of remote e-Voting and e-Voting during the Meeting in a fair and transparent manner.

17. The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-Voting in presence of two witnesses not in employment of the

Company and submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than two working days after the conclusion of the Meeting. Thereafter, the Results of e-Voting shall be declared forthwith by the Chairman or by any other director/person duly authorised in this regard.

18. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (www.supremexshinesteels.in.) and on the e-Voting website of NSDL (www.evoting.nsdl.com) immediately after the results are declared and shall simultaneously be communicated to the Stock Exchanges where the equity shares of the Company are listed. The results declared along with the said Report shall also be made available for at least 3 days on the Notice Boards of the Company at its Registered Office in Mumbai.

19. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e., 27th September 2023 subject to receipt of the requisite number of votes in favor of the Resolutions.

20. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cutoff date i.e. Wednesday, 20th September 2023.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER

The remote e-voting period begins on Sunday, 24th September 2023 at 09:00 A.M. and ends on Tuesday, 26th September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 20th September 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 20th September 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL

1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <https://eservices.nSDL.com> either on a

Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com>. Select “Register Online for IDeAS Portal” or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>

3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download **NSDL Mobile App** “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.

2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see eVoting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.

3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a eVoting link available on www.cdslindia.com home page. The system will authenticate the user by sending

OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for eVoting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see eVoting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Individual Shareholders holding securities in demat mode with NSDL

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000

Individual Shareholders holding securities in demat mode with CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://e-services.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***. |

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc. d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to corporateissues1991@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to infosupremexshine@gmail.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to infosupremexshine@gmail.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at infosupremexshine@gmail.com The same will be replied by the company at the time of AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”)

Item No 3:

Based on recommendation of the Nomination & Remuneration Committee, the Board of Directors at the meeting held on 2nd September 2023 had approved appointment of Mr. Prem Singh Rawat (DIN: 01423453) as an Additional Director.

Mr. Prem Singh Rawat is not disqualified from being appointed as Director(s) in terms of Section 164 of the Companies Act, 2013 (the Act) and the Company has also received declaration from Mr. Prem Singh Rawat to act as Director in Form DIR -2.

Mr. Prem Singh Rawat having thirty five plus years of experience in Social Management, Industrial Relation Management, Sales, Marketing, Administration, Operation, Commercial Management. He is B.Com graduate from, Dayal Singh College, Delhi University in 1984 and did PG Diploma in Personnel Management and & Industrial Relation in 1986 (MBA).

Relevant details relating to the appointment of Mr. Prem Singh Rawat as required by the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are provided in Annexure - 1 to this Notice.

The Board now seeks to confirm his appointment as Non-Executive Director and recommends the Resolution to be passed as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives in any way concerned or interested, financially or otherwise, in the proposed Ordinary Resolution, set out at Item No. 3 of the Notice.

By order of the Board of Directors
For aerpace Industries Limited
(Formerly Known as Supremex Shine Steels Limited)

Mr. Milan Bhupendra Shah

Managing Director
DIN: 08163535

Date: 2nd September 2023
Place: Mumbai
CIN: L74110MH2011PLC214373

REGISTERED OFFICE

A/1005, 10th Floor, A Wing, Kanakia Wall Street, Andheri Kurla Road, Andheri (East), Mumbai-400093
Website: www.supremexshinesteel.in Email: infosupremexshine@gmail.com

Details of Directors Seeking Appointment/Re-appointment at the 12th Annual General Meeting of the Company. (In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015)

| Name of Director | Mr. Sanjay Takale | Mr. Prem Singh Rawat |
|--|---|--|
| DIN | 07111445 | 01423453 |
| Date of Birth | 02-02-1968 | 12-10-1962 |
| Date of Appointment at Board Meeting | 04-05-2022 | 02-09-2023 |
| Expertise in specific functional areas/ skills and capabilities | Commerce Graduation from BMCC and Law from Symbiosis. | B.Com graduate from, Dayal Singh College, Delhi University in 1984 and PG Diploma in Personnel Management and & Industrial Relation in 1986 (MBA). |
| Names of listed entities in which the person also holds the directorship | - | - |
| Memberships/Chairmanships Of Committees of other Public Companies (includes only Audit Committees and Shareholders/ Investors' Grievance Committee) | - | - |
| Shareholding in the Company | - | - |

Director's Report

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Dear Members, Your Directors have pleasure in presenting their 12th Annual Report of the Company along with Audited Financial Statement for the year ended 31st March 2023.

1. FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

| Particulars | For the year ended on 31.03.2023 | For the year ended on 31.03.2022 |
|--|-------------------------------------|-------------------------------------|
| Continuing Operations | | |
| Income | | |
| Revenue from Operation | 0 | 0 |
| Other Income | 204.29 | 5.25 |
| Total Income | 204.29 | 5.25 |
| Expenditure | | |
| Less: Operating & Other Expenses | 0 | 0 |
| Profit Before Depreciation and Tax | 40.23 | (11.69) |
| Less: Depreciation | 25.76 | 0 |
| Profit/(Loss) Before Tax from Continuing Operations | 14.47 | (11.69) |
| Less : Total Tax Expenses | 1.56 | 0 |
| Profit/(Loss) for the year from Continuing Operations (A) | 12.91 | (11.69) |
| Discontinuing Operations | | |
| Loss from discontinuing operations before tax | 0 | 0 |
| Less : Tax from discontinuing operations | 0 | 0 |
| Loss from Discontinuing Operations (B) | 0 | 0 |
| Profit/(Loss) for the year (A+B) | 12.91 | (11.69) |
| Total Comprehensive Income / Loss for the year | 12.91 | (11.69) |

2. COMPANY'S PERFORMANCE

During the year under review, the Company is having a profit of Rs. 1447000.

3. NATURE OF BUSINESS

The Board at its meeting held on 4th May 2022 has approved to change the Main Object clause of Memorandum of Association of Company. Subsequently, the company has taken approval of shareholders to change the main object through passing postal ballot on dated 4th June 2022. Further, the company has made alteration in main object by passing special resolution through Postal Ballot Notice dated 12th December 2022. The Company has started its new business in the field of Infrastructure activities. The detailed main object clause has been mentioned in Postal Ballot Notice dated 4th May 2022.

4. DIVIDEND AND RESERVE:

The Board has not recommended any dividend for the Financial Year 2022-23 in view of the current market outlook and to preserve cash. In view of the exceptional circumstances during the year 2022-23, and the good reserves position, no amount has been transferred to reserves.

5. SHARE CAPITAL

The paid-up equity share capital of the Company as on 31st March 2023 is Rs. 3,15,40,000/- (Rupees Three Crores Fifteen Lakhs Forty Thousand only) divided into 3,15,40,000 Equity shares of the face value of Re. 1/- (Rupee One) each. During the year, there is no change in the share capital of the Company. The said shares are listed on BSE Limited. Further, the Company has increased its Authorised Capital of the Company from Rs. 3,50,00,000 to Rs. 16,00,00,000 by passing resolution through Postal ballot dated 14th April 2023. The Board in their meeting held on 16th May 2023 has given approval for the issue and allot equity shares for an amount aggregating up to Rs. 11.00 crores by way of a rights issue to the existing shareholders of the Company in such ratio as decided by the Board of Directors/ Committee. The Company has received in principle approval from BSE regarding the right issue.

6. PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

7. BOARD OF DIRECTORS

Pursuant to the recommendation of the Nomination and Remuneration Committee the Board at its Meeting held on 9th March 2022 approved appointment of Mr. Milan Bhupendra Shah (DIN: 08163535), Mrs. Amisha Milan Shah (DIN: 09523075), Mrs. Akanksha Sunny Bilaney (DIN: 07093148) as additional director in the capacity of Managing Director, Non-executive Director and Non-Executive Independent Director respectively. Further, the Board at its Meeting held on 4th May 2022 approved the appointment of Mr. Virendra Singh Verma (DIN: 07843461) and Mr. Sanjay Ram Takale (DIN: 07111445) as an Additional Director in the capacity of Non-executive Independent Director and Non-Executive Director respectively.

The members of the Company appointed Mr. Milan Bhupendra Shah (DIN: 08163535) as Managing Director, Mrs. Amisha Milan Shah (DIN: 09523075) and Mr. Sanjay Ram Takale (DIN: 07111445) as Non-Executive Director, Mrs. Akanksha Sunny Bilaney (DIN: 07093148) and Mr. Virendra Singh Verma (DIN: 07843461) as Non-Executive Independent Director of the company by passing Ordinary Resolution through Postal Ballot Notice dated 4th May 2022.

The Board at its meeting dated 2nd September 2023, have appointed Mr. Prem Singh Rawat as Additional Director in the capacity of Non-executive Director. The board seek appointment of Mr. Prem Singh Rawat as Non-Executive Director of the Company in ensuing general meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Sanjay Takale retires by rotation and being eligible has offered himself for reappointment.

The necessary resolutions for the appointment /re-appointment of the above-mentioned director and their brief profile have been included in the notice convening the ensuing Annual General Meeting. The brief resume of the Director seeking appointment / re-appointment at the ensuing Annual General Meeting, in pursuance of Regulation 36(3) of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 is annexed to the Annual General Meeting Notice.

All the directors of the company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as directors in terms of section 164(2) of the Companies act, 2013.

8. INDEPENDENT DIRECTORS

Mrs. Akanksha Sunny Bilaney (DIN: 07093148) and Mr. Virendra Singh Verma (DIN: 07843461) are Independent Directors of the company. The Company has received declaration of Independence from all the Independent Directors as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of SEBI (LODR). In the opinion of the Board, the Independent Directors fulfil the said conditions of Independence. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics. In terms of requirements of the Listing Regulations, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company's business for effective functioning, which are detailed in the Corporate Governance Report.

The Ministry of Corporate Affairs ('MCA') vide Notification No. G.S.R. 804(E) dated 22nd October 2019 and effective from 1st December 2019 has introduced the provision relating to inclusion of names of Independent Directors in the Data Bank maintained by Indian Institute of Corporate Affairs ('IICA'). All Independent Directors of your Company are registered with IICA. In the opinion of the Board, Independent Directors possess the requisite integrity, experience, expertise, proficiency and qualifications.

9. BOARD EVALUATION

The Board of Directors have carried out an annual evaluation of its own performance, Board Committee and individual Directors pursuant to provision of the Act and the corporate governance requirement as prescribed by the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation, 2015. The performance of the board was evaluated by the board after taking inputs from all the Directors on the basis of

criteria such as the Board Composition and structure, effectiveness of board process, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January 2017.

A structured questionnaire was prepared after taking into consideration various aspects of Board's functioning like composition of the Board and its Committees, Board culture, performance of specific duties and obligations keeping in view applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The evaluation process includes various aspects to determine the performance of Directors of the Company. The basis for this evaluation includes fulfilment of independence criteria, qualifications, knowledge, level of engagement and contribution, skills and experience in the respective fields, honesty, integrity, ethical behaviour and leadership, independence of judgment, attendance at the meetings, understanding the business, regulatory, competitive and social environment, understanding strategic issues and challenges etc. The Board of Directors expressed their satisfaction over the evaluation process.

In a separate meeting of independent directors which was held on 9th February 2023, performance of non-independent and the board as whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent director was done by the entire board, excluding the independent director being evaluated.

10. BOARD DIVERSITY

The Board recognizes the importance of a diverse composition and has adopted a "Board Diversity Policy" which sets out the approach to diversity. The Board Diversity Policy of the Company is available at www.supremexshinesteels.in.

11. DIRECTORS TRAINING AND FAMILIARIZATION

The Company undertakes and makes necessary provision of an appropriate induction program for new Director(s) and ongoing training for existing Directors. The new Director(s) are introduced to the Company culture, through appropriate training programs. Such kind of training programs helps develop relationship of the directors with the Company and familiarize them with Company processes. The management provides such information and training either at the meeting of Board of Directors or at other places.

The induction process is designed to:

- build an understanding of the Company's processes and
- fully equip Directors to perform their role on the Board effectively

12. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, the Board, to the best of their knowledge, hereby confirmed that:

- i. In the preparation of Annual Accounts and Financial Statements for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- ii. They have selected such accounting policies and applied them consistently and made judgment 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.

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. They have prepared annual accounts on a going concern basis

v. They have laid down internal financial control to be followed by the company and that such internal financial control are adequate and were operating effectively.

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

13. MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. A tentative annual calendar of the Board and Committee Meetings is informed to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

Notice of meeting of Directors and Committees is given well in advance to all the Directors of the Company. The agenda of the Board / Committee meetings is circulated not less than 7 days prior to the date of the meeting. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the year under review, 08 (Eight) Board Meetings were convened. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

| | | | |
|-------------------|-------------------|-------------------|-------------------|
| 04-05-2022 | 14-05-2022 | 09-07-2022 | 13-08-2022 |
| 14-11-2022 | 12-12-2022 | 09-02-2023 | 10-03-2023 |

| Name of Director | Category | Meetings held during year | Meetings attended |
|----------------------------|------------------------|---------------------------|-------------------|
| Mr. Milan Shah | Managing Director | 8 | 8 |
| Mrs. Amisha Shah | Executive Director | 8 | 8 |
| Mr. Sanjay Takale | Non-Executive Director | 7 | 7 |
| Mrs. Akansha Sunny Bilaney | Independent Director | 8 | 8 |
| Mr. Virendra Singh Verma | Independent Director | 7 | 7 |

14. BOARD COMMITTEES

The Company's Board has the following Committees:

Audit Committee

Stakeholder Committee

Nomination & Remuneration Committee

Due to change in Management of the Company, the company has reconstituted the Committees of the Board of Director in their meeting held on 4th May 2022.

Audit Committee

The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at all the Meetings. During the financial year 2022-23, 06 (Six) meetings of Audit Committee were held on 14th May 2022, 09th July 2022, 13th August 2022 and 14th November 2022, 9th February 2023 and 10th March 2023

| Name of Director | Category | Meeting attended |
|-----------------------------------|-----------------|-------------------------|
| Mrs. Akansha Sunny Bilaney | Chairman | 6 |
| Mr. Virendra Singh Verma | Member | 6 |
| Mr. Milan Shah | Member | 6 |

The Company Secretary shall act as the Secretary to the Committee.

All the recommendations made by the Audit Committee were accepted by the Board of Directors.

The terms of reference of the Audit Committee shall include but not limited to the following:

- a) To recommend the appointment/re-appointment/ re-placement and terms of appointment of the Auditors of the Company.
- b) To review and monitor Auditor's independence and performance and effectiveness of audit process.
- c) To review with the Management the Quarterly Financial Results before submission to the Board for approval.
- d) Review the adequacy of internal control system. Finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- e) Approval or any subsequent modification of transactions of the Company with related parties.
- f) Reviewing the Company's risk management policy.
- g) To scrutinize inter-corporate loans and investments made by the Company.
- h) To evaluate the Internal Financial Controls and Risk Management Systems.
- i) To carry out valuation of undertakings and the assets of the Company, wherever it is necessary.
- j) To review, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control System.
- k) To review the functioning of the Whistle Blower Mechanism.
- l) To approve appointment of Chief Financial Officer after assessing the qualifications, experience, and back-ground etc. of the candidate
- m) To carry out any other function as may be assigned to Audit Committee pursuant to any amendments to the Listing Regulations and the applicable provisions of the Act.

n) To oversee the Company's financial reporting process and disclosure of the financial information to ensure that the financial statements are correct, sufficient, and credible.

o) To review the following information/document:

- Management Discussion and Analysis of financial condition and results of operation;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letter/letters of internal control weakness issued by the Statutory Auditors;
- Internal audit reports relating to internal control weakness;
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

NOMINATION AND REMUNERATION COMMITTEE

The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at all the Meetings. During the financial year 2022-23, 02 (two) meetings of Nomination and Remuneration Committee were held on 4th May 2022, 10th March 2023,

| Name of member | Category | Meeting attended |
|-----------------------------------|----------|------------------|
| Mrs. Akansha Sunny Bilaney | Chairman | 2 |
| Mr. Virendra Singh Verma | Member | 2 |
| Mrs. Amisha Milan Shah | Member | 2 |

The Company Secretary shall act as the Secretary to the Committee. The broad terms of reference of the NRC, as approved by the Board, are in compliance with Section 178 of the Companies Act, 2013 which are as follows:

- a. To lay down criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- b. To formulate a criteria for evaluation of performance of Independent Directors and the Board of Directors.
- c. To recommend remuneration to be paid to a director for any service rendered by him to the Company which are of a professional nature and provide an opinion, whether such Director possess the requisite qualification for the practice of such profession.

- d. To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- e. To decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- f. To recommend to the Board the appointment and removal of the Directors, including Independent Directors.
- g. Carrying out functions as delegated by the Board of Directors from time to time.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at all the Meetings. During the financial year 2022-23, 1 (One) meeting of Stakeholders Relationship Committee were held on 9th February 2023.

| Name of Director | Designation | Meeting attended |
|---------------------------------|-------------|------------------|
| Mrs. Amisha Milan Shah | Chairman | 1 |
| Mr. Virendra Singh Verma | Member | 1 |
| Mr. Milan Shah | Member | 1 |

The Company Secretary shall act as the Secretary to the Committee. Ms. Shalak Modi, Company Secretary, is designated as the "Compliance Officer" who oversees the redressal of the stakeholders' grievances.

Stakeholders Relationship Committee is empowered to oversee the redressal of Stakeholders complaints pertaining to transfer of shares, non-receipt of annual reports, non-receipt of declared dividends, issue of duplicate certificates, transmission / demat / remat of shares and other miscellaneous grievances.

The detailed particulars of Stakeholders complaints handled by the Company and its Registrar & Share Transfer Agent during the FY 2022-23 are as under:

| Nature of Complaints | Opening at the beginning of year | Received during the year | Redressed | Pending at the end of year |
|---|----------------------------------|--------------------------|-----------|----------------------------|
| Non-receipt of Share Certificate | Nil | Nil | - | Nil |
| Non-receipt of Dividend/ Interest/Redemption Warrant | Nil | Nil | - | Nil |
| Non-receipt of Annual Report | Nil | Nil | - | Nil |
| Others | Nil | Nil | - | Nil |
| Total | Nil | Nil | - | Nil |

15. KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, the Company has following Key Managerial Personnel as on 31st March 2023:

1. Mr. Milan Shah, Managing Director
2. Ms. Shalaka Modi, Company Secretary & Compliance office
3. Mr. Anand Shah, Chief Financial Officer (Appointed w.e.f 10th March 2023)

16. AUDITORS

I. STATUTORY AUDITORS:

M/s K. J. Shah & Associates, Chartered Accountants, Mumbai (FRN: 127308W), were appointed as Statutory Auditors of the Company for a term of 05 (Five) years from the conclusion of the 09th Annual General Meeting held on 25th September 2020 till the conclusion of the 14th Annual General meeting to be held in the year 2025.

M/s K. J. Shah & Associates, Chartered Accountants has resigned from its position of Statutory Auditor from close of business hours on 14th May 2022.

Due to resignation of M/s K. J. Shah & Associates, Chartered Accountants, the board have approved the Appointment of M/s. Singrodia & Co LLP., Chartered Accountants (Firm Registration Number: W100280) as the Statutory Auditors for the term of five consecutive years w.e.f. from F.Y. 2022-23 and further shareholders of the company have approved their appointment as Statutory Auditor of the Company for the term of five years from financial year 2022-23 till financial year 2026-27

II. SECRETARIAL AUDITORS:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24(A) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, the Company has appointed M/s. SCP & Co., Practicing Company Secretary as Secretarial Auditor of the Company.

The Secretarial audit report for the financial year ended 31st March 2023 is appended to this Report as Annexure A which is self-explanatory of qualifications, reservations, adverse remark or disclaimers made by the Secretarial Auditors, in their Report.

III. INTERNAL AUDITOR:

M/s Rohit Gondhiya & Associates Chartered Accountants (Firm Registration Number: 133649W) appointed as Internal Auditor of the Company.

17. ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the Annual Return of the Company for the Financial Year 31st March 2023 is uploaded on the website of the Company and can be accessed at www.supremexshinesteels.in

18. INDUSTRIAL RELATIONS

The industrial relations remained cordial during the year under review.

19. MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as required under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and as approved by the Board of Directors, is provided in a separate section and forms an integral part of this Report.

20. CORPORATE GOVERNANCE REPORT

As per the provisions of Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions related to Corporate Governance as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para

C, D and E of Schedule V shall not apply to a listed entity having paid up Share Capital not exceeding Rupees Ten Crores and Net worth not exceeding Rupees Twenty Five Crores, as on the last day of the previous financial year. As on the last day of the previous financial year, the paid up Share Capital and Net worth of the Company was below the threshold limits stated above, thereby presently the Company is not required to comply with the above provisions of Corporate Governance. Accordingly, the Report on Corporate Governance and Certificate regarding compliance of conditions of Corporate Governance are not made a part of the Annual Report.

21. NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The details of this policy are available on the website of the Company www.supremex-shinesteels.in

22. INTERNAL FINANCIAL CONTROL

The Company has put in place adequate policies and procedures to ensure that system of Internal Financial Control is commensurate with the size and nature of the Company's business. The evaluation of these internal financial controls was done through internal audit process, established within the Company and through appointing professional firm to carry out such tests by way of systematic internal audit program. Based on the review of the reported evaluations, the directors confirms that the financial statement for the year ended 31st March 2023, are in accordance with the applicable accounting standards.

23. RISK MANAGEMENT

The company has established a robust Risk Management system to identify & assess the key risks and ensure smooth and efficient operations of the business. Your company is aware of these risks and challenges and has put in place mechanism to ensure that they are managed and mitigate with adequate timely actions. The audit committee reviews business risk area covering operational, financial, strategic and regulatory risks.

24. RELATED PARTY TRANSACTIONS

All contracts, arrangements/ transactions entered during the year by the company with Related Parties were in ordinary course of business and on an arm's length basis. During the year under review, the company did not enter into any contract / arrangement/ transactions with related parties which could be considered as material. Hence it is not required to give disclosure under form AOC-2.

25. PARTICULARS OF EMPLOYEE

During the year under report, your Company has not employed any person who was in receipt of remuneration in excess of the limits specified under Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information in terms of provision of Section 197 (12) of Companies Act, 2013, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "Annexure B".

26. HUMAN RESOURCES

Your Company considers Great Brand and Great People as its biggest asset. The Company is continued to organize various inbound and outbound training programs, recreation and team building activities to enhance employee skills and motivation. Company also conducted various workshops and events for grooming and upgrading vocational skills of the talent pool in order to meet future talent requirements.

27. SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

As Company does not have any Subsidiaries or Joint Ventures or Associates Companies, it is not required to give disclosure in Form AOC-1 pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014.

28. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required by Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Cash Flow Statement is appended. As the Company does not have any Subsidiary Company or Associate Company or Joint Venture Company, it is not required to publish Consolidated Financial Statement.

29. CORPORATE SOCIAL RESPONSIBILITY

In accordance with section 135 of the Companies Act, 2013, the provisions related to Corporate Social Responsibility is not applicable to the company.

30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

Particulars of the loans given, investment made, or guarantee given, or security provided are provided in Note to the Financial Statements.

31. PREVENTION OF SEXUAL HARASSMENT POLICY

Considering gender equality, the company has zero tolerance for sexual harassment at workplace. The Company has an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of woman at work

place (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaint receive regarding sexual harassment. In Financial Year 2022-23, there were no complaints were received from any of the employee.

- i. Number of Complaints filed during the financial year - NIL
- ii. Number of complaints disposed of during the financial year - NIL
- iii. number of complaints pending as on end of the financial year - NIL

32. WHISTLE BLOWER/ VIGIL MECHANISM

In pursuance to Section 177 of the Companies Act, 2013, the Company has adopted a Vigil Mechanism / Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The Company promotes ethical behavior in all its business activities and has adopted a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the employees / workers. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and provide for direct access to the Chairperson of the Audit Committee in the exceptional cases. The confidentiality of those reporting violation is maintained, and they are not subjected to any discriminatory practice. However, no violation of laws or unethical conduct etc. was brought to the notice of the Management or Audit Committee during the year ended 31st March 2023. We affirm that during the financial year 2022-23, no employee or director was denied access to the Audit Committee.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

A. Conservation of Energy:

The Company has initiated to take adequate measures for conservation of energy. The Company shall explore alternative source of energy as and when the necessity arises.

B. Technology Absorption:

The Company continues to use the latest technologies for improving the productivity and quality of its services and products.

C. Foreign Exchange Earnings and Outgo

(Rs. in Lakhs)

| Particulars | Current Year | Previous Year |
|-------------------------|--------------|---------------|
| Foreign Exchange Outgo | Nil | Nil |
| Foreign Exchange earned | Nil | Nil |

34. COMPLIANCE WITH SECRETARIAL STANDARDS

The company has complied with Secretarial Standards on meetings of Board of Directors and on General Meeting issued by the Institute of Company Secretaries of India in terms of Section 118 (10) of the Companies Act, 2013.

35. MATERIAL CHANGES AND COMMITMENTS

The Company has changed its name for better expansion and exploration of business activities and the whole object of the company has also changed from steel to infrastructure. The company has changed its name from SUPREMEX SHINE STEELS LIMITED to AERPACE INDUSTRIES LIMITED. The Company received Certificate of Incorporation pursuant to change of name from ROC Mumbai on 20th April 2023.

36. POSTAL BALLOT

During the year, the Company has passed resolution through Postal Ballot dated 4th May 2022, 12th December 2022

37. INSIDER TRADING REGULATIONS

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for prevention of Insider Trading and the Code for Corporate Disclosures ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees, and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees, and other employees from trading in the securities of the Company at the time when there is unpublished price sensitive information.

38. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There were no significant and material orders passed by the regulators or courts or tribunal which would impact the going concern status and the Company's operations in future.

39. REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013.

40. INSOLVENCY PROCEEDINGS

There was no application made by the Company or no proceedings are pending against the Company under the Insolvency and Bankruptcy Code 2016 during the year.

41. DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The disclosure is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions during the year.

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

The Company was not required to transfer any amount to the Investor Education and Protection Fund

43. ACKNOWLEDGMENT

The Board of Director take this opportunity to thank all its shareholders, valued customer, banks, government and statutory authorities, investor, and stock exchange for their continued support to the company. Your directors wish to place on record their deep sense of appreciation for the committed services by employees. Your directors acknowledge with gratitude the encouragement and support extended by our valued shareholders and the Promoters of the Company..

For and on behalf of the Board of Directors

Mrs. Amisha Milan Shah

Director

DIN: 09523075

Mr. Milan Bhupendra Shah

Managing Director

DIN: 08163535

Date: 2nd September 2023

Place: Mumbai

SECRETARIAL AUDIT REPORT

33

FORM NO. MR-3

Annexure A

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. aerospace Industries Limited
A/1005 Kanakia Wall Street,
Andheri Kurla Road,
Andheri East, Mumbai 400093

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 'Aerpace Industries Limited' (**Formerly known as Supremex Shine Steels Limited**) (CIN: L74110MH2011PLC214373) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023 ('Audit Period'), the Company has, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period 1st April 2022 to 31st March 2023, and made available to us, according to the provisions of:

- i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the Audit Period)
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (The Listing Regulations).
- (f) The Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008; (Not applicable to the Company during the Audit period)
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the Audit period)
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period)

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange i.e. Bombay Stock Exchange Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. except the following:

As per Section 138 of the Companies Act, 2013 The Company has been advised to appoint Internal Auditor

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings/Committee Meetings, agenda and detailed notes on agenda were sent adequately in advance. Decisions at the Board meeting and Committee Meeting as represented by the management were carried out unanimously

We further report that as per the explanations given to me and the representations made by the Management and relied upon, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following event(s) occurred during the year which has major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to above

1. APPROVAL FROM BSE REGARDING PROMOTER RECLASSIFICATION

The Company has made an application on 2nd July 2022 seeking reclassification of Shareholder from “Promoter and Promoter Group”, the Company has received approval from BSE dated 3rd May 2023 for reclassification of following persons from “Promoter and Promoter Group” Category to the “Public” Category in accordance with Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:

Name of the Outgoing Promoter and Promoter Group

| | |
|--------------------------------|--|
| 1. Leena Vipul Modi | 6 Miloni Vipul Modi |
| 2 Vipul Jayantilal Modi | 7 Jimeet Developers Private Limited |
| 3 Vipul Jayantilal Modi HUF | 8 Rock Builders and Developers Private Limited |
| 4 Chandrakanta Jayantilal Modi | 9 Jinal Fin-Vest Private Limited |
| 5 Jimeet Vipul Modi | |

2. Change in Main Object Clause of Memorandum of Association of Company.

Due to change in the Management of the company, the new promoters are intending to pursue the new business in the field of Infrastructure activities. The Board at its meeting held on 4th May 2022 has approved to change the Main Object clause of Memorandum of Association of Company. Subsequently the company has taken approval of shareholders to change the Main Object of the Company through passing postal ballot dated 4th June 2022. Further, the company has made alteration in main object by passing special resolution through Postal Ballot Notice dated 12th December 2022. The Company has started its new business in the field of Infrastructure activities. The detailed main object clause has been mentioned in Postal Ballot Notice dated 4th May 2022. Further, the main object clause has been approved by the shareholders of the company through Postal Ballot dated 4th May 2022. Notice of the Postal Ballot is available on the website of the Company at www.supremexshinesteels.in.

3. Change in Name of the Company:

The Company has changed its name for better expansion and exploration of business activities and the whole object of the company has also changed from steel to infrastructure. The company has changed its name from SUPREMEX SHINE STEELS LIMITED to AERPACE INDUSTRIES LIMITED. The Company received Certificate of Incorporation pursuant to change of name from ROC Mumbai on 20th April 2023.

For M/S. SCP & CO. Practicing Company Secretaries

Swapnil Pande
M.No A44893 C.P.No 21962
Peer Review Certificate No: 1958/2022
Place: Mumbai
Date: 14-08-2023
UDIN: A044893E000804102

(Note: This report is to be read with our letter of even date which is annexed as “ANNEXURE A” and forms an integral part of this report.)

To,
The Members,
M/s. aerospace Industries Limited
A/1005 Kanakia Wall Street,
Andheri Kurla Road,
Andheri East, Mumbai 400093

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M/S. SCP & CO.
Practicing Company Secretaries

Swapnil Pande
M.No A44893 C.P.No 21962
Peer Review Certificate No: 1958/2022
Place: Mumbai
Date: 14-08-2023
UDIN: A044893E000804102

Annexure B

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

| Particulars | Remarks |
|---|--|
| The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-2023 | The Company has not provided any remuneration to the Directors. Hence, the ratio of the remuneration of each director to the median remuneration of the employees cannot be determined. NonExecutive Directors of the Company are not paid any sitting fees or commission. |
| The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year | Nil |
| the percentage increase in the median remuneration of employees in the financial year; | Nil |
| the number of permanent employees on the rolls of Company; | 6 |
| average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | Nil |
| affirmation that the remuneration is as per the remuneration policy of the Company. | Yes |



Annexure C

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with Clause D of Schedule V of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, I, Mr. Milan Shah, Managing Director of the Company, hereby declare that the Members of the Board of Director and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board Members and Senior Management for the year ended 31st March 2023.

For and on behalf of the Board of Directors

Mr. Milan Bhupendra Shah

Managing Director

DIN: 08163535

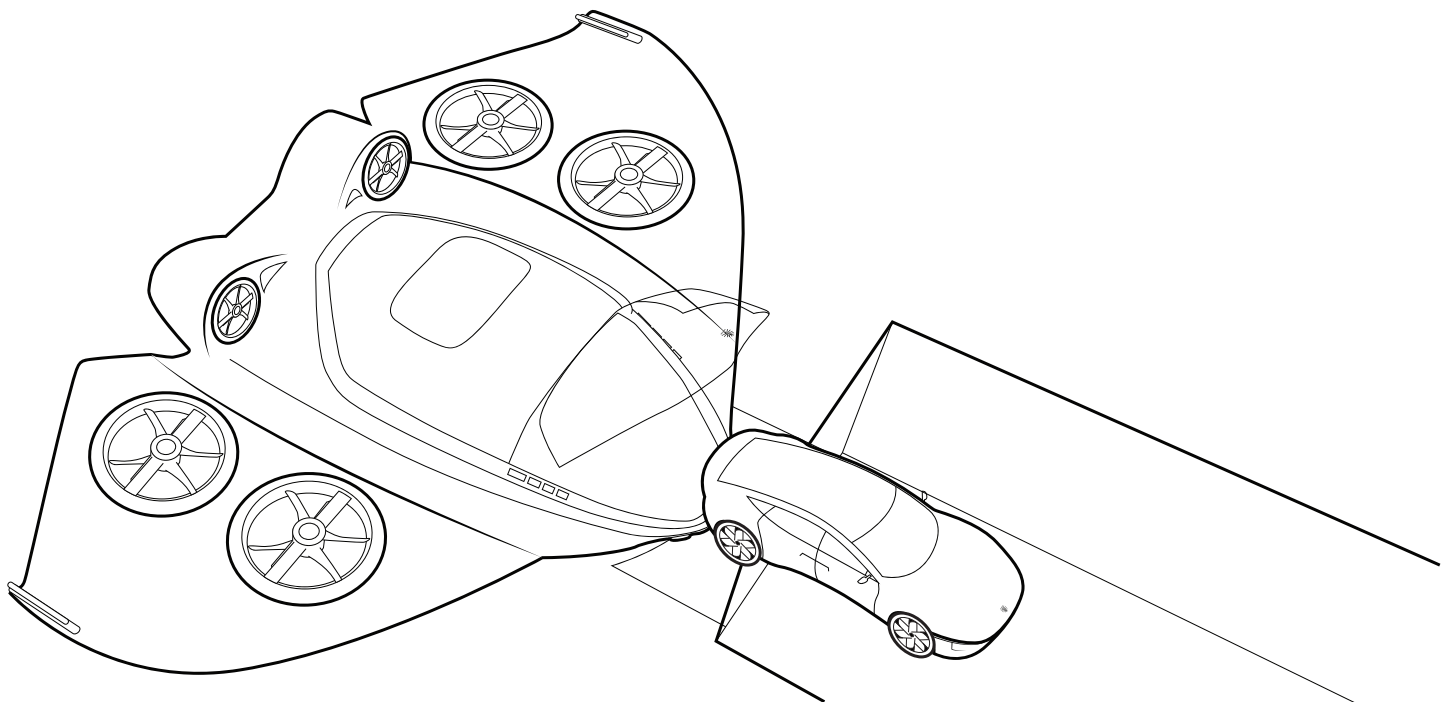
Date: 2nd September 2023
Place: Mumbai

INDUSTRY STRUCTURE AND OUTLOOK

The transportation sector in India is large and diverse, serving the needs of over 1.1 billion people. In 2019-2020, it contributed a significant 5.2% to the nation's GDP, with road transportation being a major part of it. Good physical connectivity in both urban and rural areas is crucial for economic growth and improving access to labour markets. India is one of the largest countries in the world, with a population of approximately 140 crores spread across 28 states, 755 districts, and more than 4,000 cities. Transportation plays a crucial role in the lives of millions of Indians, as 30 to 40 crore people travel daily. A robust transportation system is the lifeline of the nation, connecting people, goods, and services across cities, states, and districts. India boasts of a comprehensive transportation network, which includes 1.4 lakh km of national highways, 7,337 railway stations, and 140 airports. These are used for traveling within the country, particularly for long-distance routes. A more efficient transportation system helps in connecting people, communities, and businesses and is essential for economic growth and development. A well-connected transportation network provides access to employment, educational, recreational, and medical facilities, which can help to reduce poverty and improve the standard of living for millions of people.

However, high levels of mobility in Indian cities have led to a crisis characterized by congestion, environmental pollution, traffic fatalities, imported fuel expenses and taxes and inequity.

As Indian cities continue to spread outward, those who cannot afford motorized transport will be increasingly put at a disadvantage and cut off from essential sites and activities in the city, such as employment, recreation, education, medical care, and more. It is important for the Indian government to address these mobility problems and provide accessible transportation options to all segments of the population.



aerpace - main components (Intellectual Property)

The aerpace project consists of four main components:

Superwing

The Superwing is a technologically advanced flying vehicle capable of carrying a payload of 500-1000 kgs. It is designed with features like autonomous flying, hydrogen fuel, collision detection, advanced fire suppression system, safety parachutes and airbags. It comes in different forms, including aerWing for private transportation, aerTaxi for public transportation, aerAmbulance for medical emergencies, and aerCargo for domestic perishable logistics.

Supercar

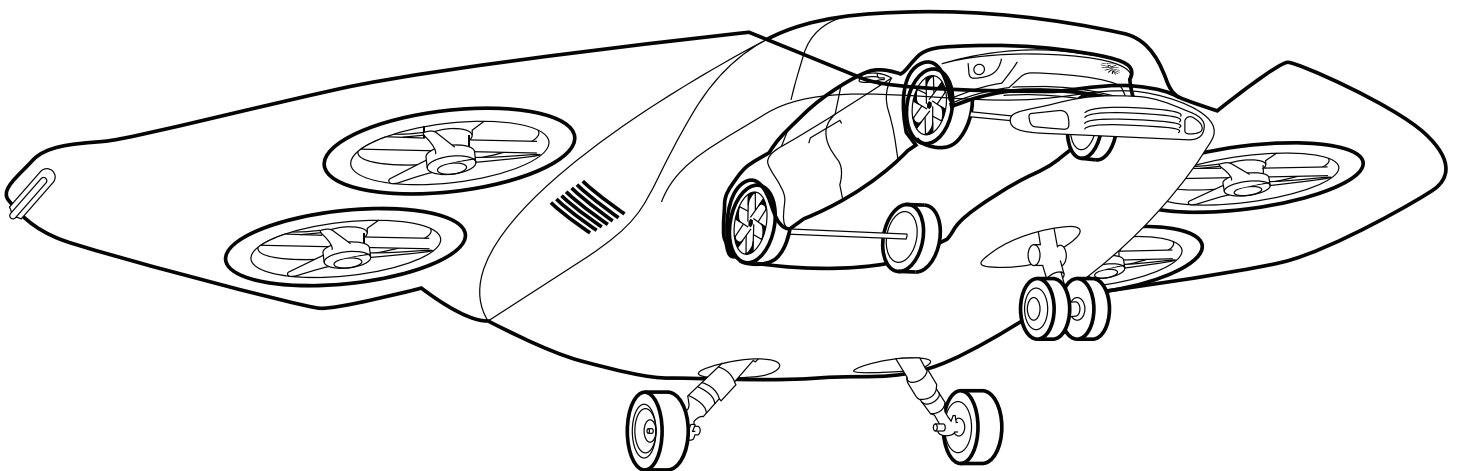
The Supercar is a fully electric, light weight vehicle that is specifically designed for use with the Superwing. It is built with cutting-edge technologies like swappable batteries, autonomous driving and AI, and is fully integrated into the aerpace ecosystem for ease of use and comfort.

Aerdock

The Aerdock is a station for the Superwing and Supercar, much like what a station is for trains or an airport is for airplanes. The Aerdock is designed to be pro-green and will be built on 20 acres of land. It will have a hydrogen plant that generates its own fuel and electricity, and will also have a gaming zone, food court, shopping areas, and a well-equipped medical and national security emergency response center.

The aerVerse

The aerVerse is the software ecosystem that integrates and operates all of the above components. It is responsible for maintaining records, controlling the autonomous flights, monitoring the individual components, and ensuring smooth operation of the entire project.



Superwing is a revolutionary transportation system that is designed to provide a unique and seamless travel experience. Its ultra-light and incredibly strong design is engineered for unmatched balance and agility, allowing it to reach impressive heights of 3000-9000 feet from ground level. The Superwing is a game-changer in the transportation sector and provides an innovative solution to the mobility problems faced by Indian cities. Superwing is the perfect solution for people who are looking for a faster, safer, and more efficient mode of transportation that is also eco-friendly and sustainable.

1

aerWing

With the private transportation principles at its core, the Superwing provides its users with the comfort and privacy of their own supercar and takes them from one aerdock to another in a swift and convenient manner.

2

aerTaxi

A collective economic travel, that falls into public transport category, whereby the Superwing can accommodate 6 passengers making airspace available to consumers enabling them to travel Intracity and Intercity between 200kms to 800kms.

3

aerAssist

Medical emergencies need immediate response - aer ambulance is swift and will be ideal in cases where the patients are either injured and critical, stuck in traffic or in a remote location. Superwing will be a game-changer in the medical industry, imagine not only vaccines and medical aids supply but also doctors will be able to reach remote and rural locations for medical attention on time.

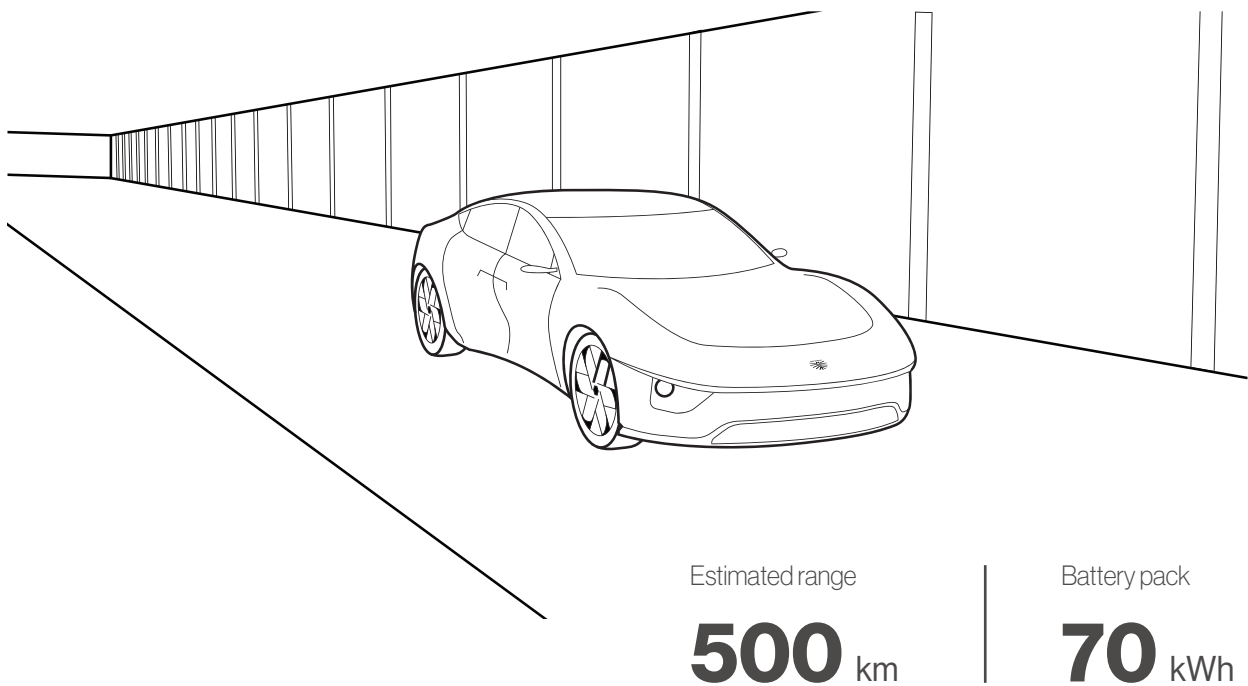
4

aerCargo

This will be an evolution for our domestic perishable logistics market, as every farmer will be able to affordably transport their goods across the country in the lowest possible time and positively meet the growing demands. As we see a surge in drone technologies being used for the betterment of agriculture and other industries, we feel it is equally important for produced and perishable goods to reach on time to avoid wastage and losses incurred.

The Supercar is a specially designed vehicle that is integrated with the Superwing drone for seamless flying capabilities. Its lightweight construction, coupled with advanced battery swapping technology, allows for efficient transformation from a regular car to an airborne vehicle. The car's materials are deliberately chosen to prioritize weight reduction, making it an ideal Personal Utility Vehicle.

Here's how it works: You drive the Supercar like a regular vehicle to the nearest aerDock and park it on a specialized platform. At the aerDock, the batteries of the car are removed using our cutting-edge swapping robotics mechanism. The car is then transported and docked onto the Superwing drone.



The Superwing drone carries your car to the desired destination, where it is placed onto a platform. Our specialized battery swapping robotics add new batteries to the car, preparing it for the drive. Once the battery swapping process is complete, you can drive the car out of the parking lot and use it like a conventional automobile.

The Supercar boasts futuristic features, such as face ID recognition to start the car, and it operates solely on electric power. It is equipped with Lithium-ion batteries, offering a range of 500 kilometers with a battery capacity of 70 kWh. Initially, the car is shipped with a 35 kWh battery, providing a range of 250 kilometers. However, you have the option to add a range extender battery of 35 kWh, which doubles the range to 500 kilometers.

In summary, the Supercar combines advanced technology, lightweight design, and efficient battery swapping mechanisms to provide a unique and versatile transportation solution for the future.

UNIQUE SELLING POINT

The unique selling points of the "aerpace" project are:

Eco-friendly

The project is designed with an eco-friendly approach, using hydrogen fuel and generating its own electricity, making it self-sustaining and reducing the carbon footprint.

Advanced technologies

The project uses advanced technologies like autonomous flying, hydrogen fuel, collision detection, and safety parachutes, making it safer and more efficient.

Increased convenience

The project provides a new mode of transportation that is faster, more comfortable and accessible, reducing travel time and increasing efficiency.

Multi-faceted

The project includes various components like Superwing, Supercar, aerDock, and aerVerse, which together create a comprehensive transportation ecosystem.

Accessibility

The project aims to build an average of 2 aerdocks in every district, making it accessible to a large number of people.

Integration

The project is integrated with an eco-system software which operates all the components smoothly, providing efficient and seamless operations.

Healthcare

The project also includes an aerAssist component, which will help improve medical services by providing swift and immediate response to emergencies.

Increased economic growth

The project will positively impact the economic growth and development of the country, by improving transportation and logistics.

SOCIAL BENEFITS

The aerpace project will bring numerous social benefits to human life and the economy of the country. These benefits include:



Efficient Transportation

The combination of Supercar and Superwing will provide fast and efficient transportation, reducing travel time and improving mobility.



Improved Infrastructure

The construction of aerDock will provide much-needed infrastructure, including a gaming zone, food court, shopping areas, and medical emergency response centers in rural areas.



Environmentally Friendly

The use of hydrogen fuel and self-sustaining aerdock with its own hydrogen plant will reduce carbon emissions and promote a cleaner environment.



Job Creation

The construction and operation of the aerospace project will create new job opportunities, boosting employment and supporting the local economy.



Improved Medical Emergency Response

The aerAssist service will provide swift and immediate medical attention, especially in remote and rural locations.



Better Quality of Life

The ease of travel and efficient transportation will improve the quality of life for citizens, allowing them to spend more time with family and friends, pursue hobbies and interests, and be more productive in their daily lives.



Boost to Agriculture and Domestic Logistics

The aerCargo service will enable affordable transportation of perishable goods, reducing wastage and promoting the growth of the agriculture industry.



Power Generation

The solar panels on the roof of aerDock will generate 3 mega-watts of electricity, helping to resolve power problems in rural areas.



Economic Growth and Development

Better transportation will have a direct positive impact on the economic growth and development of the country.

Overall, the Aerospace project has the potential to greatly improve human life and the economy of the country, providing numerous social benefits to citizens.

OUR KEY UNIQUE BUSINESS STRENGTHS ARE

Experienced Promoters and a well-trained employee base

Our Promoters and Directors have been involved in the day-to-day business and management of our Company. We have a highly qualified, experienced, and dedicated management team and a skilled workforce. We believe that our management team's experience and their understanding of our industry will enable us to continue to take advantage of both current and future market opportunities.

Improving functional efficiency

Our Company intends to improve operating efficiency to achieve our revenue targets to have a competitive edge over the peers. We believe that this can be done through a continuous process improvement, development and customer services.

We have strong execution capabilities. Owing to the vast experience of our Management Team and having technologically advanced, we believe that we are in a position to meet the requirements of our targeted customers.

OUR BUSINESS STRATEGIES

Strengthen internal systems and continue to focus on technology and operational efficiency:

Information technology is a part of almost every aspect of our operations. Our growing dependence on IT infrastructure, applications, data management and other internal processes require us to ensure the reliability and functionality of our IT systems. We intend to strengthen our IT systems and other internal processes to reduce manual intervention, improve reliability and efficiency of our business. Given the nature of our industry, cost competitiveness is a key component of our success. We believe we have low execution costs which is partly attributable to our integrated operations and investment in technology.

Develop client relations

We plan to grow our business primarily by growing the number of client relationships and service offerings, as we believe that increased client relationships will add stability to our business. We aim to provide for fast and efficient execution of client requirements. Long-term relations are built on trust and continuous meeting with the requirements of the customers.

Further Investing in technology/ Research and development

Delivering the solution on time and in compliance with our customers' requirements has always been our priority; we strive to bank on it in future by investing time and money in research and development of more advanced level robotic machines. Technologically modern and advanced machines are a key factor in delivering the solution on time. By investing in technology, we aim to reduce the time of project execution

Continue to focus on providing quality service

End user satisfaction in service industry is the epicentre of growth. Our goal is to provide better services to the customers and thereby build long-term sustainable business relationships with our customers to generate increasing revenues. In addition, we intend to continue to develop modernised robots/ machines for providing better facilities in lesser time. Our one of the significant business strategy is to continue providing high quality solutions thereby maximizing customer satisfaction.

Pursue strategic acquisitions

In order to expand, we seek to identify acquisition targets and/or joint venture partners whose resources, capabilities, technologies and strategies are complementary to and are enabling us to establish our presence in new geographical locations and acquisition of new IT technologies..

Brand Image

We would continue to associate ourselves with corporate and quality customers and provide services to their utmost satisfaction. We are highly conscious about our brand image and intend to have our brand building exercise by providing quality services to the satisfaction of the customers.

Strenghts

- Sustainable Vision
 - Experienced Promoters
 - Quality Services
 - Significant Reputation
-

Threats

- Technology Dependency
 - Operational Ineffectiveness
 - Competitive Industry
-

Opportunities

- Use of information technology at large scale
- IT related products/ services will be used in future at large scale.

Weakness

- Dependency on Information Technology.
- Unstable and Changing Market Demand

OPPORTUNITIES AND THREATS

Opportunities

The transportation sector in India is large and diverse, serving the needs of over 1.1 billion people. In 2019-2020, it contributed a significant 5.2% to the nation's GDP, with road transportation being a major part of it. Good physical connectivity in both urban and rural areas is crucial for economic growth and improving access to labor markets.

- Introduction: India is one of the largest countries in the world, with a population of approximately 140 crores spread across 28 states, 755 districts, and more than 4,000 cities.
- Significance of Transportation: Transportation plays a crucial role in the lives of millions of Indians, as 30 to 40 crore people travel daily. A robust transportation system is the lifeline of the nation, connecting people, goods, and services across cities, states, and districts.
- Infrastructure Overview: India boasts of a comprehensive transportation network, which includes 1.4 lakh km of national highways, 7,337 railway stations, and 140 airports. These are used for traveling within the country, particularly for long-distance routes.
- Importance of Efficient Transportation: A more efficient transportation system helps in connecting people, communities, and businesses and is essential for economic growth and development. A well-connected transportation network provides access to employment, educational, recreational, and medical facilities, which can help to reduce poverty and improve the standard of living for millions of people.

However, high levels of mobility in Indian cities have led to a crisis situation characterized by congestion, environmental pollution, traffic fatalities, imported fuel expenses and taxes and inequity.

As Indian cities continue to spread outward, those who cannot afford motorized transport will be increasingly put at a disadvantage and cut off from essential sites and activities in the city, such as employment, recreation, education, medical care, and more. It is important for the Indian government to address these mobility problems and provide accessible transportation options to all segments of the population.

RISKS AND CONCERNS

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The Company is exposed to risks arising out of the dynamic macro-economic environment as well as from internal business drivers. These could adversely impact its ability to create value over the short, medium and long-term. Your Company continuously monitors and revisits the risks associated with its business. It has institutionalized the procedure for identifying, minimizing and mitigating risks and the same are reviewed periodically. The Company's Structured Risk Management Process attempts to provide confidence to the stakeholders that the Company's risks are known and well managed. The management of the Company reviews the risk management processes and implementation of risk mitigation plans. The processes are continuously improved. Risk Management comprises three key components which are as below:

- Risk identification
- Risk assessment and mitigation
- Risk monitoring and assurance

The risk mitigation plans are reviewed regularly by the Management and Audit Committee of your Company.

INTERNAL CONTROL SYSTEM & ADEQUACY

The Internal Control System facilitates the effectiveness and efficiency of Company operations and ensures the reliability of financial information and compliance with laws and regulations. In particular, the accounting control system is an important element of the Internal Control System as it helps ensure that the Company is not exposed to excessive financial risks and that financial internal and external reporting is reliable.

Your Company has robust internal audit and control systems. They are responsible for independently evaluating the adequacy of internal controls and provide assurance those operations and business units adhere to internal policies, processes and procedures as well as regulatory and legal requirements. Internal audit team defines and review scope, coordinates and conducts risk based internal audits with quarterly frequency across Company through their audit firm. Existing audit procedures are reviewed periodically to enhance effectiveness, usefulness and timeliness. The Internal control procedures include proper authorization and adherence to authorization matrix, segregation of roles and responsibilities, physically verification, checks and balances and preventive checks on Compliance risk and overseeing of periodical financials etc.

Internal audit entails risk assessment and detailed verification of processes, adequacy of maintenance of accounting records, documentation and supporting, authorizations, review of internal controls, compliance with management policies and laid down procedures, compliance with applicable accounting standards and to verify adherence with applicable statutes, rules, regulation, byelaws, and circulars of the relevant statutory and regulatory authorities.

HEALTH, SAFETY AND ENVIRONMENT

Your Company is committed to globally accepted best practices and compliance with applicable health, safety and environmental legislation and other requirements. In order to ensure effective implementation of practices, the management of the company have implemented a safety, health and environment policy wherein we have committed to, inter alia, the maintenance of a safe workplace and providing the necessary training to employees in workplace.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the

business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff. Human resource is considered as key to the future growth strategy of the Company and looks upon to focus its efforts to further align human resource policies, processes and initiatives to meet its business needs. In order to focus on keeping employees abreast of technological and technical developments, the Company provides opportunity for training and learning. The overall Industrial relations atmosphere continued to be cordial.

MATERIAL DEVELOPMENT IN HUMAN RESOURCE

Employees are the valuable assets and the strength of an organisation in its growth, prosperity and development. Your Company has a team of qualified and dedicated personnel who have contributed to the growth and progress of the Company. Necessary training is being imparted to the employees and various seminars and workshops are being conducted to continuously hone their skill

KEY FINANCIAL RATIOS

| Ratios | FY 2022-23 | FY 2021-22 |
|-------------------------|------------|------------|
| Interest Coverage Ratio | 2.38 | NA |
| Current Ratio | 5.44 | 35.88 |
| Debt Equity Ratio | 0.07 | NA |
| Operating Profit Margin | NA | NA |
| Net Profit Margin | 0.06 | -2.23 |
| Debtors Turnover Ratio | NA | NA |

SUMMARY OF “AERVERSE” PROJECT

Difficulties related to transportation system

The Importance of Time in Our Lives

Can we truly own time? The answer is no. When we don't have control over something, we tend to neglect it. Today, do we have enough time for our family, friends, and ourselves? The answer is no, as we are constantly on the move in a world that is moving at an unprecedented pace.

The Commuting Challenge

One of the major challenges in modern cities is the traffic congestion caused by road vehicles. The roads that were built a long time ago are simply unable to handle the high volume of cars, trucks, and other vehicles that compete for space. Furthermore, the majority of these land-based vehicles run on fossil fuels and emit harmful substances, even when stationary. These substances include carbon monoxide, which is toxic and odorless, hydrocarbons like benzene that cause cancer, sulfur dioxide which leads to respiratory problems, and solid particles in the form of

Remote Accessibility

Issues Another problem is the difficulty in reaching remote areas, as building roads and rails is not always efficient or economical. It takes years to build these infrastructures, not to mention the time and resources required for maintenance, and the decades of patience required to recover the investment. This has resulted in a significant imbalance in our economy.

Medical and Logistics

Inaccessibility The third challenge is the lack of infrastructure in remote and rural areas, which makes it difficult to provide medical services and transportation for perishable goods. Improving connectivity in these areas not only enhances the economic growth of the region, but also boosts tourism.

The Need for Connectivity

We need to connect every district in our country in the fastest and most economical way to improve travel, trade, and logistics for the benefit of our economy.

The Solution for transportation system:

The use of transportation systems has long been a hallmark of human progress. However, the exponential growth of populations and rapid urbanization in recent years has put immense pressure on public transportation and freight traffic, causing challenges for local governments and impacting economies. Considering these challenges, experts in the field are exploring new possibilities in nearground spaces (NGS) as an alternative to traditional modes of transportation.

The advent of passenger drones and flying cars has the potential to revolutionize the transportation industry and drive economic growth and development. As the demand for logistics and transportation increases in a rapidly growing population, the utilization of both air and ground vehicles is becoming increasingly important. To achieve a rapid return on investment, it's necessary to adopt a solution that is efficient, cost-effective, and quick to construct with optimal resource utilization.

“Mark my words. A combination of airplane and motorcar is coming. You may smile, but it will come.” – Henry Ford

For and on behalf of the Board of Directors

Mrs. Amisha Milan Shah

Director
DIN: 09523075

Mr. Milan Bhupendra Shah

Managing Director
DIN: 08163535

Date: 2nd September 2023
Place: Mumbai

To the Members of Aerpace Industries Limited (formerly known as Supremex Shine & Steels Limited)

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying financial statements of Aerpace Industries Limited (the "Company"), which comprise the balance sheet as at March 31, 2023, and the statement of Profit and Loss (including other comprehensive income), and the statement of changes in equity and the 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 (hereinafter referred to as the "Financials Statements").

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 Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its 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 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements

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. We have determined that there are no key audit matters to be communicated in our report.

Information other than the Financials Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the

information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financials 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 financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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, the management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's 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 the 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.

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

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

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

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

Other Matter

The Financials Statements of the Company for the year ended 31st March 2022, were audited by another auditor who expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 Ind AS specified under Section 133 of the Act;

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation give to us, no remuneration has been paid by the Company to its directors during the year, accordingly the provisions of section 197 read with Schedule V of the Act is not applicable, and

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

i. The Company did not have any pending litigations to be disclosed on its financial statements.

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

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

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities

("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company("Ultimate Beneficiaries"), or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

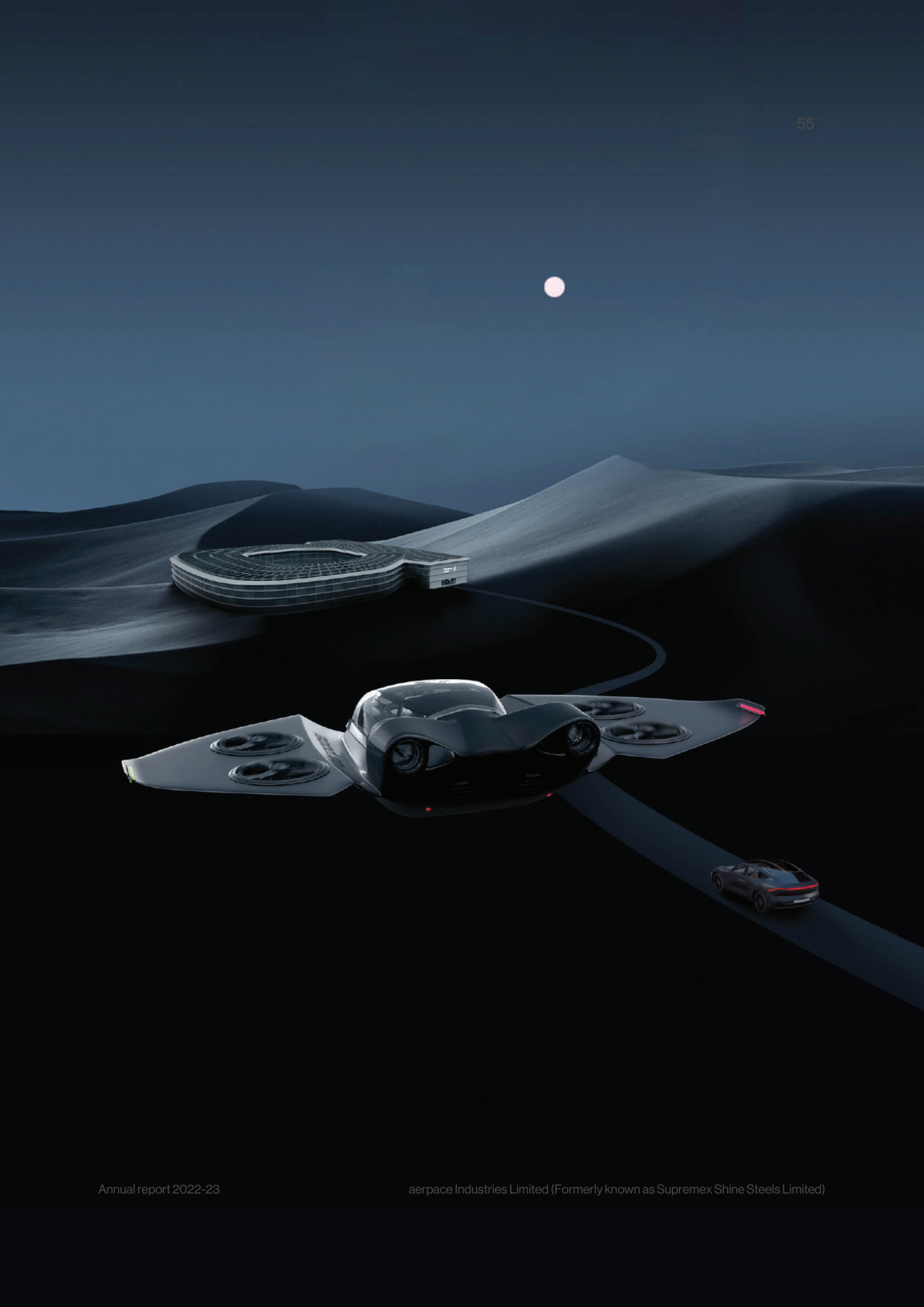
v. The Company has neither declared nor paid any dividend during the year.

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

For Singrodia & Co LLP
Chartered Accountants

Firm Registration No: W100280
Shyamratan Singrodia
Partner

Membership No. 049006
UDIN - 23049006BGPRMY8529
Place: Mumbai
Date:16th May, 2023



TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report to the members of Aerpace Industries Limited of even date)

To the best of our information and according to the explanations provided to us by the company and the books of accounts and record examined by us in the normal course of audit, we state that:

a. A.) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right –to- use assets.

B.) The Company does not have any intangible assets hence this clause is not applicable.

b. All the property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification at reasonable intervals. According to the information and explanations given to us, the frequency of verification is reasonable and no discrepancies were noticed on such verification.

c. The Company does not have immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i) (c) of the Order is not applicable.

d. The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

e. No proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

i. a. The inventory of stationery has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and on the basis of our examination of the records of the Company, no discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory.

b. The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, this clause is not applicable to the Company.

ii. The Company has not made investments in the companies but has granted unsecured loan to other entities, during the year, in respect of which:

a. The Company does not have any subsidiary, joint venture and associates during the year. However, the company has given loans to other entities during the year aggregating to Rs. 167.34 lakhs and its closing balance as at balance sheet date was Rs. 297.82 lakhs (including interest). The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans secured or unsecured, to companies, firms, limited liability partnerships or any other parties.

b. The Company has given unsecured loans to two entities whose year-end balance is Rs. 266.81 lakhs, due to non-availability of the terms and conditions with regards to its security, terms of repayment of principal and payment of interest and other stipulated terms and conditions, we are unable to comment upon whether the said loans granted are prejudicial to the interest of the Company.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no stipulated schedule of repayment of principal and payment of interest in case of unsecured loans given by the Company to two entities. It is therefore not possible for us to comment whether the repayment of principal and payment of interest is regular and any amount is overdue in respect of the said loan. The Company has not given any advance in the nature of loan to any party during the year.

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. Further, the Company has not given any advance in the nature of loan to any party during the year.

e. The Company has granted unsecured loans either repayable on demand or without specifying any terms or period of repayment amounting to Rs. 33.06 lakhs at the end of the year. Details of aggregate amount, percentage thereof of the total loans granted, aggregate amount of loans granted to promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are given hereunder:

| Particulars | All Parties | Promoters | Related Parties |
|--|--------------------|------------------|------------------------|
| Aggregate amount of loans wherein stipulation of repayment is not available | 33.06 | - | |
| Total | 33.06 | - | - |
| Percentage of loans to total loans | 100% | - | - |

iii. The Company has complied with the provisions of section 185 and 186 of the Act, in respect of the loan granted, investments made and guarantees and securities provided, as applicable

iv. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.

v. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the company. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vi. a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it.

There were no undisputed amount payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues in arrears as at 31st March 23 for a period of more than six months from the date they become payable. b. According to the information and explanations given to us, there are no statutory dues including Goods and Services Tax, provident fund, employees' state insurance, incometax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues which have not been deposited on account of any dispute with appropriate authorities.

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

viii. a. The Company has not defaulted in repayment of loans and borrowings or in payment of interest thereon to any lenders during the year.

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

c. The Company has not obtained any term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.

d. On an overall examination of the financial statements of the Company, we report that, prima-facie, no funds raised on short-term basis have been used for long-term purposes by the Company.

e. Since The company has no subsidiaries, associates or joint ventures so reporting under clause (e) and (f) of said order is not applicable

ix. a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x) (a) of the Order is not applicable.

b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable.

x. a. We report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

b. No report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.

c. There are no whistle blower complaints received by the Company during the year.

xi. The Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

xii. In our opinion, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiii. In our opinion, the Company does not have an internal audit system commensurate with the size and nature of its business accordingly no internal audit reports as required in clause (b) have been submitted to us for consideration.

xiv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xv. a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3 (xvi)(a) (b) and (c) of the order is not applicable.

b. In our opinion, the company is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi) (d) of the order is not applicable.

xvii. On an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the current financial year. However in the immediately preceding financial year company has incurred cash losses amounting Rs. 11.69 Lakhs.

xviii. There has been resignation of the statutory auditors during the year, and as per the communication shared by the outgoing auditors, they have not raised any issues, objections or concerns.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The requirements as stipulated by the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For Singrodia & Co LLP
Chartered Accountants
Firm Registration No: W100280

Shyamratan Singrodia
Partner
Membership No. 049006
UDIN: 23049006BGPRMY8529

Place: Mumbai
Date: 16th May, 2023

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 Aerospace Industries Limited (the "Company") as of March 31, 2023 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 is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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, 2023, except that the process of documentation in case of loans given needs to be further strengthened based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singrodia & Co LLP
Chartered Accountants

Firm Registration No: W100280

Shyamratan Singrodia
Partner
Membership No. 049006
UDIN: 23049006BGPRMY8529

Place: Mumbai
Date: 16th May 2023

Balance Sheet

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Balance Sheet as at March 31, 2023

(Rs. in lakhs)

| Particulars | Notes | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------|-------|----------------------|----------------------|
| I. Assets | | | |
| 1 Non current assets | | | |
| (a) Property, Plant and Equipment | 3 | 0.86 | - |
| (b) Right to Use Asset | 4 | 124.53 | - |
| (c) Financial Assets | | | |
| (i) Other Financial Assets | 5 | 11.50 | 16.30 |
| (d) Deferred Tax Assets (Net) | 6 | 2.60 | |
| Sub total | | 139.49 | 16.30 |
| 2 Current assets | | | |
| (a) Inventories | 7 | - | 15.40 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 8 | 83.96 | - |
| (ii) Cash and Cash Equivalents | 9 | 6.29 | 18.16 |
| (iii) Loans | 10 | 297.82 | 300.00 |
| (c) Current Tax Assets | 11 | 5.37 | 0.68 |
| (d) Other Current Assets | 12 | - | 3.27 |
| Sub Total | | 393.44 | 337.50 |
| Total | | 532.93 | 353.80 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 13 | 315.40 | 315.40 |
| (b) Other Equity | 14 | 41.90 | 28.99 |
| Sub-Total | | 357.30 | 344.39 |
| Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |

| | | | |
|---|----|---------------|---------------|
| (i) Lease Liabilities | 15 | 103.33 | - |
| (b) Provisions | 16 | 0.003 | - |
| | | 103.34 | - |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 17 | 23.57 | 7.00 |
| (ii) Lease Liabilities | 18 | 24.06 | - |
| (iii) Trade Payable | 19 | | |
| Total Outstanding dues of Micro & Small Enterprises | | 1.91 | - |
| Total Outstanding due to creditors other than Micro & Small Enterprises | | 1.71 | 2.03 |
| (iv) Other Financial Liabilities | 20 | 9.70 | 0.38 |
| (b) Other Current Liabilities | 21 | 10.51 | - |
| (c) Provisions | 22 | 0.83 | - |
| Sub Total | | 72.29 | 9.41 |
| Total | | 532.93 | 353.80 |

See accompanying notes to the financial statements
In terms of our report of even date

1 to 46

For Singrodia & Co LLP
Chartered Accountants
Firm Registration No W100280

Shyamratan Singrodia
Partner
Membership No. 049006

Date: 16th May, 2023
Place: Mumbai

For and on behalf of the Board of Directors

Mrs. Amisha Shah

Director
DIN:09523075

Anand Shah

Chief Financial Officer

Mr. Milan Shah

Managing Director
DIN:08163535

Shalaka Modi

Company Secretary

Statement of Profit & Loss

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Statement of Profit and Loss for the year ended March 31, 2023

(Rs. in lakhs)

| Particulars | Notes | Year Ended Mar 31, 23 | Year Ended Mar 31, 22 |
|---|-------|-----------------------|-----------------------|
| Income | | | |
| Revenue from Operations | | | |
| Other Income | 23 | 204.29 | 5.25 |
| Total income | | 204.29 | 5.25 |
| Expenses | | | |
| Purchase | 24 | - | 15.40 |
| Changes in Inventories of Finished Goods and Stock-in-Process | | - | (15.40) |
| Employee Benefits Expenses | 25 | 41.54 | 10.10 |
| Finance Costs | 26 | 10.73 | - |
| Depreciation & Amortization Expenses | 27 | 25.76 | - |
| Other Expenses | 28 | 111.79 | 6.84 |
| Total expenses | | 189.82 | 16.94 |
| PROFIT / (LOSS) BEFORE TAX | | 14.47 | (11.69) |
| LESS : Tax Expenses | | | |
| - Current Tax | | 4.05 | - |
| - Taxes for Earlier Period | | 0.11 | - |
| - Deferred Tax | | (2.60) | - |
| PROFIT / (LOSS) FOR THE YEAR (A) | | 12.91 | -11.69 |
| OTHER COMPREHENSIVE INCOME | | | |
| a) (i) Items that will not be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| b) (i) Items that will be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| TOTAL OTHER COMPREHENSIVE INCOME (B) | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B) | | 12.91 | 11.69 |
| Earnings per Equity Share | 29 | | |
| Basic Earnings Per Share (of Re. 1/- each) | | 0.041 | (0.037) |
| Diluted Earnings Per Share (of Re. 1/- each) | | 0.041 | (0.037) |

See accompanying notes to the financial statements
In terms of our report of even date

1 to 46



For Singrodia & Co LLP
Chartered Accountants
Firm Registration No W100280

Shyamratan Singrodia
Partner
Membership No. 049006

Date: 16th May, 2023
Place: Mumbai

For and on behalf of the Board of Directors

Mrs. Amisha Shah

Director
DIN:09523075

Anand Shah

Chief Financial Officer

Mr. Milan Shah

Managing Director
DIN:08163535

Shalaka Modi

Company Secretary

Cash flow statement

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Cash Flow Statement For the Year Ended March 31, 2023

(Rs. in lakhs)

| Particulars | Year Ended Mar 31, 23 | Year Ended Mar 31, 22 |
|--|-----------------------|-----------------------|
| A. Cash flow from operating activities | | |
| Net Profit/(Loss) Before Tax | 14.47 | (11.69) |
| Adjustments for: | | |
| Interest Income | (34.40) | (5.25) |
| Depreciation and amortization Expenses | 25.76 | - |
| Provision for Expected Credit Loss | 0.90 | - |
| Finance Cost | 10.73 | - |
| Operating profit before working capital changes | 17.46 | (16.93) |
| Adjustment for : | | |
| (Increase)/Decrease in Inventories | 15.40 | (15.40) |
| (Increase)/Decrease in Trade Receivable | (84.86) | 27.00 |
| (Increase)/Decrease in Short Term Loan & Advances | 2.18 | (301.72) |
| Increase/(Decrease) in Trade Payable | 1.59 | (20.64) |
| Increase/(Decrease) in Other Current Liabilities | 10.51 | 6.04 |
| Increase/(Decrease) in Other Financial Liabilities | 9.33 | - |
| Increase/(Decrease) in Provisions | 0.83 | - |
| (Increase)/Decrease in Other Financial Assets | 4.80 | (16.30) |
| (Increase)/Decrease in Current Assets | 3.27 | - |
| Cash Flow From Operation | (19.49) | (337.96) |
| Tax Paid (Net) | (8.87) | (0.49) |
| Net Cash inflow from/ (outflow) from Operating activities | (28.36) | (338.45) |
| B. Cash Flow from Investing Activities | | |
| Fixed Deposit Matured | - | 330.00 |
| Interest Income | 34.40 | 5.25 |
| Purchase of Property, Plant & Equipment | (1.25) | - |

| | | |
|--|----------------|---------------|
| Net Cash inflow from/ (outflow) from Investing activities | 33.15 | 335.25 |
| C. Cash Flow from Financing Activities | 0.003 | - |
| Increase/(Decrease) in Borrowing | 16.57 | - |
| Payment of Lease Liability | (33.23) | - |
| Net Cash inflow from/ (outflow) from Financing activities | (16.66) | - |
| Net increase / (decrease) in cash and cash equivalents | (11.87) | (3.20) |
| Cash and cash equivalents at the Beginning of the year | 18.16 | 21.36 |
| Cash and cash equivalents at the end of the year | 6.29 | 18.16 |

1. Cash Flow statement has been prepared under "Indirect Method", set out in Ind AS 7, notified under the Companies (Indian Accounting Standard) Rules, 2015.

2. Cash and cash Equivalents Represent cash and Cash deposit with bank which are considered to be highly liquid.

3. Previous year's figures have been regrouped and rearranged wherever necessary in order to conform to current year's figures.

In terms of our report of even date
For Singrodia & Co LLP
Chartered Accountants
Firm Registration No W100280

Shyamratan Singrodia
Partner
Membership No. 049006

Date: 16th May, 2023
Place: Mumbai

For and on behalf of the Board of Directors

Mrs. Amisha Shah

Director
DIN:09523075

Anand Shah

Chief Financial Officer

Mr. Milan Shah

Managing Director
DIN:08163535

Shalaka Modi

Company Secretary

Changes in equity

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Statement Of Changes In Equity for the year ended March 31, 2023

(Rs. in lakhs)

| Particulars | No. of shares | Amount |
|---|---------------|--------|
| A) Equity Share Capital | | |
| As at 1st April, 2021 | 3,15,40,000 | 315.40 |
| Equity Share Capital issued during the year | - | - |
| As at 31st March, 2022 | 3,15,40,000 | 315.40 |
| Equity Share Capital issued during the year | - | - |
| As at 31st March, 2023 | 3,15,40,000 | 315.40 |

| Particulars | Capital Reserve | Retained Earnings | Total |
|---|-----------------|-------------------|---------|
| B) Other Equity | | | |
| Balance at the beginning of the reporting period March 31, 2021 | 0.17 | 40.52 | 40.68 |
| Changes in accounting policy/prior period errors | - | - | - |
| Restated balance at the beginning of the reporting period | 0.17 | 40.52 | 40.68 |
| Profit/(Loss) for the year | - | (11.69) | (11.69) |
| Other Comprehensive Income for the year | - | - | - |
| Total Comprehensive Income for the year | 0.17 | 28.82 | 28.99 |
| Movement for the year | - | - | - |
| Balance as at March 31, 2022 | 0.17 | 28.82 | 28.99 |
| Balance as at April 1, 2022 | 0.17 | 28.82 | 28.99 |
| Changes in accounting policy/prior period errors | - | - | - |
| Restated balance at the beginning of the reporting period | 0.17 | 28.82 | 28.99 |
| Profit for the year | - | 12.91 | 12.91 |
| Other Comprehensive Income for the year | - | - | - |
| Total Comprehensive Income for the year | 0.17 | 41.73 | 41.90 |
| Movement for the year | - | - | - |
| Balance as at March 31, 2023 | 0.17 | 41.73 | 41.90 |

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



For Singrodia & Co LLP
Chartered Accountants
Firm Registration No W100280

Shyamratan Singrodia
Partner
Membership No. 049006

Date: 16th May, 2023
Place: Mumbai

For and on behalf of the Board of Directors

Mrs. Amisha Shah

Director
DIN:09523075

Anand Shah

Chief Financial Officer

Mr. Milan Shah

Managing Director
DIN:08163535

Shalaka Modi

Company Secretary

1. Corporate information

aerpace Industries Limited ('the Company') (Formerly known as Supremex Shine Steels Limited) is a Public Limited Company incorporated on 04th March, 2011 and domiciled in India and has its registered office at 1005, 10th Floor, A Wing, Kanakia Wall Street, Andheri Kurla Road, Andheri (East), Mumbai-400093. The Company has its primary listing on the Bombay Stock Exchange (BSE). The company is engaged into business of renewable energy and infrastructure.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied in all material respect for all the years presented, unless otherwise started.

2.1 Basis of Preparation of financial statements

The Company's Financial Statement for the year ended March 31, 2023 have been prepared in accordance with provisions of the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time. All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/ non-current classification of assets and liabilities.

2.2 Use of estimates

The preparation of financial statements requires management of the Company to make estimates and assumptions that effect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Examples of such estimates include estimation of useful lives of tangible and intangible assets, valuation of inventories, sales return, employee costs, assessments of recoverable amounts of deferred tax assets and cash generating units, provisions against litigations and contingencies. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

2.3 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

2.4 Foreign Currency Transaction and Translation

i. Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The financial statements are presented in Indian Rupees in lakhs, which is the Company's functional and presentation currency.

ii. Transactions and Balances

a. In preparing the financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

b. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

c. Non-monetary items are measured at historical cost. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except when deferred in other comprehensive income as qualifying cash flow hedges.

d. Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period. Exchange differences arising on retranslation on nonmonetary items carried at fair value are included in statement of profit and loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

2.5 Property, Plant and Equipment

Property, Plant and Equipment is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use as estimated by the management. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. The carrying values of Property, Plant and Equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets. An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the property, plant and equipment is de-recognised.

Depreciation is calculated on WDV basis over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost can be measured reliably.

2.6 Leases

The Company as a lessee

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The effective date of the modification is the date when both the parties agree to the lease modification and is accounted for in that point in time. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

General borrowing costs are capitalised at the weighted average of such borrowings outstanding during the year.

2.8 Inventories are valued as under

Traded Goods:

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.9 Cash and cash equivalents

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

2.10 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.11 Impairment of financial assets & non-financial assets

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

b. Non-financial assets

Intangible assets and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior year.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

2.12 Revenue recognition

Revenue from sale of goods is recognised when the significant risks and reward of ownership and effective control on goods have been transferred to the buyer. Sales revenue is measured at fair value net of returns, trade discounts, volume rebates and taxes or duties. Revenue from services rendered is recognised as and when the services are rendered and related costs are incurred in accordance with the contractual agreement.

Interest income

Interest income is accrued on time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

Other income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

Dividend

Dividend income is recognised when to right to receive payment has been established.

Commission Income

Commission Income is accounted when it becomes due as per contract.

2.13 Employee Benefit Expenses

All employee benefits payable within a period of twelve months of rendering service are classified as short term employee benefits. Benefits such as salaries, allowances, advances and similar payments paid to the employees of the Company are recognized during the period in which the employee renders such related services.

Defined Contribution plans

Provident Fund: The Company is a member of the Government Provident Fund which is operated by the office of the Regional Provident Fund Commissioner (RPFC) and the contribution thereof is paid /provided for during the period in which the employee renders the related service.

Defined Benefits plans

Gratuity: In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, covering eligible employees. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service. Gratuity is provided as per actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date. Re-measurement, comprising actuarial gains and losses, the return on plan Assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is reclassified to Profit and Loss.

2.14 Taxes

Tax expenses comprise of current and deferred tax.

Current income tax

a. Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961.a. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b. Current tax items are recognised in correlation to the underlying transaction either in P&L, OCI or directly in equity.

Deferred tax

a. Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

b. Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

e. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date.

f. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

g. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

2.15 Earnings Per Share (EPS)

Basic Earnings per Share

Basic earnings per share is calculated by dividing: the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

Contingent Liabilities are disclosed by way of notes to Financial Statements. Contingent assets are not recognised in the financial statements but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable. Provisions and contingent liabilities are reviewed at each Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

2.17 Financial instruments

A Financial Assets

The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss. However trade receivables that do not contain a significant financing component are measured at transaction price.

Investments and other financial assets

(ii) Classification and Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Financial Assets:

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its financial assets into following categories:

1 Amortised cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

2 Fair value through other comprehensive Income:

Financial assets with a business model: (A) Whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and (B) where the Company has exercised the option to classify the investment as at fair value through other comprehensive income, all fair value changes on the assets are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.

3 Fair value through Profit and Loss:

Financial assets which are not classified in any of the categories above are fair value through profit or loss.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to received cash flows of the financial assets and has substantially transferred all the risk and rewards of ownership of the financial assets.
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligations to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

B Financial liabilities:

(i) Measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

(ii) De-recognition

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

2.18 Fair value measurement

The Company measures financial instruments, such as, derivatives and investments at fair value as per IND AS 113 at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2 — The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.19 Key Accounting Estimates And Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

(i) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.
future periods.

(ii) Impairment of non - financial assets (iii) Provision for Contingent Liabilities

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Company.

(iii) Provision for Contingent Liabilities

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

(iv) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under note above.

(v) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(Rs. in lakhs)

| Particulars | Computer | Office equipment | Total |
|--|-------------|------------------|-------------|
| Note 3 : Property Plant & Equipment | | | |
| Gross Carrying Amount as at April 1, 2021 | - | - | - |
| Additions | - | - | - |
| Disposals | - | - | - |
| As at March 31, 2022 | - | - | - |
| Additions | 0.64 | 0.61 | 1.25 |
| Transfer | - | - | - |
| Disposals | - | - | - |
| As at March 31, 2023 | 0.64 | 28.82 | 1.25 |
| Accumulated Depreciation as at April 1, 2021 | - | - | - |
| Depreciation charge during the year | - | - | - |
| Accumulated depreciation on deletions | - | - | - |
| Accumulated Depreciation as at April 1, 2022 | - | - | - |
| Depreciation charge during the year | 0.33 | 0.06 | 0.39 |
| Accumulated depreciation on deletions | - | - | - |
| As at March 31, 2023 | 0.33 | 0.06 | 0.39 |
| Net carrying amount as at March 31, 2023 | 0.31 | 0.55 | 0.86 |
| Net carrying amount as at March 31, 2022 | - | - | - |

(Rs. in lakhs)

| Particulars | No. of shares | Amount |
|---|---------------|---------------|
| Note 4 : Right to Use Asset | | |
| Gross Carrying Amount as at April 1, 2021 | - | - |
| Additions | - | - |
| Deletion | - | - |
| As at March 31, 2022 | - | - |
| Accumulated amortisation and impairment as at April 1, 2021 | - | - |
| Amortisation charge during the year | - | - |
| Deletion | - | - |
| As at March 31, 2022 | - | - |
| Net carrying amount as at March 31, 2022 | - | - |
| Gross Carrying Amount as at April 1, 2022 | - | - |
| Additions | 149.90 | 149.90 |
| Deletion | - | - |
| As at March 31, 2023 | 149.90 | 149.90 |
| Accumulated amortisation and impairment as at April 1, 2022 | - | - |
| Amortisation charge during the year | 25.37 | 25.37 |
| Deletion | - | - |
| As at March 31, 2023 | 25.37 | 25.37 |
| Net carrying amount as at March 31, 2023 | 124.53 | 124.53 |
| Net carrying amount as at March 31, 2022 | - | - |

(Rs. in lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Note 5 : Non Current Financial Assets | | |
| Security deposit | 11.50 | 11.50 |
| | 11.50 | 11.50 |
| Note 6 : Deferred Tax Assets (net) | | |
| Deferred Tax Assets arising due to temporary differences pertaining to | | |
| Property, Plant & Equipment, Right to Use Asset - Depreciation & Amortisation | 2.16 | - |
| Provision for Employee Benefits | 0.21 | - |
| Allowance for Doubtful Receivable | 0.23 | - |
| | 2.60 | - |
| Note 7 : Inventories | | |
| (At Cost or Net Realizable Value whichever is less) | | |
| Stock | - | 15.40 |
| | - | 15.40 |
| Note 8 : Trade Receivables (Unsecured, Considered good) | | |
| Trade Receivable considered good | 84.86 | - |
| Less: Allowance for Expected Credit Loss | (0.90) | - |
| Total | 83.96 | - |

Note : Trade Receivable includes Rs. 46.65 lakhs (P.Y. Rs. NIL) due from company in which director is interested as director

(Rs. in lakhs)

As at 31st March, 2023

Outstanding for following periods from due date of payment

| Particulars | Not due | Less than 6 months | 6 months - 1 year | 1-2 year | 2-3 year | More than 3 year | Total |
|--|---------|--------------------|-------------------|----------|----------|------------------|--------------|
| Undisputed Trade Receivables – considered good | - | 75.76 | 9.10 | - | - | - | 84.86 |
| Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - | - |
| Disputed Trade receivable – considered good | - | - | - | - | - | - | - |
| Disputed Trade receivable – considered doubtful | - | - | - | - | - | - | - |
| Unbilled dues | - | - | - | - | - | - | - |
| Total | - | 75.76 | 9.10 | - | - | - | 84.86 |

* Since, there are no Trade Receivable in F.Y 21-22, no ageing has been provided for the same

(Rs. in lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Note 9 : Cash and Cash Equivalent | | |
| Current Account | 4.29 | 16.71 |
| Cash in hand | 2.00 | 1.45 |
| Total | 6.29 | 18.16 |

(Rs. in lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Note 10 : Loans | | |
| Unsecured-Considered good | | |
| Loan to Related Parties * | 31.01 | - |
| Loan to Others | 266.81 | 300.00 |
| Total | 297.82 | 300.00 |
| * Loans & Advances in the nature of loans granted to promoters, directors, KMPs and other related parties that are: | | |
| Promoters | - | - |
| Directors | - | - |
| KMP | - | - |
| Other Related Parties | 31.01 | - |
| Total | 31.01 | - |
| Note 11 : Current Tax Assets | | |
| Advance Tax & TDS (Net of Provisions) | 5.37 | 0.68 |
| Total | 5.37 | 0.68 |
| Note 12 : Other Current Assets | | |
| Balance with Government Authorities | - | - |
| - GST Receivables | - | 3.26 |
| Prepaid Expenses | - | 0.01 |
| Total | - | 3.27 |
| Note 15 : Lease Liability - Non Current | | |
| Lease Liabilities | 103.33 | - |
| Total | 103.33 | - |
| Note 16 : Provisions | | |
| Provision for Gratuity | 0.003 | - |
| Total | 0.003 | - |

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Note 17 : Borrowings | | |
| Unsecured - Loan from Directors | 23.57 | 7.00 |
| Total | 23.57 | 7.00 |
| *Loan from Director is repayable on demand & is interest free in Nature. | | |
| Note 18 : Lease Liabilities - Current | | |
| Lease Liabilities | 24.06 | - |
| Total | 24.06 | - |
| Note 19 : Trade Payable | | |
| Total Outstanding due to Micro & Small Enterprises | 1.91 | - |
| Total Outstanding due to creditors other than Micro & Small Enterprises | 1.71 | 2.03 |
| Total | 3.62 | 2.03 |

Note : *Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at March 31, 2023 has been made based on the information available with the Company. Further, in the view of the Management, the impact of interest, if any, that may be payable in accordance with the Act is not expected to be material. The Company has not received any claim for interest from any supplier under this Act. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on such information provided by the Management.

Notes

(Rs. in lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| a) The principal amount remaining unpaid to any supplier as at the end of each accounting year. | 1.91 | - |
| b) The interest due thereon remaining unpaid to any supplier as at the end of each accounting year. | - | - |
| c) The amount of interest paid by the buyer in terms of section 16 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| d) 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 | - | - |
| e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| f) 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 | - | - |

(Rs. in lakhs)

As at March 31, 2023

Outstanding for following periods from due date of payment

| Particulars | Not due | Less than 1 year | 1-2 year | 2-3 year | More than 3 year | Total |
|---|---------|------------------|----------|----------|------------------|-------------|
| Trade Payables Ageing Schedule | | | | | | |
| Dues to micro enterprises and small enterprises | - | 1.91 | - | - | - | 1.91 |
| Dues to other than micro enterprises and small enterprises | - | 1.71 | - | - | - | 1.71 |
| Disputed dues to micro enterprises and small enterprises | - | - | - | - | - | - |
| Disputed dues to other than micro enterprises & small enterprises | - | - | - | - | - | - |
| Unbilled dues | - | - | - | - | - | - |
| Total | - | 3.62 | - | - | - | 3.62 |

As at March 31, 2022

Outstanding for following periods from due date of payment

| Particulars | Not due | Less than 1 year | 1-2 year | 2-3 year | More than 3 year | Total |
|---|---------|------------------|-------------|----------|------------------|-------------|
| Trade Payables Ageing Schedule | | | | | | |
| Dues to micro enterprises and small enterprises | - | - | - | - | - | - |
| Dues to other than micro enterprises and small enterprises | - | 1.98 | 0.05 | - | - | 2.03 |
| Disputed dues to micro enterprises and small enterprises | - | - | - | - | - | - |
| Disputed dues to other than micro enterprises & small enterprises | - | - | - | - | - | - |
| Unbilled dues | - | - | - | - | - | - |
| Total | - | 1.98 | 0.05 | - | - | 2.03 |

(Rs. in lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Note 20 : Other Financial Liabilities | | |
| Provision for Expenses | 9.70 | 0.38 |
| Total | 9.70 | 0.38 |
| Note 21 : Other Current Liabilities | | |
| Statutory Dues payable | 10.51 | - |
| Total | 10.51 | - |
| Note 22 : Provisions | | |
| Provision for Gratuity | 0.83 | - |
| Total | 0.83 | - |

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Note 13 : Equity Share Capital | | |
| A. Details of authorised, issued and subscribed share capital | | |
| Authorised 3,50,00,000 (PY 3,50,00,000) Equity Shares of Re. 1 each | 350.00 | 350.00 |
| Total | 350.00 | 350.00 |
| Issued, Subscribed and Paid up | | |
| 3,15,40,000 (PY 3,15,40,000) Equity Shares of Re. 1 each | 315.40 | 315.40 |
| Total | 315.40 | 315.40 |
| b. Terms & Conditions Terms / rights attached to equity shares | | - |

The company has only one class of equity shares having par value of Rs.1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(Rs. in lakhs)

Note 13: Equity Share Capital (Cont...)

| Particulars | 31st March, 2023 | | 31st March, 2022 | |
|--|------------------|-----------------------|------------------|-----------------------|
| | Number of shares | Amount (INR in Lakhs) | Number of shares | Amount (INR in Lakhs) |
| c.Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year | | | | |
| Equity shares | | | | |
| Shares outstanding at the beginning of the year | 3,15,40,000 | 315.40 | 3,15,40,000 | 315.40 |
| Shares issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 3,15,40,000 | 315.40 | 3,15,40,000 | 315.40 |

| Name of shareholder | 31st March, 2023 | | 31st March, 2022 | |
|---|------------------|------------------------|------------------|------------------------|
| | Numbers | % holding in the class | Numbers | % holding in the class |
| d. Details of shareholders holding more than 5% shares in the company | | | | |
| Equity Shares of Rs.1/- each fully paid up | - | - | - | - |
| Olumpus Trading & Advisory LLP | 55,75,138 | 17.68% | 55,75,138 | 17.68% |
| Kaushal Anand Shah | 63,67,070 | 20.19% | 63,67,070 | 20.19% |
| Anand Manoj Shah | 60,91,921 | 19.31% | 60,91,921 | 19.31% |

Notes

(Rs. in lakhs)

Note 13 : Equity Share Capital (Cont...)

e. Details of shares held by promoters
As at March 31, 2023

| Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|--|--|------------------------|--------------------------------------|-------------------|--------------------------|
| Equity shares of Rs. 1 each fully paid up | | | | | |
| Kaushal Anand Shah | 63,67,070 | - | 63,67,070 | 20.19% | - |
| Anand Manoj Shah | 60,91,921 | - | 60,91,921 | 19.31% | - |
| Milan B Shah | 10,42,541 | - | 10,42,541 | 3.31% | - |
| Hasmukh Karman Gala | 6,32,340 | - | 6,32,340 | 2.00% | - |
| Amisha Milan Shah | 1,06,670 | - | 1,06,670 | 0.34% | - |
| Aerpace Robotics Private Limited | - | 3,00,000 | 3,00,000 | 0.95% | 100% |
| Total | 1,42,40,542 | 3,00,000 | 1,45,40,542 | - | - |

(Rs. in lakhs)

| Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|--|--|------------------------|--------------------------------------|-------------------|--------------------------|
| Equity shares of Rs. 1 each fully paid up | | | | | |
| Leena Vipul Modi | 63,67,070 | 63,67,070 | - | 20.19% | 100% |
| Vipul Modi HUF | 30,75,730 | 30,75,730 | - | 9.75% | 100% |
| Vipul Modi | 30,16,191 | 30,16,191 | - | 9.56% | 100% |
| Chandrakanta Modi | 3,09,330 | 3,09,330 | - | 0.98% | 100% |
| Jimeet Modi | 1,07,670 | 1,07,670 | - | 0.34% | 100% |
| Miloni Modi | 1,000 | 1,000 | - | 0.00% | 100% |
| Jimeet Developers Private Limited | 1,07,670 | 1,07,670 | - | 0.34% | 100% |
| Rock Builders and Developers Private Limited | 1,07,670 | 1,07,670 | - | 0.34% | 100% |
| Jinal Fin-Vest Private Limited | 1,06,670 | 1,06,670 | - | 0.34% | 100% |
| Kaushal Anand Shah | - | 63,67,070 | 63,67,070 | 20.19% | 100% |
| Anand Manoj Shah | - | 60,91,921 | 60,91,921 | 19.31% | 100% |
| Milan B Shah | - | 10,42,541 | 10,42,541 | 3.31% | 100% |
| Hasmukh Karman Gala | - | 6,32,340 | 6,32,340 | 2.00% | 100% |
| Amisha Milan Shah | - | 1,06,670 | 1,06,670 | 0.34% | 100% |
| Total | 1,31,99,001 | 2,74,39,543 | 1,42,40,542 | | |

(Rs. in lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|----------------------------------|-----------------------|-----------------------|
| Note 14 : Other Equity | | |
| Capital Reserve | | |
| Capital Reserve | 0.17 | 0.17 |
| A | 0.17 | 0.17 |
| Retained Earnings | | |
| Profit & Loss Account | 28.82 | 40.52 |
| Less: Current Year Profit/(Loss) | 12.91 | (11.69) |
| B | 41.73 | 28.82 |
| Total (A+B) | 41.90 | 28.99 |

14.1 - Nature and Purpose of Other Reserves

a) Capital Reserve

The capital reserve is created through forfeiture of shares warrants, shares, revaluation of existing assets, the redemption of preference shares and accumulated capital surplus not available for distribution of dividend.

b) Retained Earnings

The amount of retained earning includes the component of other comprehensive income, which cannot be distributed by the Company as dividends to its equity shareholders. Balance amount is available for distribution to equity share holders.

| Particulars | Year ended Mar 31, 2023 | Year ended Mar 31, 2022 |
|--|-------------------------|-------------------------|
| Note 23 : Other Income | | |
| Management & Technical Consultancy | 145.21 | - |
| Commission Income | 24.67 | - |
| Interest Income | | |
| From Others | 33.62 | 5.25 |
| On unwinding of financial assets carried at amortised cost | 0.78 | - |
| Total | 204.29 | 5.25 |

| Particulars | Year ended Mar 31, 2023 | Year ended Mar 31, 2022 |
|---|-------------------------|-------------------------|
| Note 24 : Purchase | | |
| Purchases | - | 15.40 |
| Total | - | 15.40 |
| Note 25 : Employee Benefits Expenses | | |
| Salary, Wages and Bonus | 40.39 | 10.08 |
| Gratuity Expenses | 0.83 | - |
| Staff Welfare Expenses | 0.32 | 0.01 |
| Total | 41.54 | 10.10 |
| Note 26 : Finance Costs | | |
| Interest on Lease Liability | 10.73 | - |
| Total | 10.73 | - |
| Note 27 : Depreciation & Amortization Expenses | | |
| Depreciation on tangible assets | 0.39 | - |
| Amortization of right to use | 25.37 | - |
| Total | 25.76 | - |
| Note 28 : Other Expenses | | |
| Electricity Expenses | 0.64 | - |
| Advertisement Expenses | 0.67 | 0.50 |
| Legal, Professional & Consultancy Charges | 23.12 | 5.61 |
| Auditors Remuneration | 1.61 | 0.33 |
| Annual Listing Fees | 4.02 | - |
| Printing & Stationery | 15.53 | 0.02 |
| Travelling and Conveyance | 0.01 | 0.14 |
| Provision for Expected Credit Loss | 0.90 | - |
| Technical Consultancy Expenses | 60.00 | - |
| Telephone & Internet Expenses | 1.15 | 0.09 |
| Commission & Brokerage | 1.00 | - |
| Miscellaneous Expenses | 3.15 | 0.15 |
| Total | 111.79 | 6.84 |
| Auditor remuneration includes : | | |
| As Auditor | 1.30 | 0.22 |
| For Taxation Matters | 0.31 | - |
| For Other Services | - | 0.11 |
| Total | 1.61 | 0.33 |

| Particulars | Year ended Mar 31, 2023 | Year ended Mar 31, 2022 |
|---|-------------------------|-------------------------|
| Note 29 : Earnings per Equity Share | | |
| Profit/(Loss) as per Statement of Profit and Loss | 12.91 | (11.69) |
| Weighted Average Number of Shares for Basic & Diluted EPS | 3,15,40,000 | 3,15,40,000 |
| Face value per Share | 1 | 1 |
| Basic Earnings Per Share | 0.04 | (0.04) |
| Interest Income | 0.04 | (0.04) |

(Rs. in lakhs)

Note 30 :- Leases

In current year, the Company has recognised Interest on Lease Liability and Amortization of Right of use Asset as per IndAS 116 'Lease' in the statement of Profit and Loss as under

- Finance Cost' in Note no. 26. Interest on Lease Liability of Rs. 10.73 lakhs (PY Nil).
- Depreciation and Amortization expense' in Note no. 27. Amortization of Lease Liability of Rs. 25.37 lakhs (PY Nil).
- The total outstanding cash outflow for lease as per the agreement is Rs. 127.40 lakhs (PY Nil).
- There has been addition to right of use asset in the current year of Rs. 149.90 lakhs (PY Nil).
- There has been deletion to right of use asset in the current year of Rs. 25.37 Lakhs (PY Nil).

The Company has taken premises under leave and license agreement, the rent and escalation depends upon the lease by the Company. The Company has entered into an lease agreement for the period of 5 years, with escalation clause.

The disclosure requirement and maturity analysis of lease liability and asset as per IndAS 107 'Financial Instrument : Disclosures' are as follows:

(Rs. in lakhs)

| Particulars | 1st April, 2022 | Addition | Deletion / Amortization | 31st March, 2023 |
|---|-----------------|----------|-------------------------|------------------|
| a) The net carrying amount of Right of use asset : | | | | |
| Right of Use Asset | - | 149.90 | 25.37 | 124.53 |

| Particulars | 31st March, 2023 | 31st March, 2022 |
|--|------------------|------------------|
| b) A reconciliation between the total minimum lease payment as on 31st March, 2023 and their present value: | | |
| Lease Liability as at balance sheet date | 144.27 | - |
| Add: Interest on above* | 10.73 | - |
| Less: Payment of Lease Liabilities | -27.60 | - |
| Minimum Lease Payment | 127.40 | - |

*The rate of interest taken is 8.50% p.a.

c) Maturity Analysis of the Minimum lease payment for the following years are as follow:

| | | |
|---|---------------|---|
| Not later than 1 year | 33.98 | - |
| Later than 1 year but not later than 5 year | 93.42 | - |
| Total | 127.40 | - |

Note 31 :- Related Party Disclosure

| Nature of Relationship | Name | Position |
|---|---------------------------------------|--------------------------------------|
| a.List of related parties | | |
| Key Managerial Personnels | Milan Shah | Director from 09-03-2022 |
| | Amisha Shah | Director from 09-03-2022 |
| | Akanksha Bilaney | Independent Director from 09-03-2022 |
| | Sanjay Takale | Director from 04-05-2022 |
| | Virendra Verma | Independent Director from 04-05-2022 |
| | Anand Shah | CFO from 10-03-2023 |
| | Vipul Modi | Director upto 09-03-2022 |
| | Leena Modi | Director upto 09-03-2022 |
| | Anil Popat | Director upto 09-03-2022 |
| | Paresh Vora | Director upto 09-03-2022 |
| | Hardik Patel | CFO upto 09-03-2022 |
| | Ruchika Konde | Company Secretary upto 09-03-2022 |
| | Shalaka Modi | Company Secretary from 09-03-2022 |
| Entity where KMP/Relative of KMP exercise significant influence | Aerpace Communication Private Limited | |
| | Aerpace Robotics Private Limited | |
| | Aerpace Supercars Private Limited | |

As at March 31, 2023

(Rs. in lakhs)

| Name of Party | Nature of Transaction | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|--------------------------------|------------------------------|------------------------------|
| b. Transaction with Related parties | | | |
| Milan Shah | Loan taken | 41.66 | 7.00 |
| | Loan repaid | 25.09 | - |
| Vipul Modi | Loan given and repaid | - | 130.00 |
| Akanksha Bilaney | Director Sitting Fees | 3.00 | - |
| Virendra Verma | Director Sitting Fees | 1.81 | - |
| aerpace Communication Private Limited | Technical Consultancy Expenses | 60.00 | - |
| | Technical Fees Income | 40.21 | - |
| | Loan Given | 36.90 | - |
| | Loan Received back | 35.55 | - |
| | Interest Income | 3.78 | - |
| aerpace Robotics Private Limited | Loan Given | 14.44 | - |
| | Interest Income | 1.19 | - |
| aerpace Supercars Private Limited | Loan Given | 10.00 | - |
| | Interest Income | 0.83 | - |
| c. Balances Outstanding of Related parties | | | |
| Milan Shah | Loan Payable | 23.57 | 7.00 |
| aerpace Communication Private Limited | Trade Receivable | 46.65 | - |
| | Loan Receivable | 4.75 | - |
| aerpace Robotics Private Limited | Loan Receivable | 15.51 | - |
| Aerpace Supercars Private Limited | Loan Receivable | 10.75 | - |

Note - Reimbursement of expenses in normal course of business have not been considered while reporting above

(Rs. in lakhs)

Note 32 :- Fair Value Management**i. Accounting classification and fair values**

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

i) **The carrying value and fair value of financial instruments by categories as of 31 March 2023 are as follows:**

| Particulars | Carrying amount | | | | Fair value | | | |
|------------------------------------|-----------------|-------|----------------|---------------|------------|--------|--------|---------------|
| | FVPL | FVOCI | Amortised Cost | Total | Level1 | Level2 | Level3 | Total |
| Financial assets | | | | | | | | |
| Security Deposits | - | - | 11.50 | 11.50 | - | - | - | 11.50 |
| Trade Receivables | - | - | 83.96 | 83.96 | - | - | - | 83.96 |
| Cash and Cash Equivalents | - | - | 6.29 | 6.29 | - | - | - | 6.29 |
| Loans and Advances | - | - | 297.82 | 297.82 | - | - | - | 297.82 |
| Total financial assets | - | - | 399.57 | 399.57 | - | - | - | 399.57 |
| Financial liabilities | | | | | | | | |
| Borrowings | - | - | 23.57 | 23.57 | - | - | - | 23.57 |
| Lease Liability | - | - | 24.06 | 24.06 | - | - | - | 24.06 |
| Trade payables | - | - | 1.71 | 1.71 | - | - | - | 1.71 |
| Other financial liabilities | - | - | 9.70 | 9.70 | - | - | - | 9.70 |
| Total financial liabilities | - | - | 59.05 | 59.05 | - | - | - | 59.05 |

(Rs. in lakhs)

ii) The carrying value and fair value of financial instruments by categories as of 31 March 2022 are as follows:

| Particulars | Carrying amount | | | Total | Fair value | | | Total |
|------------------------------------|-----------------|-------|----------------|---------------|------------|---------|---------|---------------|
| | FVPL | FVOCI | Amortised Cost | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | | | | |
| Security Deposits | - | - | 16.30 | 16.30 | - | - | - | 16.30 |
| Cash and Cash Equivalents | - | - | 18.16 | 18.16 | - | - | - | 18.16 |
| Loans and Advances | - | - | 300.00 | 300.00 | - | - | - | 300.00 |
| Total financial assets | - | - | 334.46 | 334.46 | - | - | - | 334.46 |
| Financial liabilities | | | | | | | | |
| Trade payables | - | - | 2.03 | 2.03 | - | - | - | 2.03 |
| Other financial liabilities | - | - | 0.38 | 0.38 | - | - | - | 0.38 |
| Total financial liabilities | - | - | 2.41 | 2.41 | - | - | - | 2.41 |

The management assessed that the fair value of cash and cash equivalent, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in level 1. Particulars 31st March, 2023 31st March, 2022 Aerpace Industries Limited CIN - L74110MH2011PLC214373

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of unquoted equity instruments has been measured on the basis of their networth and valuation of their shares
- the fair value of equity shares of group companies are measured at cost.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iii. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values

Note 33 :-Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(Rs. in lakhs)

| Particulars | March 31, 2023 | March 31, 2022 |
|--|----------------|----------------|
| A) Debts | | |
| Borrowings (Current and Non-Current) | 23.57 | - |
| Debt (A) | 23.57 | - |
| B) Equity | | |
| Equity Share Capital | 315.40 | 315.40 |
| Other Equity | 41.90 | 28.99 |
| Total Equity (B) | 357.30 | 344.39 |
| Gearing Ratio (Debt / Capital) i.e. (A/B) | 7% | N.A. |

The Company has exposure to the following risks arising from financial instruments:

- Market Risk;
- Credit Risk; and
- Liquidity Risk

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk.

(i) Foreign currency risk

During the year, the company has not carried out any transaction in foreign currency, hence there is no foreign currency risk for the year.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates.

The Company is not exposed to significant interest rate risk as at the respective reporting dates as the Company doesn't have any major interest bearing borrowings.

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade Receivable

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each re-equipmenting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers. The movement of allowance for impairments of trade receivables are as follows :

(Rs. in lakhs)

Carrying amount

| Particulars | March 31, 2023 | March 31, 2022 |
|---------------------------------|----------------|----------------|
| Opening Balance | - | - |
| Add: Impairment Loss recognized | 0.90 | - |
| Less: Utilized During the year | - | - |
| Closing Balance | 0.90 | - |

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as stated in balance sheet.

(C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.


Contractual maturities of financial liabilities

(Rs. in lakhs)

| Particulars | Less than 1 year | 1 to 5 years | More than 5 years |
|------------------------------------|------------------|--------------|-------------------|
| As at March 31st, 2023 | | | |
| Borrowings | 23.57 | - | - |
| Trade payables | 3.62 | - | - |
| Other financial liabilities | 9.70 | - | - |
| Lease liabilities | 33.98 | 93.42 | - |
| Total Financial Liabilities | 70.87 | 93.42 | - |
| As at March 31st, 2022 | | | |
| Trade payables | 2.03 | - | - |
| Other financial liabilities | 0.38 | - | - |
| Total Financial Liabilities | 2.41 | - | - |

Note 35 : Disclosure Pursuant to Indian Accounting Standard 19-Employee Benefits

Since all the employees have been appointed during the year, the company has accounted for gratuity and has provided the same on the basis of actuarial valuation in order to comply with the Indian Accounting Standard (IND AS) 19 "Employee Benefits". Previous years disclosures are not available and hence not disclosed.

i.) The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows:

(Rs. in lakhs)

| Particulars | March 31, 2023 |
|---|----------------|
| Present Value of Obligation at the beginning of the year | - |
| Current service cost | 0.83 |
| Interest expense/(income) | - |
| Expenses of Discontinued operations taken over | - |
| Total amount recognised in profit or loss | 0.83 |
| Liability Transferred in/Acquisitions | - |
| Liability Transferred out/Disinvestments) | - |
| Total Liability | - |
| Remeasurements | - |
| (Gain)/Loss from change in financial assumptions | - |
| (Gain)/Loss from change in financial assumptions | - |
| Experience (gains)/losses | - |
| Total amount recognised in other comprehensive income | - |
| Less: Benefit paid | - |
| Less : Transferred to Discontionued Operations | - |
| As at March 31, 2023 | 0.83 |
| ii) Amount Recognized in the Balance Sheet are as follows | |
| (Present Value of Benefit Obligation at the end of the period) | -0.83 |
| Funded Status (Surplus/Deficit) | -0.83 |
| Less : Transferred to Discontionued Operations | - |
| Net (Liability)/Assets Recognized in the Balance Sheet | -0.83 |
| iii) Expenses Recognized in the Statement of Profit or Loss for Current Period | |
| Current Service Cost | 0.83 |
| Net Interest Cost | - |
| Expenses of Discontinued operations taken over | - |
| Net Effect of Changes | 0.83 |

(Rs. in lakhs)

| Particulars | March 31, 2023 |
|---|----------------|
| iv) Expenses Recognized in the Other Comprehensive Income (OCI) for current period | |
| Actuarial (Gain)/Losses on Obligation for the period | - |
| Less : Remeasurement Gain /loss of Discontinued Operations | - |
| Net (Income)/Expenses For the Period Recognized in OCI | - |
| v)Balance Sheet Reconciliation | |
| Opening Net Liability | - |
| Expenses Recognized in Statement of Profit and Loss | 0.83 |
| Expenses Recognized in OCI | - |
| Net liability /(Asset) Transfer In | - |
| Net liability /(Asset) Transfer Out | - |
| (BenefitPaid Directly by the Employer) | - |
| Less : Transferred to Discontionued Operations | - |
| Net Liability/(Asset) Recognized in the Balance Sheet | 0.83 |
| b) The significant actuarial assumptions were as follows: | |
| The significant actuarial assumptions were as follows: | |
| Interest/Discount Rate | 7.50% p.a. |
| Salary Growth Rates | 7.00% p.a. |
| Withdrawal Rates | |
| Age 25 & Below | 10% p.a. |
| 25 to 35 | 8% p.a. |
| 35 to 45 | 6% p.a. |
| 45 to 55 | 4% p.a. |
| 55 & Above | 2% p.a. |

c) A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is shown below:

(Rs. in lakhs)

| Assumption | Discount Rate Sensitivity | |
|--------------------------------------|---------------------------|---------------|
| | 0.5% increase | 0.5% decrease |
| Sensitivity Level | | |
| 31-Mar-23 | | |
| Discount Rate Sensitivity | | |
| Impact on defined benefit obligation | 0.78 | 0.88 |
| % Impact | -5.71% | 6.20% |

| Assumption | Salary Growth Rate Sensitivity | |
|--------------------------------------|--------------------------------|---------------|
| | 0.5% increase | 0.5% decrease |
| Sensitivity Level | | |
| 31-Mar-23 | | |
| Discount Rate Sensitivity | | |
| Impact on defined benefit obligation | 0.85 | 0.81 |
| % Impact | 2.40% | -1.83% |

| Assumption | Withdrawal Rate Sensitivity | |
|--------------------------------------|-----------------------------|---------------|
| | 0.5% increase | 0.5% increase |
| Sensitivity Level | | |
| 31-Mar-23 | | |
| Discount Rate Sensitivity | | |
| Impact on defined benefit obligation | 0.82 | 0.83 |
| % Impact | -0.83% | 0.53% |

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

d) The following payments are expected contributions to the defined benefit plan in future years:

| Particulars | March 31, 2023 |
|------------------------------------|----------------|
| Expected Payout Year one | 0.003 |
| Expected Payout Year two | 0.003 |
| Expected Payout Year three | 0.003 |
| Expected Payout Year four | 0.004 |
| Expected Payout Year five | 0.009 |
| Expected Payout Year six and above | 0.523 |
| Total expected payments | 0.545 |

Note 36 :- Income Taxes

The Major Components for Income Tax Expenses for the year ended 31st March,2023

(Rs. in lakhs)

| Particulars | Year ended Mar 31, 23 | Year ended Mar 31, 22 |
|---|-----------------------|-----------------------|
| A) Components of Tax Expenses/(Income) includes the following: | | |
| Current Income Tax | - | - |
| Current Income Tax charge | 4.05 | - |
| Deferred Tax | | |
| Relating to original and reversal of temporary differences | (2.60) | - |
| Short/(Excess) Provision for earlier years | 0.11 | - |
| Income Tax Expenses reported in the statement of profit and Loss | 1.56 | - |
| B) Income Tax Relating to Other Comprehensive Income | | |
| Net Loss/(gain) on remeasurement of Defined Benefit Plans | - | - |
| Income Tax Expenses charged to other comprehensive Income | - | - |

(Rs. in lakhs)

| Particulars | Year ended Mar 31, 23 | Year ended Mar 31, 22 |
|---|-----------------------|-----------------------|
| C) Reconciliation of Tax Expense and the accounting profit multiplied by India's domestic tax rate for year ended 31st Mar, 2023 | | |
| Accounting Profit/(Loss) Before Income Tax | 14.47 | (11.69) |
| India's statutory Income Tax Rate | 25.17% | 25.17% |
| Computed Tax Expenses | 3.64 | (2.94) |
| Adjustments recognised in current year in relation to the current tax of prior years | 0.11 | - |
| Effect of Expenses/allowances that are not deductible in determining taxable profit | (2.60) | - |
| Other Adjustments | 0.41 | - |
| Income Tax Expenses Reported in Profit and Loss | 1.56 | - |
| Effective Income Tax Rate | 10.81% | 0.00% |

D) Movements in Deferred Taxa

| Particulars | As at 31st March 2022 | Charged / (Credited) to P&L | Charged / (Credited) to OCI | As at 31st March 2023 |
|---|--------------------------|--------------------------------|--------------------------------|--------------------------|
| Deferred Tax Assets | | | | |
| Property, Plant & Equipment, Right to Use Asset - | - | - | - | - |
| Depreciation & Amortisation | - | 2.16 | - | 2.16 |
| Provision for Employee Benefits | - | 0.21 | - | 0.21 |
| Allowance for Doubtful Receivable | - | 0.23 | - | 0.23 |
| Total | - | 2.60 | - | 2.60 |

Note : No Deferred Tax has been created in any of the earlier years hence not reported.

Note 37 :-Ratio Analysis and its element

| Ratio | Numerator | Denominator | As at March 31, 2023 | As at March 31, 2022 | % change | Reason for variance (Where the change in the ratio is more than 25% as compared to the preceding year) |
|-----------------------------|---|---|----------------------|----------------------|----------|--|
| Current Ratio | Current Assets | Current Liabilities | 5.44 | 35.88 | 84.83 | Due to increase in Lease Liabilities |
| Debt-Equity Ratio | Total Debt | Shareholder's Equity | 0.07 | NA | NA | Increase in Ratio due to increase in loan in current whereas no loans in previous year. |
| Debt Service Coverage Ratio | Earnings for debt service = Net profit after taxes + Noncash operating expenses | Debt service = Interest & Lease Payments + Principal Repayments | 0.99 | NA | NA | Due to Company has earned profits during the year |
| Return on Equity Ratio | Net Profits after taxes - Preference Dividend | Average Shareholder's Equity | 0.04 | -0.03 | 210.20 | Due to Company has earned profits during the year |
| Net Profit Ratio | Net Profit | Net sales = Total sales - sales return | 0.06 | -2.23 | 102.83 | Due to Company has earned profits during the year |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 0.07 | -0.03 | 307.75 | Due to Company has earned profits during the year |

The following Ratios are not disclosed since the corresponding previous year's ratios are not available for comparison as there was no turnover in the previous year

Inventory Turnover Ratio | Trade Receivable Turnover Ratio | Trade Payable Turnover Ratio | Net Capital Turnover Ratio

(Rs. in lakhs)

Note 38 : Contingent Liability as on 31st March, 2023 - Rs. Nil (P.Y. Rs. Nil)

Note 39 :-Other Statutory Information

i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii. The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period.

iii. The Company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.

iv. During the year, the Company has not revalued its Property, Plant and Equipments.

v. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

vii. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

viii. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

ix. Based on the information available with the Company, the Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 40 : Disclosures with regard to section 186 of the companies Act, 2013

During the previous year, the Company has granted Unsecured loan to the following parties for General Corporate Purposes, details as stated below :

| Name of Party | During the Year | Closing Balance | Interest Rate |
|--|-----------------|-----------------|---------------|
| Aerpace Communications Private Limited | 36.90 | 4.75 | 13% |
| Aerpace Robotics Private Limited | 14.44 | 15.51 | 13% |
| Aerpace Supercars Private Limited | 10.00 | 10.75 | 13% |
| S. K. Mercantile LLP | 106.00 | 116.81 | 12% |
| VNS Industries Private Limited | - | 150.00 | 9% |

Note 41

In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

Note 42

The main object of the Company is primarily to engaged into business of renewable energy and infrastructure'. However, as the Company does not have any revenue from operations during the year, the disclosure requirements as required by the guiding principles given in Ind-AS - 108 Operating Segment prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles accepted in India, are not applicable.

Note 43

During the year, the company has passed a special resolution in its Extra Ordinary General Meeting held on 12th January, 2023 and the name of the Company has been changed from Supremex Shine Steels Limited to Aerpace Industries Limited. The Company has received amended Certificate of Incorporation dated 20th April, 2023 from the Registrar of Companies.

(Rs. in lakhs)

Note 44

Subsequent to the balance sheet date, the authorised capital of the company has been increased from Rs. 350.00 lakhs having 3,50,00,000 shares of face value Re. 1/- each to Rs. 1,600.00 lakhs having 16,00,00,000 shares of face value Re. 1/- each vide special resolution passed in Extra Ordinary General Meeting held on 14th April, 2023.

Note 45

During the year, the Company has amended its object clause in Memorandum of Association vide special resolution passed by the members in the Extraordinary General Meeting of the Company through postal ballot held on 4th June, 2022 & 12th January, 2023.

Note 46

The financial statements for the year ended 31st March, 2022 were audited by another firm of Chartered Accountants and the same has been reclassified, wherever considered necessary, to conform with the current year's presentation. Figures wherever not available/ furnished in last year's financial statements have not been given and hence are not comparable.

For Singrodia & Co LLP
Chartered Accountants
Firm Registration No W100280

Shyamratan Singrodia
Partner
Membership No. 049006

Date: 16th May, 2023
Place: Mumbai

For and on behalf of the Board of Directors

Mrs. Amisha Shah

Director
DIN:09523075

Anand Shah

Chief Financial Officer

Mr. Milan Shah

Managing Director
DIN:08163535

Shalaka Modi

Company Secretary

aerpace

