

INDEPENDENT AUDITOR'S REPORT

To the Members of Katra Auto Engineering Pvt Ltd

Report on the Financial Statements

We have audited the accompanying financial statements of Katra Auto Engineering Pvt Ltd ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government 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.
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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) In our opinion, there are no matters that may have an adverse effect on the functioning of the Company;
 - (f) on the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (g) 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'; 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 does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R.P.Bhide & Associates
Chartered Accountants
FRN: 101406W

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C.A. Ramchandra P. Bhide
Partner
M.No.:042687

Place : Pune
Date : 4th May 2021
UDIN : 21042687AAAABK6800

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Katra Auto Engineering Pvt Ltd on the financial statements for the year ended 31st March, 2021]

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

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

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company does not have inventory. Accordingly, the requirements of paragraph 3(ii) of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- v. The Company has not accepted any deposits. Hence the provisions stated in paragraph 3 (v) of the order are not applicable to the Company.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the order are not applicable to the Company.
- vii. According to the information and explanation given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For R.P.Bhide& Associates
Chartered Accountants
FRN: 101406W

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C.A. Ramchandra P. Bhide
Partner
M.No.:042687

Place : Pune
Date: 4th May 2021
UDIN : 21042687AAAABK6800

ANNEXURE B TO INDEPENDENT AUDITORS' 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 Katra Auto Engineering Pvt Ltd ('the Company') as of 31st March, 2021 in conjunction with our audit of 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 the 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 ICAI. Those Standards and 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 were 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 of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and 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 the 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 control over financial reporting to future periods are subject to the risk that 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 control system over financial reporting and such adequate internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R.P.Bhide & Associates

Chartered Accountants

FRN: 101406W

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C.A. Ramchandra P. Bhide

Partner

M.No.:042687

Place : Pune

Date : 4th May 2021

UDIN : 21042687AAAABK6800

Katra Auto Engineering Private Limited
Balance Sheet as at 31 March 2021
(Amount in INR , unless otherwise stated)

Particulars	Notes	As at	As at
		31 March 2021	31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5	6,49,34,656	6,49,34,656
Total non-current assets		-	-
Current assets		6,49,34,656	6,49,34,656
Financial assets			
Cash and cash equivalents	6	15,087	26,892
Total current assets		15,087	26,892
Total assets		6,49,49,743	6,49,61,548
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	5,00,000	5,00,000
Other equity	8	6,44,17,883	6,44,29,688
Total equity		6,49,17,883	6,49,29,688
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	9	20,060	20,060
Other financial liabilities	10	11,800	11,800
Total current liabilities		31,860	31,860
Total equity and liabilities		6,49,49,743	6,49,61,548
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For R.P. Bhide & Associates
Chartered Accountants

R. P. Bhide

CA Ramchandra Bhide



Partner

M.No.042687

Firm Regn.No.101406W

Place: Pune

Date: 4th May, 2021

UDIN - 21042687AAAABK6800

For and on behalf of the Board of Directors
Katra Auto Engineering Private Limited

Mahendra Nalluri
Mahendra Nalluri

Director

DIN : 0009114174

Place: Belagondapalli

Date: 04.05.2021

Saraswathamma
Saraswathamma

Chinnauchappa

Director

DIN : 0008313573

Place: Belagondapalli

Date: 04.05.2021

Katra Auto Engineering Private Limited
Statement of Profit and Loss for the year ended 31 March 2021
(Amount in INR , unless otherwise stated)

Particulars	Notes	Year ended	Year ended
		31 March 2021	31 March 2020
Income			
Revenue from operations		-	-
Other income		-	-
Total Income		-	-
Expenses			
Finance costs	11	5	94
Other expenses	12	11,800	11,800
Total expenses		11,805	11,894
Profit /(Loss) before exceptional items and tax		(11,805)	(11,894)
Exceptional items		-	-
Profit /(Loss) before tax		(11,805)	(11,894)
Income tax expense			
Current tax		-	-
Total income tax expense		-	-
Profit/(Loss) for the year		(11,805)	(11,894)
Other comprehensive income		-	-
Other comprehensive income for the year		-	-
Total other comprehensive income for the year		(11,805)	(11,894)
Earnings / (Loss) per share			
Basic earnings /(loss) per share (INR)	13	(0.24)	(0.24)
Diluted earnings /(loss) per share (INR)	13	(0.24)	(0.24)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For R.P. Bhide & Associates
Chartered Accountants


CA Ramchandra Bhide



Partner

M.No.042687

Firm Regn.No.101406W

Place: Pune

Date: 4th May, 2021

VDIN - 21042687AAAABK6800

For and on behalf of the Board of Directors of
Katra Auto Engineering Private Limited


Mahendra Nalluri

Director

DIN : 0009114174

Place:Belagondapalli

Date: 04.05.2021


Saraswathamma
Chinnauchappa

Director

DIN : 0008313573

Place: Belagondapalli

Date: 04.05.2021

Katra Auto Engineering Private Limited
Statement of Cash flows for the year ended 31 March 2021

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
Profit before tax	-	-
Adjustments for:		
Finance Charges	(11,805)	(11,894)
Actuarial loss on post-employment benefit obligation	5	94
Operating loss before working capital changes	(11,800)	(11,800)
Changes in working capital		
Increase/(Decrease) in trade payables	-	11,800
Cash generated used in operations	(11,800)	-
Income tax paid	-	-
Net cash flows used in operating activities (A)	(11,800)	-
Cash flow from Investing activities		
Net cash flow from investing activities (B)	-	-
Cash flow from Financing activities		
Finance Charges Paid	(5)	(94)
Net cash flow from financing activities (C)	(5)	(94)
Net increase in cash and cash equivalents (A+B+C)	(11,805)	(94)
Cash and cash equivalents at the beginning of the year	26,892	26,986
Cash and cash equivalents at the end of the year	15,087	26,892
Cash and cash equivalents comprise (Refer note 6)		
Balances with banks		
On current accounts	15,087	26,892
Cash on hand	-	-
Cheques on hand	-	-
Total cash and bank balances at end of the year	15,087	26,892

Summary of significant accounting policies

2

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For R.P. Bhide & Associates
Chartered Accountants


CA Ramchandra Bhide

Partner

M.No.042687

Firm Regn.No.101406W



For and on behalf of the Board of Directors of
Katra Auto Engineering Private Limited


Mahendra Nalluri

Director

DIN : 0009114174


Saraswathamma
Chinnachappa

Director

DIN : 0008313573

Place: Pune

Date: 4th May, 2021

UDIN - 21042687AAAABK6800

Place: Belagondapalli

Date: 04.05.2021

Place: Belagondapalli

Date: 04.05.2021

(Amount in INR , unless otherwise stated)

5 Property, plant and equipment

Particular	Gross block				Depreciation				Net block	
	As at 1 April 2020	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2021	As at 1 April 2020	For the year	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Owned assets										
Land	6,49,34,656	-	-	6,49,34,656	-	-	-	-	6,49,34,656	6,49,34,656
Total	6,49,34,656	-	-	6,49,34,656	-	-	-	-	6,49,34,656	6,49,34,656

Particular	Gross block				Depreciation				Net block	
	As at 1 April 2019	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2020	As at 1 April 2019	For the year	Deductions/ Adjustments	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Owned assets										
Land	6,49,34,656	-	-	6,49,34,656	-	-	-	-	6,49,34,656	6,49,34,656
Total	6,49,34,656	-	-	6,49,34,656	-	-	-	-	6,49,34,656	6,49,34,656



7 Equity share capital

Company has only one class of equity share capital having a par value of INR 10 per share, referred to herein as equity shares.

Particulars	As at	As at
	31 March 2021	31 March 2020
Authorized		
50,000 (Previous Year 50,000) Equity Share of Rs. 10/- Each	5,00,000	5,00,000
Total	5,00,000	5,00,000
Issued, subscribed and paid up		
50,000 (Previous Year 50,000)	5,00,000	5,00,000
Equity Shares equity shares of Rs. 10/- Each fully paid-up		
Total	5,00,000	5,00,000

a Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at		As at	
	31 March 2021		31 March 2020	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	50,000	5,00,000	50,000	5,00,000
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	50,000	5,00,000	50,000	5,00,000

b Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to vote in proportion to his share of the paid up equity share capital of the Company. The shareholders are entitled to receive the dividend in proportion to the amount of paid up share capital held by them. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of the interim dividend.

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 in proportion to their shareholdings. However no such preferential amount exists as at March 31,2021 and 2020.

c Shares held by holding Company/ultimate holding Company and/ or their subsidiaries/ associates

Particulars	As at	As at
	31 March 2021	31 March 2020
Taneja Aerospace and Aviation Limited [No. of Shares :- 31 March 2021 : 50,000; 31 March 2020 : 50000]	5,00,000	5,00,000

d Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at		As at	
	31 March 2021		31 March 2020	
	No. of shares	% Holding	No. of shares	% Holding
Equity Shares of Rs. 10/- each Taneja Aerospace and Aviation Limited	50,000	100%	50,000	100%



6 Current assets- Cash and cash equivalents

Particulars	As at	As at
	31 March 2021	31 March 2020
i) Balances with Banks	15,087	26,892
ii) Cash on Hand	-	-
Closing balance	15,087	26,892

8 Other equity**(A) Surplus/(deficit) in the Statement of Profit and Loss**

Particulars	As at	As at
	31 March 2021	31 March 2020
Opening balance	(2,25,312)	(2,13,418)
Add: Net loss for the current year	(11,805)	(11,894)
Closing balance	(2,37,117)	(2,25,312)

(B) Other Comprehensive Income

Particulars	As at	As at
	31 March 2021	31 March 2020
-as at beginning of year	-	-
Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	-	-
Closing balance	-	-

(C) Contribution from Parent Company

Particulars	As at	As at
	31 March 2021	31 March 2020
Taneja Aerospace Aviation limited	6,46,55,000	6,46,55,000
Closing balance	6,46,55,000	6,46,55,000

Total other equity**6,44,17,883****6,44,29,688**

9 Trade payables

Particulars	As at	As at
	31 March 2021	31 March 2020
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	20,060	20,060
Total	20,060	20,060

Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

10 Other financial liabilities

Particulars	As at	As at
	31 March 2021	31 March 2020
Other Payables	11,800	11,800
Total	11,800	11,800

11 Finance costs

Particulars	Year ended	Year ended
	31 March 2021	31 March 2020
Interest on borrowing	5	94
Total	5	94

12 Other expenses

Particulars	Year ended	Year ended
	31 March 2021	31 March 2020
Audit fees - Statutory Auditor	11,800	11,800
Total	11,800	11,800



13 Earnings/ Loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particular	31 March 2021	31 March 2020
Profit / (Loss) attributable to equity holders	(11,805)	(11,894)
Less: preference dividend after-tax		
Loss attributable to equity holders after preference dividend	(11,805)	(11,894)
Add: Interest on convertible preference shares		
Loss attributable to equity holders adjusted for the effect of dilution	(11,805)	(11,894)
Weighted average number of equity shares for basic EPS*	50,000	50,000
Effect of dilution:		
Share options	-	-
Convertible preference shares	-	-
Weighted average number of equity shares adjusted for the effect of dilution	50,000	50,000
Basic loss per share (INR)	(0.24)	(0.24)
Diluted loss per share (INR)	(0.24)	(0.24)

14 Related Party Disclosures: 31 March 2021

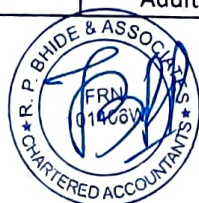
(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company

Taneja Aerospace and Aviation Limited

Key Management Personnel (KMP)

Name of the Related Party	Designation
Chandrasekar Venkatesh	Director
Saraswathamma Chinnauchappa	Director
Mahendra Nalluri	Additional Director



(B) Details of transactions with related party in the ordinary course of business for the year ended:

Name of the related party	Nature of Transaction	31 March 2021	31 March 2020
Taneja Aerospace & Aviation Limited	Advance received	-	-

(C) Amount due to/from related party as on:

Name of the related party	Nature of Transaction	31 March 2021	31 March 2020
Taneja Aerospace & Aviation Limited	Deemed equity contribution from parent company	6,46,55,000	6,46,55,000
Other liabilities	Other liabilities	11,800	11,800

15 Fair values of financial assets and financial liabilities

The fair value of cash and cash equivalents, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

Financial assets that are neither past due nor impaired include cash and cash equivalents.

16 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). No financial assets/liabilities have been valued using level 1 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particular	31 March 2021	31 March 2020
Level 1 (Quoted price in active markets)	Nil	Nil
Level 2		
Financial liabilities measured at fair value through profit or loss	Nil	Nil
Level 3		
Financial assets measured at amortized cost		
Trade receivables	-	-
Security deposits	-	-
Cash and Cash equivalents	15,087	26,892
Other Current Financial Assets	-	-
Financial liabilities measured at amortized cost		
Borrowings	-	-
Trade Payables	20,060	20,060
Other Current Financial Liabilities	11,800	11,800

The carrying amount of cash and cash equivalents, other payables and short-term borrowings are considered to be the their fair values.



17 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

A Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative

(i) 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 Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company intends to manage its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Currently there are no

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Currently, company is not exposed to any financial instrument whose cash flows fair value or future cash flow will be impacted by foreign exchange rates.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

Particular	Less than 12 months	1 to 5 years	More than 5 years	Total
31 March 2021				
Short term borrowings				
Long-term borrowings				
Trade payables				
Other financial liability	11,800	20,060		31,860
Total	11,800	20,060	-	31,860



Particular	Less than 12 months	1 to 5 years	More than 5 years	Total
31 March 2020				
Short term borrowings				
Long-term borrowings				
Trade payables				
Other financial liability	23,600	8,260		31,860
Total	23,600	8,260	-	31,860

18 Capital management

For the purpose of the Company's capital management, capital includes Issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of current borrowing from ultimate holding company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particular	Nos	31 March 2021	31 March 2020
Total equity	(i)	6,49,17,883	6,49,29,688
Total debt	(ii)	-	-
Overall financing	(iii) = (i) + (ii)	6,49,17,883	6,49,29,688
Gearing ratio	(ii) / (iii)	-	-

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

19 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

For R.P. Bhide & Associates
Chartered Accountants


CA Ramchandra Bhide

Partner

M.No.042687

Firm Regn.No.101406W

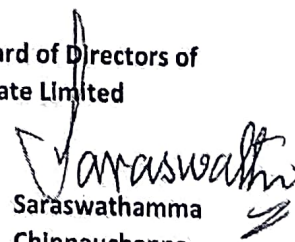


For and on behalf of the Board of Directors of
Katra Auto Engineering Private Limited


Mahendra
Nalluri

Director

DIN :0009114174


Saraswathamma
Chinnachappa

Director

DIN : 0008313573

Place: Pune

Date: 4th May 2021

Place:Belagondapalli

Date:04.05.2021

Place: Belagondapalli

Date: 04.05.2021

UDIN - 21042687AAAABK6800