

# AERON COMPOSITE PRIVATE LIMITED

Regd. Off.: Saket Ind. Estate, Plot No. 30/31, Sarkhej Bavla Highway, Village Moraiya, Changodar-382213, Gujarat, India,  
CIN No.: U25209GJ2011PTC065419, E- Mail: account@aeroncomposite.com, Phone No.:9909988277, Website: www.aeroncomposite.com

## -NOTICE-

**NOTICE** is hereby given that 10<sup>th</sup> **Annual General Meeting** of the Members of **AERON COMPOSITE PRIVATE LIMITED** will be held on **Saturday, 25<sup>th</sup> September, 2021 at 10.00 a. m.** at Conference Room, Hotel Flourish International, 6- Saket Industrial Estate, Near Vimalachal Print & Pack, Moraiya, Bavla, NH 147, Changodar, Gujarat – 382213 to transact the following business;

### ORDINARY BUSINESS:

1. To receive consider and adopt the audited financial statements of the Company for the financial year ended on 31.03.2021 together with the Auditor's Report thereon.
2. To receive, consider and adopt the Board of Director's Report for the financial year ended on 31.03.2021.
3. To consider the matter of declaration of final dividend.
4. To ratify the appoint of M/s. B.H. Mangarolia & Co., Chartered Accountants, as auditors of the company for the next Financial year 2021-22 and to fix their remuneration.

### SPECIAL BUSINESS:

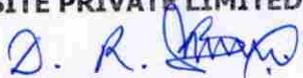
1. *To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:*

**"RESOLVED THAT,** Mr. Chirag Chandulal Patel (DIN: 03380703) who was appointed as an additional director by the Board of Directors of Company w. e. f. 01/06/2021 and who holds office up to the commencement of next Annual General meeting pursuant to the provisions of Section 161(1) of the Companies Act 2013 and the Articles of Association of the Company, and in respect of whom a notice under section 160 of Companies Act, 2013 has been received from himself signifying his intention to propose himself as candidate for the office of Director of the Company be and is hereby appointed as a Director."

2. *To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:*

**"RESOLVED THAT,** Mr. Pankajkumar Ratilal Patel (DIN:00314964) who was appointed as an additional director by the Board of Directors of Company w. e. f. 10/08/2021 and who holds office up to the commencement of next Annual General meeting pursuant to the provisions of Section 161(1) of the Companies Act 2013 and the Articles of Association of the Company, and in respect of whom a notice under section 160 of Companies Act, 2013 has been received from himself signifying his intention to propose himself as candidate for the office of Director of the Company be and is hereby appointed as a Director."

**FOR, AERON COMPOSITE PRIVATE LIMITED**



Dilipkumar Ratilal Patel  
Director/Chairman  
DIN: 00314623

Place: Changodar  
Date: 29.08.2021

# AERON COMPOSITE PRIVATE LIMITED

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## NOTES:

- 1) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company. the proxy to be effective shall reach at the registered office of the company not less than 48 hours before the commencement of holding of this meeting.
- 2) A Person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% for the total share capital for the company carrying voting rights. However, a member holding more than 10% of the total share capital of the company carrying voting rights may appoint a shingle person as a proxy and such person shall not act as proxy for any other person or shareholder.
- 3) Members/Proxies should bring their attendance slip duly filled in for attending the meeting.
- 4) Shareholder seeking any information with regard to the accounts are requested to write to the company at least seven days before the date of meeting to facilitate satisfactory replies.
- 5) Members/Proxy holders are requested to bring their copies of annual report to the meeting as no further copies would be made available at the meeting.
- 6) Route map & prominent land mark of venue of this AGM is attached to this notice and forms integral part of Notice.

# AERON COMPOSITE PRIVATE LIMITED

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## EXPLANATORY STATEMENT: (Pursuant to Section 102 of Companies Act, 2013.)

### Special Business Item -1 and 2

Mr. Chirag Chandulal Patel and Mr. Pankajkumar Ratilal Patel who were appointed as an additional director by the Board of Directors of Company w. e. f. 01.06.2021 and 10.08.2021 respectively and pursuant to the provision of Section 161(1) of the Companies Act 2013 and the Articles of Association of the Company, they hold their office as additional director up to the commencement of next Annual General meeting of the members of the company and in respect of whom notices under section 160 of Companies Act,2013 have been received from them signifying their intention to propose themselves as candidates for the office of Director of the Company and their appointment requires your approval.

Mr. Dilipbhai Ratilal Patel, Ravikumar Pankaj Patel and Pankajkumar Ratilal Patel the existing directors are the relatives of Chirag Chandulal Patel and Mr. Dilipbhai Ratilal Patel, Chirag Chandulal Patel and Ravikumar Pankaj Patel the existing Directors are the relatives of Mr. Pankajkumar Ratilal Patel.

None other than above directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 1& 2 of this Notice.

The Board recommends the Ordinary Resolution set out at Item No. 1& 2 of the Notice for approval by the shareholders.

A copy of existing Memorandum of Association will be open for the inspection by the member at the Registered Office of the company on all working days between 10.00 a.m. to 12.00 Noon as prescribed in the Companies Act, 2013.

**FOR, AERON COMPOSITE PRIVATE LIMITED**



Dilipkumar Ratilal Patel  
Director/Chairman  
DIN: 00314623

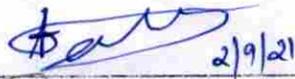
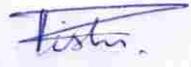
Date: 29.08.2021  
Place: Changodar

# AERON COMPOSITE PRIVATE LIMITED

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## ACKNOWLEDGEMENT OF RECEIPT OF NOTICE OF AGM

We acknowledge the receipt of Notice along with other documents as required under provisions of Companies Act, 2013 and rules made there under of 10<sup>th</sup> **Annual General Meeting** of the Members of **AERON COMPOSITE PRIVATE LIMITED** will be held on **Saturday, 25<sup>th</sup> September, 2021 at 10.00 a. m.** at Conference Room, Hotel Flourish international, 6- Saket Industrial Estate, Near Vimalachal Print & Pack, Moraiya, Bavla, NH 147,Changodar, Gujarat – 38221.

Sr. No.	NAME OF MEMBER	SIGNATURE
1	ALPESHBHAI DADHANIYA	
2	ANAND KIRTIBHAI PADALIYA	Speed Post ER373714845IN
3	BIPINBHAI PATEL	બિપિન ધીરજી પટેલ
4	CHANDUBHAI PATEL	ચંદુભાઈ પટેલ
5	CHIRAG PADALIA	Speed Post ER373714859IN
6	CHIRAG PATEL	
7	DILIPBHAI PATEL	D. R. Patel
8	DISHABEN RAVIBHAI PATEL	
9	HEMANGBHAI PATEL	 21/9/21
10	JAYESHBHAI PATEL	 21/9/21
11	KANTABEN PATEL	કાન્તાબેન પટેલ
12	MANISHABEN PATEL	મણિશબેન પટેલ
13	PANKAJBHAI DADHANIYA	P. S. Dadani 21/9/21

Receipt Date - 01/9/2021

Receipt Date - 03/09/21

# AERON COMPOSITE PRIVATE LIMITED

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14	PANKAJBHAI PATEL	પાંકજભાઈ પટેલ ૨/૧/૨૧.
15	PAYAL PATEL	<u>Payal C. Patel</u>
16	PRABHABEN PATEL	પ્રભાબેન પટેલ ૫/૨૧
17	PRAVINABEN KIRTIBHAI PADALIYA	Speed Post EC0373714831IN
18	PRAVINABEN PANKAJBHAI PATEL	પ્રવિણબેન પાંકજભાઈ પટેલ
19	RAVI PANKAJBHAI PATEL	<u>Ravi</u> ૨/૧/૨૦૨૧
20	RUHIBEN HEMANGBHAI PATEL	<u>Ruhi</u> ૨/૧/૨૧
21	SHANTILAL SHAMBHUBHAI HUF	P. Dada ૨/૧/૨૧
22	SHOBHNABEN VACHHANI	<u>Shobhnaben</u> ૨/૧/૨૧
23	TEJAL J. PATEL	<u>Tejal Patel</u>
24	VISHAL VACHHANI	<u>Vishal</u> ૨/૧/૨૧
25	VISHAL DILIPBHAI PATEL	VISHAL

Receipt date - 6/9/2021

શિબીરમાં ભાગ લેવા માટે

# AERON COMPOSITE PRIVATE LIMITED

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## BOARD'S REPPORT

To  
The Members of  
**AERON COMPOSITE PRIVATE LIMITED**  
Changodar.

Your directors have pleasure in presenting 10<sup>th</sup>Annual report on the business and operations of the Company together with the audited statement of accounts for the year ended on **31<sup>st</sup> March, 2021.**

### **FINANCIAL HIGHLIGHTS:**

During the year under review, the performance of your company is as under:

(Amount in Rupees)

<b>Particulars</b>	<b>Year ended on 31.03.2021</b>	<b>Year ended on 31.03.2020</b>
Revenue from Operations	788,223,192	773,953,959
Add: Other income	2,389,109	6,919,264
<b>Total Income</b>	<b>790,612,301</b>	<b>780,873,223</b>
Less: Total Expenditure	754,131,425	740,342,646
<b>Profit/(Loss) before Tax</b>	<b>36,480,876</b>	<b>40,530,577</b>
Less: Tax Expense	10,674,375	11,672,028
<b>Profit/(Loss) after tax</b>	<b>25,806,501</b>	<b>28,858,549</b>

### **STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:**

Your company has achieved a total turnover of Rs. 788,223,192/- (Prev. Yr. Rs. 773,953,959/-) and registered a profit after tax of Rs. 2,58,06,501/- (Prev. Yr. Rs. 2,88,58,549/-). The Management of the company hopes for better future in coming years.

The COVID-19 pandemic has emerged as a global challenge creating disruption across the world. Global solutions are needed to overcome the challenges businesses & business models have transformed to create a new work order. The Covid-19 pandemic has slightly affected the performance of the company. The physical and emotional wellbeing of employees continues to be a top priority for the Company with several initiatives to support employees and their families during the pandemic. The Company has extended counselling and self-help services providing mental & emotional support to employees.

### **MATERIAL CHANGES:**

There was no any material change affecting the financial position of the Company.

### **DIVIDEND:**

Your Directors are pleased to recommend a final dividend of Re. 1.00 (Rupee One Only) per equity Share of a Face Value Rs. 10/- each fully paid for the current financial year.

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The dividend if approved and declared in the forthcoming Annual General meeting would result a total Dividend outflow of Rs. 13,00,000 plus applicable taxes.

## **AMOUNT TRANSFERRED TO RESERVES:**

During the year under review the Company has transferred Rs 2,58,06,501/- (to its reserves and surplus account.

## **CHANGES IN SHARE CAPITAL:**

During the year under review there was no change in the capital structure of the company.

## **DISCLOSURE REGARDING ISSUE OF EQUITY SHARES ETC:**

During the year under review the company has(1) Not issued any equity shares with differential voting rights, (2)Not issued any Employee Stock Option (3) Not issued any sweat equity shares.

## **EXTRACT OF ANNUAL RETURN:**

The extract of Annual Return in Form MGT-9, for the financial year 2020-21 has been enclosed with this report as Annexure 1.

## **NUMBER OF BOARD MEETINGS:**

During the financial year 2020-21, the board of directors of the company met 11 (Eleven) times on [1] 10.06.2020 [2] 18.07.2020 [3] 28.09.2020 [4] 01.10.2020 [5] 05.11.2020 [6] 03.12.2020 [7] 07.12.2020 [8] 07.01.2021 [9] 10.02.2021 [10] 10.03.2021 and [11] 20.03.2021 as per provisions of the Companies Act, 2013. The provisions of the Companies Act, 2013 were adhered to while considering the time gap between the two board meetings.

## **LOAN, GUARANTEE, INVESTMENT ETC. AS PER SECTION 186 OF COMPANIES ACT, 2013:**

During the year under review, the company has given loan, guarantee or provided security in connection with a loan to any other body corporate or person as prescribed under section 186(2) and rules made there under in compliance to the applicable provisions of the Companies Act, 2013 and rules made thereunder wherever applicable and details has been disclosed at appropriate place in Financial Statement for the period under review.

## **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions (RPT) as per provisions of section 188 of the Companies Act, 2013 and rules made there under are at arm length basis and in the ordinary course of business and details of the same as per Accounting Standard – 18 and as per Section 188 of Companies Act, 2013 are given in Form AOC-2 as Annexure-2.

All contracts / arrangements / transactions entered into during the financial year by the Company with Related Parties were in the ordinary course of business and on an arm's length basis. All Related Party Transactions which are in the ordinary course of business and on an arm's length basis, of repetitive nature and proposed to be entered during the financial year are placed before the Audit Committee for prior omnibus approval at the commencement of the financial year. A statement giving details of all Related Party Transactions, as approved, is placed before the Audit Committee for review on a quarterly basis. The Company has developed

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a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

## **EXPLANATION TO AUDITORS REMARKS:**

There is no any adverse remark or qualification made by the Statutory Auditors of the company.

## **CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under;

### **a) Conservation of Energy :**

- a) Electricity and power are being utilized at the minimum required level by installing devices for conservation of energy during the year.
- b) The above measures have resulted in the reduction on unit cost of production.

### **b) Technology Absorption:**

The details of Technology Absorption has been given in Annexure-3 to board report.

### **c) Foreign Exchange Earnings and Outgo:**

Earnings: Rs. 27,79,00,759/- (Prev. Yr. 200,882,901/-)  
Outgo:31,00,838 (Prev. Yr. NIL/-)

## **SUBSIDIARY, JOINT VENTURE OR ASSOCIATES:**

During the year under review no company had become or ceased to be its subsidiaries, Joint ventures or Associate Companies.

## **RISK MANAGEMENT POLICY:**

In the opinion of the Board the company doesn't see any elements of risk which may threaten to the existence of the company.

## **DIRECTORS & KEY MANAGERIAL PERSONNEL:**

During the year under report, there was no change in the Constitution of the Board of Directors of the company.

However Mr. Chirag Chandulal Patel (DIN: 03380703) and Mr. Pankajkumar Ratilal Patel (DIN: 00314964) were appointed as additional directors on 01.06.2021 and 10.08.2021 respectively and they are eligible to offer themselves for their appointment as director at ensuing Annual General Meeting. Mr. Chirag Kirtibhai Padalia (DIN: 03514314) ceased to be a director of the company on his resignation as director w.e.f. 31.07.2021.

# **AERON COMPOSITE PRIVATE LIMITED**

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## ***DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:***

No order has been passed by the regulators or courts or Tribunal which impacts the going concern status and company's operations in future.

### ***DEPOSITS :***

During the year under review the company has not accepted any deposit as per Companies Act, 2013 and rules made there under.

### ***PREVENTION OF SEXUAL HARASSMENT:***

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder. During FY 2020-21, the Company had not received any complaint on sexual harassment.

### ***FRAUD REPORTING:***

During the year under review no fraud or such instances has been reported by the Statutory Auditor to Board of Directors.

### ***STATUTORY AUDITORS:***

The members of the Company has appointed M/S B.H. Mangarolia & Co. as statutory auditors of the company for the period of 5(Five) years at the Annual General Meeting held on 30.09.2019, the Board of Directors recommend ratification of their appointment in the forthcoming Annual General Meeting for the Fin. Year 2021-22.

### ***INTERNAL FINANCIAL CONTROL:***

The Company had laid down Internal Financial Control and such Internal Financial Control are adequate with reference to the Financial Statement and were operating effectively.

### ***DIRECTORS RESPONSIBILITY STATEMENT:***

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013 your directors confirm that:

- a. in the preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March 2021, the applicable accounting standards had been followed, along with proper explanation relating to material departure.
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2021 end of the profits or loss of the Company for that period.
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

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- d. the directors had prepared the annual accounts on a going concern basis.
- e. the directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

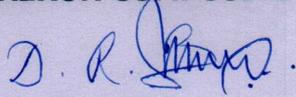
## **SECRETARIAL STANDARD**

The company has followed secretarial standard on board and general meeting issued by the institute of company secretaries of India.

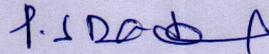
## **ACKNOWLEDGEMENT**

The Directors express their sincere appreciation to the valued shareholders, bankers and clients for their support.

## **FOR, AERON COMPOSITE PRIVATE LIMITED**



DILIPBHAI R. PATEL  
DIRECTOR  
DIN: 00314623  
**Address:** A/901 Sepal Residency,  
Ahmedabad City, Ambawadi Vistar,  
Gujarat, India.



PANKAJ S. DADHANIYA  
DIRECTOR  
DIN: 02100802  
**Address:** 132 Fit Ring Road, Satellite  
Ahmedabad-380015  
Gujarat, India.

**Date:** 29.08.2021

**Place:** Changodar

# **Aeron Composite Private Limited**

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10th Annual Report 2020-21

## **General Information**

<b><u>Board of Directors</u></b>	Ravikumar P. Patel Chirag K. Padalia (up to 31.07.2021) Vishal A. Vachhani Pankaj S. Dadhaniya Dilipkumar R. Patel Chirag C. Patel (w.e.f. 01.06.2021)
<b><u>Bankers</u></b>	HDFC Bank Standard Chartered Bank
<b><u>Auditors</u></b>	B H MANGAROLIA & CO. Chartered Accountants 408, Mahakant, Opp. V. S. Hospital, Ashram Road, Ahmedabad -380006
<b><u>Company Law Consultant</u></b>	M. A. NAKRANI & ASSOCIATES Company Secretaries
<b><u>Registered Office</u></b>	Plot No 30/31, Saket Industrial Estate, Sarkhej Bavla Highway, Moraiya, Changodar, Ahmedabad- 382213 Gujarat
<b><u>Website</u></b>	<a href="http://www.aeroncomposite.com">www.aeroncomposite.com</a>

## INDEPENDENT AUDITORS' REPORT

To the Members of  
Aeron Composite Private Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

01. We have audited the accompanying financial statements of Aeron Composite Private Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.
02. In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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 profit and its cash flows for the year ended on that date.

#### Basis for Opinion

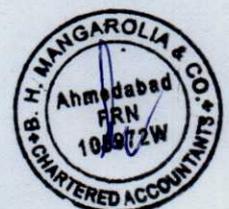
03. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

04. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, management report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 Standalone Financial Statements**

05. 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 standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
06. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
07. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

08. 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.
09. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

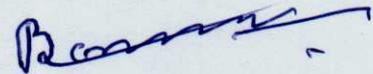
12. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. 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 purpose 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company.

- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the Directors as on 31st March, 2021 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2021 from being appointed as a Director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting 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 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, B H MANGAROLIA & CO.**  
Chartered Accountants  
(FRN 105972W )



Place: Ahmedabad  
Date: 29.08.2021



( B H MANGAROLIA )  
Partner

M. No. 032693  
UDIN:21032693AAAABJ3898

**ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT**

[Referred to in Paragraph 12 of our Report of even date]

01. a) The Company has maintained proper records showing full particulars including quantitative details and location of all its fixed assets on the basis of available information.  
b) We are informed that the Company has a regular programme of physical verification of its fixed assets in a phased manner over a period of three years. Accordingly, the physical verification of part of the fixed assets has been carried out by the Management during the year and no material discrepancies have been noticed on such verification.  
c) The Company has not acquired any Immovable properties and hence reporting under clause 3(i)(c) of the Order is not applicable.
02. The inventory has been physically verified at reasonable intervals during the year by the Management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification, between physical stocks and books records, were not material in relation to the operations of the company and have been properly dealt with in the books of account.
03. The Company has granted unsecured loans to 2 parties covered in the register maintained under Section 189 of the Companies Act, 2013.  
a) In our opinion and according to the information and explanations given to us, the terms of the loan are not, prima facie, prejudicial to the interest of the company.  
b) The loan has been repaid during the year and as informed to us, there was no specific stipulation of schedule of repayment of principal and payment of interest thereon.  
c) There is no such overdue amount in respect of loans granted to party covered in the register maintained under section 189 of the Companies Act, 2013 and hence no further comments are required to be given under this clause.
04. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
05. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 to 76, or any other relevant provisions of the Companies Act and the rules framed thereunder.
06. We have broadly reviewed the books of account and records maintained by the Company specified by the Central Government for the maintenance of cost records under section 148(1) of the Act with respect to its manufacturing activities and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



07. a) According to information and explanations given to us, the company is generally regular in depositing with Appropriate Authorities undisputed statutory dues including Income Tax, Provident fund, Employees State Insurance, Custom Duty, Goods and Services Tax and other material statutory dues applicable to it. According to the information and explanations given to us, there were no undisputed amounts payable in respect of such dues which were outstanding as on 31st March, 2021 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us there are no any disputed dues which have not been deposited, of income Tax, VAT/Sales Tax, Service Tax, Custom Duty, Excise Duty, GST, Cess as at 31st March, 2021 and therefore no further information is required to be furnished under this clause.
08. Based on our audit procedures and on the information and explanations given by the management, the Company has not defaulted in repayment of the dues to any bank and financial institutions. The Company has not issued debentures during the year.
09. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
11. The provisions of section 197 of The companies Act, 2013 is not applicable to a Private Company, and, accordingly, reporting under this clause would not be required.
12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence reporting under clause 3(xv) of the Order is not applicable to the Company.

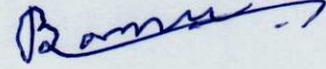


16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For, B H MANGAROLIA & CO.**  
Chartered Accountants  
(FRN 105972W )



Place: Ahmedabad  
Date: 29.08.2021



( B H MANGAROLIA )  
Partner

M. No. 032693  
UDIN:21032693AAAABJ3898

**ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT**

[Referred to in Paragraph 13(f) of our Report of even date]

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

We have audited the internal financial controls over financial reporting of Aeron Composite Private Limited (the "Company"), as of 31st March, 2021, in conjunction with our audit of the standalone financial statements of the Company for the year ended as 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 (the 'Guidance Note'). 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 Act.

**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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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



### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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.



Place: Ahmedabad  
Date: 29.08.2021

**For, B H MANGAROLIA & CO.**

Chartered Accountants  
(FRN 105972W )



( B H MANGAROLIA )

Partner

M. No. 032693

UDIN:21032693AAAABJ3898

**Aeron Composite Private Limited**  
Balance Sheet as at 31st March, 2021

PARTICULARS	Note No.	Rs.	As at	As at
			31.03.2021	31.03.2020
			Rs.	Rs.
<b>I EQUITY AND LIABILITIES</b>				
1 Shareholders' funds				
a. Share capital	03	13,000,000		13,000,000
b. Reserves and surplus	04	108,098,965		83,592,464
c. Money received against share warrants		-		-
			121,098,965	96,592,464
2 Share application money pending allotment			-	-
3 Non-current liabilities				
a. Long-term borrowings	05	48,718,333		71,491,764
b. Deferred tax liabilities (net)	06	1,535,678		3,586,303
c. Other long-term liabilities		-		-
d. Long-term provisions	07	5,662,908		-
			55,916,919	75,078,067
4 Current liabilities				
a. Short-term borrowings	08	40,027,093		52,539,896
b. Trade Payable due to	09			
Micro and Small Enterprises		2,196,650		-
Other than Micro and Small Enterprises		158,536,760		103,776,548
c. Other current liabilities	10	53,579,160		49,840,479
d. Short-term provisions	11	4,663,423		-
			259,003,086	206,156,923
<b>TOTAL</b>			<b>436,018,970</b>	<b>377,827,454</b>
<b>II ASSETS</b>				
1 Non-current assets				
a. Property, Plant and Equipment				
i. Tangible assets	12	78,613,069		88,565,267
ii. Intangible assets		-		-
iii. Capital work-in-progress		-		-
iv. Intangible assets under development		-		-
v. Fixed assets held for sale		-		-
		78,613,069		88,565,267
b. Non-current investments	13	20,000		20,000
c. Deferred tax assets (net)	06	-		-
d. Long-term loans and advances	14	11,080,008		2,538,761
e. Other non-current assets		-		-
			89,713,077	91,124,028
2 Current assets				
a. Current investments		-		-
b. Inventories	15	112,782,805		86,154,106
c. Trade receivables	16	190,545,891		131,373,545
d. Cash and bank balances	17	19,907,874		41,585,054
e. Short-term loans and advances	18	23,069,323		27,590,721
f. Other current assets		-		-
			346,305,893	286,703,426
Significant Accounting Policies	02			
<b>TOTAL</b>			<b>436,018,970</b>	<b>377,827,454</b>

See accompanying notes forming part of the financial statements

As per our report of even date

**For, B H MANGAROLIA & CO.**

Chartered Accountants

(FRN 105972W)

*Bhaskar*



For and on behalf of the Board

*D. R. Patel*

*P. S. Dadhaniya*

( B H MANGAROLIA )

UDIN:21032693AAAABJ3898

( Dilipkumar R. Patel )

( Pankaj S. Dadhaniya )

Partner

Place: Ahmedabad

Director

Director

M. No. 032693

Date: 29.08.2021

DIN:00314623

DIN:02100802

**Aeron Composite Private Limited**

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

PARTICULARS	Note No.	Rs.	For the year ended	
			31.03.2021	31.03.2020
			Rs.	Rs.
I. Revenue from operations	19		788,223,192	773,953,959
II. Other income	20		2,389,109	6,919,264
III. Total revenue (I + II)			790,612,301	780,873,223
IV. Expenses				
a. Cost of materials consumed	21	483,833,258		503,681,715
b. Purchases of stock-in-trade		-		-
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	8,708,217		10,838,957
d. Employee benefits expense	23	56,587,663		40,853,259
e. Finance costs	24	10,672,071		8,567,820
f. Depreciation and amortisation expense	25	18,113,244		13,826,488
g. Other expenses	26	176,216,972		162,574,407
Total expenses			754,131,425	740,342,646
V. Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)			36,480,876	40,530,577
VI. Exceptional items			-	-
VII. Profit / (Loss) before extraordinary items and tax (V - VI)			36,480,876	40,530,577
VIII. Extraordinary items			-	-
IX. Profit / (Loss) before tax (VII - VIII)			36,480,876	40,530,577
X. Tax expense:				
a. Current Tax		12,725,000		9,415,000
b. Deferred Tax		(2,050,625)		2,257,028
			10,674,375	11,672,028
XI. Profit / (Loss) for the period from continuing operations (IX - X)			25,806,501	28,858,549
XII. Profit / (Loss) from discontinuing operations			-	-
XIII. Tax expense of discontinuing operations			-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			-	-
XV. Profit (Loss) for the period (XI + XIV)			25,806,501	28,858,549
XVI. Earnings per equity share				
a. Basic			19.85	22.20
Significant Accounting Policies	02			

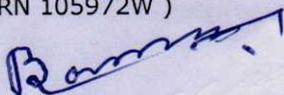
See accompanying notes forming part of the financial statements

As per our report of even date

**For, B H MANGAROLIA & CO.**

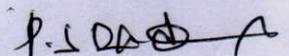
Chartered Accountants

(FRN 105972W)




For and on behalf of the Board





( B H MANGAROLIA )

Partner

M. No. 032693

UDIN:21032693AAAABJ3898

Place: Ahmedabad

Date: 29.08.2021

( Dilipkumar R. Patel )

Director

DIN:00314623

( Pankaj S. Dadhaniya )

Director

DIN:02100802

**Aeron Composite Private Limited**  
Cash Flow Statement for the year 2020-21

Particulars	31.03.2021 Rs.	31.03.2020 Rs.
<b>A. Cash flow from operating activities</b>		
Net profit before taxation, and extraordinary items	36,480,876	40,530,577
<i>Adjustments for:</i>		
Depreciation	18,113,244	13,826,488
Profit on sale of fixed assets	(8,900)	-
Provision for Gratuity	5,786,479	-
Loss on sale of fixed Assets	-	1,167,264
Interest income	(1,250,368)	(927,777)
Interest expense	10,672,071	8,567,820
Operating profit before working capital changes	69,793,402	63,164,372
<u>Movements in working capital</u>		
(Increase)/Decrease in Trade Receivables	(59,172,346)	(4,791,791)
(Increase)/Decrease in inventories	(26,628,699)	4,164,903
(Increase)/Decrease other Receivables	(4,601,922)	(4,391,210)
(Decrease)/Increase in current liabilities	40,088,740	2,878,913
Cash (used in)/generated from operations	19,479,175	61,025,187
Taxes paid (net of refunds)	(809,075)	(5,239,185)
Cash flow before extraordinary items	18,670,100	55,786,002
Extraordinary item	-	-
Net cash (used in)/ from operating activities (A)	18,670,100	55,786,002
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	(8,287,146)	(55,849,122)
Purchase of investments	-	-
Proceeds from sale of fixed assets	135,000	513,755
Interest received	1,250,368	927,777
Net cash (used in)/ from investing activities (B)	(6,901,778)	(54,407,590)



**Aeron Composite Private Limited**  
Cash Flow Statement for the year 2020-21

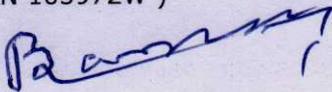
Particulars	31.03.2021 Rs.	31.03.2020 Rs.
<b>C. Cash flows from financing activities</b>		
Proceeds from long-term borrowings	-	34,490,873
Repayment of long-term borrowings	(22,773,431)	-
Interest paid	(10,672,071)	(8,567,820)
Dividends paid	-	-
Tax on dividend paid	-	-
<b>Net cash introduced from /(used in) financing activities (C)</b>	<b>(33,445,502)</b>	<b>25,923,053</b>
<b>Net (decrease)/increase in cash &amp; cash equiv. (A+B+C)</b>	<b>(21,677,180)</b>	<b>27,301,465</b>
Cash and cash equivalents at the beginning of the year	41,585,054	14,283,589
Cash and cash equivalents at the end of the year	<b>19,907,874</b>	<b>41,585,054</b>
	<b>(21,677,180)</b>	<b>27,301,465</b>

As per our report of even date

**For, B H MANGAROLIA & CO.**

Chartered Accountants

(FRN 105972W)




( B H MANGAROLIA )

Partner

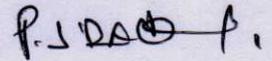
M. No. 032693

UDIN:21032693AAAABJ3898

Place: Ahmedabad

Date: 29.08.2021

For and on behalf of the Board

( Dilipkumar R. Patel ) ( Pankaj S. Dadhaniya )

Director

Director

DIN:00314623

DIN:02100802

## 01. Company Overview

Aeron Composite Private Limited ('the company'), incorporated under the Companies Act, 1956 vide CIN -U25209GJ2011PTC065419 having its registered office at Plot No 30/31, Saket Industrial Estate, Sarkhej Bavla Highway, Moraiya, Changodar, Ahmedabad-382213 Gujarat and engaged in Manufacturing and dealing in Fiber Glass Reinforce Plastic Products i.e. Cable Tray, Gratings, ROD, Pole, Structure Profiles, Handrails etc.

## 02. Significant accounting policies

### 2.01 Basis for Preparation of Financial Statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### 2.02 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### 2.03 Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads.

### 2.04 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 2.05 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



2.06 Depreciation and amortisation

Depreciation, on fixed assets, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, on Written Down Value (WDV) method. Depreciation on additions during the year is provided on prorata time basis.

2.07 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

*Sale of goods*

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

*Other income*

Interest income is accounted on accrual basis.  
All other income is recognised on accrual basis.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.08 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.09 Foreign currency transactions and translations

*Initial Recognition*

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

*Conversion*

Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. Gains/losses arising on account of realisation/settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognised in the Profit and Loss Account.



2.10 Government grants and subsidies

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

2.11 Employee benefits

*Short Term Employee Benefits*

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

*Post- Employment Benefits*

*Defined contribution plans*

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

*Defined benefit plans*

The Company's Gratuity is Defined Benefit Plan. The Company's liability towards Gratuity is determined using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of Employee Benefit Entitlement.

2.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.



2.14 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.15 Impairment of assets

The carrying values of assets at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes.



## Aeron Composite Private Limited

Notes forming part of the financial statements ( 2020-21 )

### 03. Share Capital

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number	Rs.	Number	Rs.
<u>Authorised</u>				
Equity shares of Rs. 10 each	1,500,000	15,000,000	1,500,000	15,000,000
Preference Shares of Rs. 10 each	750,000	7,500,000	750,000	7,500,000
Total Share Capital	<u>2,250,000</u>	<u>22,500,000</u>	<u>2,250,000</u>	<u>22,500,000</u>
<u>Issued</u>				
Equity shares of Rs. 10 each	1,300,000	13,000,000	1,300,000	13,000,000
<u>Subscribed and fully paid up</u>				
Equity shares of Rs. 10 each	1,300,000	13,000,000	1,300,000	13,000,000
<u>Subscribed but not fully paid up</u>				
Equity shares of Rs. 10 each	-	-	-	-
Total Share Capital	<u>1,300,000</u>	<u>13,000,000</u>	<u>1,300,000</u>	<u>13,000,000</u>

#### Reconciliation of Share Capital

##### *Equity shares of Rs. 10 each*

i outstanding at the beginning of the year	1,300,000	13,000,000	1,300,000	13,000,000
ii Issued during the year	-	-	-	-
iii bought back during the year	-	-	-	-
iv outstanding at the end of the year	<u>1,300,000</u>	<u>13,000,000</u>	<u>1,300,000</u>	<u>13,000,000</u>

#### Details of shares held by each shareholder holding more than 5% shares

##### *Equity shares of Rs. 10 each*

Sr. No.	Name of Shareholder	As at 31.03.2021		As at 31.03.2020	
		Number	%	Number	%
1	Pankajbhai S. Dadhaniya	136,500	10.50	136,500	10.50
2	Chirag K. Padalia	78,000	6.00	78,000	6.00
3	Vishal A. Vachhani	64,960	5.00	131,000	10.08
4	Pankajbhai R. Patel	76,500	5.88	76,500	5.88
5	Alpeshbhai S. Dadhaniya	136,500	10.50	136,500	10.50
6	Anand K. Padalia	78,000	6.00	78,000	6.00
7	Bipinbhai Ratilal Patel	66,567	5.12	66,567	5.12
8	Pravinaben K. Padalia	78,000	6.00	78,000	6.00
9	Shobhanaben A. Vachhani	91,040	7.00	25,000	1.92



**Aeron Composite Private Limited**

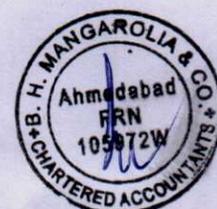
Notes forming part of the financial statements ( 2020-21 )

**04. Reserves and surplus**

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<i>Capital redemption reserve</i>		
Opening balance	5,000,000	5,000,000
Add: Additions during the year		
Transferred from surplus in Statement of P & L	-	-
Others	-	-
Less: Utilised during the year		
Closing balance	5,000,000	5,000,000
 <i>Surplus / (Deficit) in Statement of Profit and Loss</i>		
Opening balance	78,592,464	49,733,915
Add: Profit / (Loss) for the year	25,806,501	28,858,549
Amounts transferred from:		
General reserve	-	-
Other reserves	-	-
Less:		
Proposed Dividend	(1,300,000)	-
Tax on dividend	-	-
Closing balance	103,098,965	78,592,464
<b>Total Reserves and surplus</b>	<b>108,098,965</b>	<b>83,592,464</b>

**05. Long-term borrowings**

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<u>Secured</u>		
Term loans from Banks		
a. HDFC Bank (WC Term Loan)	-	353,804
b. HDFC Bank	-	12,291,746
c. HDFC Bank	4,695,255	-
<u>Security</u>		
<i>Hypothecation of Plant &amp; Machinery to be purchased from bank finance.</i>		
<u>Collateral</u>		
<i>EM of Shop No.38,39, 44, 45 situated at Shakti Chambers, 8-A, National Highway, Morbi.</i>		
<i>New Jagath Plot 25, Nr Astron Chowk, CS No. 15, Sheet No. 137,S No. 2113 and 2114P, Ground Floor, Gita Apartment</i>		
<i>Plot No. 367, Bavla Nalsarovar Road, Phase 3, Kenzville Village-Metaal, Tal: Bavla, Dist: Ahmedabad</i>		
<i>Revenue Survey No.327/4/1, Shagun 108 Flat, S P Ring Road, Zundal Circle, Gandhinagar</i>		



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

Term Loan Repayable as under

i.	The loan is repayable in 60 monthly installments, by Jul, 2021 amounting to Rs. 93,754/- (Sr. No. a)		
ii.	The loan is repayable in 60 monthly installments, by Dec, 2023 amounting to Rs. 430,098/- (Fully repaid in Jan 2021- Sr. No. b)		
iii.	The loan is repayable in 36 monthly installments, starting from Jul, 2021 amounting to Rs. 191,133/- (Sr. No. c)		
d.	HDFC Bank (Staff Bus) (Secured by hypothecation of vehicle EMI over a period of 48 months amounting to Rs. 28025/- each, The loan is repayable, in monthly instalments, by June, 2021 )	-	82,829
e.	HDFC Bank (Vehicle Loan) (Secured by hypothecation of vehicle EMI over a period of 48 months amounting to Rs. 15220/- each, The loan is repayable, in monthly instalments, by April, 2022 )	15,095	186,775
f.	HDFC Bank (Vehicle Loan) (Secured by hypothecation of vehicle EMI over a period of 36 months amounting to Rs. 16,890/- each, The loan is repayable, in monthly instalments, by Nov, 2023 )	315,280	-
g.	Standard Chartered Bank	22,363,690	29,616,779
h.	Standard Chartered Bank	976,464	1,293,155
i.	Standard Chartered Bank	5,937,561	7,863,257
j.	Standard Chartered Bank	7,750,000	-
k.	Standard Chartered Bank	6,664,988	-

Security

Hypothecation on Machinery created out of proposed term loan.

Collateral

Block No. 54/1, Nr. Chamak Polymers, Bileshwarpura, Mehsana highway, Gandhinagar in the name of M/s. A International Private Limited

Residential Flat No. B 603, Iscon Platinum, Near Bopal Ring Road, Bopal Ahmedabad owned by Amrutlal Vacchani, Shobhana A Vacchani and Vishal A Vacchani

Cash Collateral of INR 2.00 Mio in the form of FDR



## Aeron Composite Private Limited

Notes forming part of the financial statements ( 2020-21 )

*Corporate Guarantee of A International Private Limited*

*Personal guarantee of Chirag Padalia, Dilipbhai Patel, Pankaj Dadhaniya, Vishal Vacchani, Ravi P Patel, Chandulal R patel, Pravinaben Padaliya, Amrutlal Vacchani and Shobhana A Vacchani*

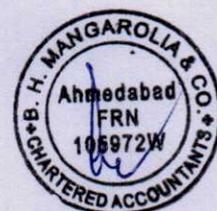
### Term Loan Repayable as under

- i. The loan is repayable in 60 monthly installments, by Apr, 2025 amounting to Rs. 604,424/- (Sr. No. g)
- ii. The loan is repayable in 60 monthly installments, by Apr, 2025 amounting to Rs. 26,391/- (Sr. No. h)
- iii. The loan is repayable in 60 monthly installments, by Apr, 2025 amounting to Rs. 160,474/- (Sr. No. i)
- iv. The loan is repayable in 36 monthly installments, starting from Nov, 2021 amounting to Rs. 250,000/- (Sr. No. j)
- v. The loan is repayable in 48 monthly installments, by Dec, 2024 amounting to Rs. 201,969/- (Sr. No. k)

	48,718,333	51,688,345
Other loans and advances	-	-
Total Secured Long Term Borrowings	48,718,333	51,688,345
<u>Unsecured</u>		
Loans and advances from related parties	-	19,803,419
Other loans and advances	-	-
Total unsecured Long Term Borrowings	-	19,803,419
Total Long-term borrowings	48,718,333	71,491,764

Installments falling due in respect of all the above secured term loans upto 31.03.2022 have been grouped under "Current maturities of long-term debt" (Refer Note 10.)

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Details of long-term borrowings guaranteed by some of the directors or others		
Term loans From Banks	48,718,333	51,688,345



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

**06. Deferred tax liability/ Asset**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
<b>a Tax effect of items constituting deferred tax liability</b>		
i Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	3,145,476	3,586,303
ii On expenditure deferred in the books but allowable for tax purposes	-	-
<b>Deferred tax liability</b>	<b>3,145,476</b>	<b>3,586,303</b>
<b>b Tax effect of items constituting deferred tax Assets</b>		
i Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis		
Disallowances under Section 40A(7), 43B of the Income Tax Act, 1961	1,609,798	-
<b>Deferred tax asset</b>	<b>1,609,798</b>	<b>-</b>
<b>Net Deferred Tax Liability/ Asset</b>	<b>1,535,678</b>	<b>3,586,303</b>

**07. Long-term provisions**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
Provision for employee benefits	5,662,908	-
Provision - Others	-	-
<b>Total Long-term provisions</b>	<b>5,662,908</b>	<b>-</b>

**08. Short-term borrowings**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
<b>Secured</b>		
Loans repayable on demand		
<b>From Banks</b>		
a. HDFC Bank (Cash Credit)	7,440,028	34,026,564
b. HDFC Bank (Export Packing Credit)	14,670,100	11,896,700
c. HDFC Bank (Post Shipment Export Credit)	996,265	-

**Security**

*Hypothecation of Stock, Book debt and all other current assets of the company*

*Refer Note. No. 5 for collateral securities offered to HDFC Bank.*



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

d. Standard Chartered Bank	6,297,154	6,616,632
e. Standard Chartered Bank (Export Packing Credit)	5,622,030	-

*Hypothecation of stock and Book Debts (under pari passu charge with HDFC bank Limited),*

Refer Note. No. 5 for collateral securities offered to Standard Chartered Bank.

	<u>35,025,577</u>	<u>52,539,896</u>
Other loans and advances	-	-
<b>Total Secured Short Term Borrowings</b>	<u><b>35,025,577</b></u>	<u><b>52,539,896</b></u>

Unsecured

Loans and advances from related parties

Deposits

Inter-corporate deposit

5,001,516

5,001,516

Other loans and advances

**Total Unsecured Short Term Borrowings**

5,001,516

**Total Short-term borrowings**

**40,027,093**

**52,539,896**

**09. Trade payables**

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Trade payable - Micro and small enterprises	2,196,650	-
Trade payable - Other than micro and small enterprises	158,536,760	103,776,548
<b>Total Trade payables</b>	<u><b>160,733,410</b></u>	<u><b>103,776,548</b></u>

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
-------------	----------------------------	----------------------------

- |   |           |   |
|---|-----------|---|
| a) Principal amount remaining unpaid to any supplier as at the end of the accounting year   | 2,196,650 | - |
| b) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day                               | -         | - |
| c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | -         | - |



## Aeron Composite Private Limited

Notes forming part of the financial statements ( 2020-21 )

d) Interest accrued and remaining unpaid	-	-
e) 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 enterprises	-	-

### 10. Other current liabilities

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Current maturities of long-term debt	15,525,186	10,668,963
Interest accrued but not due on borrowings	483,965	146,362
Other payables		
Statutory remittances	4,782,032	2,504,728
Payables on purchase of fixed assets	446,072	2,247,786
Payables for Expenses	24,205,082	25,350,425
Advances from customers	8,136,823	8,922,215
	37,570,009	39,025,154
Total Other current liabilities	53,579,160	49,840,479

### 11. Short-term provisions

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Provision for employee benefits	123,571	-
Provision - Others		
Provision for tax (net of advance tax)	3,239,852	-
Provision for proposed equity dividend	1,300,000	-
	4,539,852	-
Total Short-term provisions	4,663,423	-

### 12. Tangible assets

Particulars	Gross block			Balance as at 31.03.2021 Rs.
	Balance as at 01.04.2020 Rs.	Additions Rs.	Disposals Rs.	
Buildings	553,881	-	-	553,881
Plant and Equipment	88,200,888	263,000	-	88,463,888
Dies, Tools and Other Equipment	35,504,094	6,454,643	430,903	41,527,834
Furniture and Fixtures	544,222	-	-	544,222
Vehicles	2,614,043	590,089	-	3,204,132
Office equipment	2,283,418	486,086	-	2,769,504
Computer	1,711,438	493,328	-	2,204,766
Total	131,411,984	8,287,146	430,903	139,268,227
Previous year	79,992,369	55,849,122	4,429,507	131,411,984



## Aeron Composite Private Limited

Notes forming part of the financial statements ( 2020-21 )

Particulars	Accumulated Depreciation			
	Balance	Depreciation	Eliminated	Balance
	as at 01.04.2020 Rs.	for the year Rs.	on disposal of assets Rs.	as at 31.03.2021 Rs.
Buildings	238,912	29,933	-	268,845
Plant and Equipment	24,357,440	11,592,022	-	35,949,462
Dies, Tools and Other Equipment	15,215,369	4,515,875	304,803	19,426,441
Furniture and Fixtures	11,835	137,817	-	149,652
Vehicles	1,522,735	385,431	-	1,908,166
Office equipment	788,895	791,556	-	1,580,451
Computer	711,531	660,610	-	1,372,141
Total	<u>42,846,717</u>	<u>18,113,244</u>	<u>304,803</u>	<u>60,655,158</u>
Previous year	31,768,717	13,826,488	2,748,488	42,846,717

Particulars	Net Block	
	As at	As at
	31.03.2021 Rs.	31.03.2020 Rs.
Buildings	285,036	314,969
Plant and Equipment	52,514,426	63,843,448
Dies, Tools and Other Equipment	22,101,393	20,288,725
Furniture and Fixtures	394,570	532,387
Vehicles	1,295,966	1,091,308
Office equipment	1,189,053	1,494,523
Computer	832,625	999,907
Total Tangible assets	<u>78,613,069</u>	<u>88,565,267</u>
Previous year	88,565,267	48,223,652

### 13. Non-current investments

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<i>Trade Investments- Unquoted (At cost):</i>		
Investment in government or trust securities (NSC)	20,000	20,000
Total Non-current investments	<u>20,000</u>	<u>20,000</u>
<i>Aggregate amount of unquoted investments</i>	<u>20,000</u>	<u>20,000</u>

### 14. Long-term loans and advances

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<i>(Unsecured, considered good)</i>		
Capital advances	8,868,492	-
Security deposits	2,211,516	2,538,761
Total Long-term loans and advances	<u>11,080,008</u>	<u>2,538,761</u>



## Aeron Composite Private Limited

Notes forming part of the financial statements ( 2020-21 )

### 15. Inventories

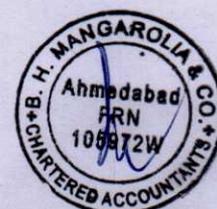
Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<i>(At lower of cost and net realisable value)</i>		
Raw materials	68,239,119	32,902,203
Work-in-progress	25,629,499	31,788,268
Finished goods (other than those acquired for trading)	18,914,187	21,463,635
<b>Total Inventories</b>	<b>112,782,805</b>	<b>86,154,106</b>

### 16. Trade receivables

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<i>(Unsecured, considered good)</i>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	11,468,039	9,753,359
Other Trade receivables	179,077,852	121,620,186
<b>Total Trade receivables</b>	<b>190,545,891</b>	<b>131,373,545</b>

### 17. Cash and bank balances

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<i>Cash and cash equivalents</i>		
Balances with banks		
In current accounts	10,169,462	93,788
In deposit accounts	-	35,075,572
Cash on hand	2,121,679	1,411,897
	12,291,141	36,581,257
<i>Other bank balances</i>		
Balances held as margin money or security against borrowings, guarantees and other commitments	7,616,733	5,003,797
	7,616,733	5,003,797
<b>Total Cash and bank balances</b>	<b>19,907,874</b>	<b>41,585,054</b>



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

**18. Short-term loans and advances**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
(Unsecured, considered good)		
Security deposits	999,841	1,064,901
Prepaid expenses	809,047	2,814,194
Balances with government authorities		
GST credit/ refund receivable	13,192,676	18,316,952
VAT credit/ refund receivable	591,781	591,781
	13,784,457	18,908,733
Advance income tax (net of provisions)	-	582,073
Others	7,475,978	4,220,820
Total Short-term loans and advances	23,069,323	27,590,721



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

**19. Revenue from operations**

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<i>Gross</i>		
Sale of products	774,986,483	752,862,476
Sale of services	7,018,770	14,118,415
Other operating revenues	6,217,939	6,973,068
	<u>788,223,192</u>	<u>773,953,959</u>
Total Revenue from operations	<u>788,223,192</u>	<u>773,953,959</u>
<i>Sale of products comprise</i>		
Manufactured goods		
FRP Grating , ROD , Pultrusion & Accessories	774,986,483	752,862,476
Total - Sale of manufactured goods	<u>774,986,483</u>	<u>752,862,476</u>
<i>Sale of services comprise</i>		
Installation & Erection Charges	7,018,770	14,118,415
Total - Sale of services	<u>7,018,770</u>	<u>14,118,415</u>
<i>Other operating revenues comprise</i>		
Export Incentives	6,217,939	6,973,068
Total - Other operating revenues	<u>6,217,939</u>	<u>6,973,068</u>

**20. Other income**

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Interest income	1,250,368	927,777
Net gain on foreign currency transactions and translation (other than considered as finance cost)	335,160	5,991,487
Other non-operating income (net of expenses directly attributable to such income)	803,581	-
Total Other income	<u>2,389,109</u>	<u>6,919,264</u>
<i>Interest income comprises:</i>		
Interest from banks on Deposits	344,006	416,914
Interest on loans and advances	759,185	363,028
Interest income from GEB Deposit	112,216	123,487
Interest on income tax refund	1,068	-
Other interest	33,893	24,348
Total	<u>1,250,368</u>	<u>927,777</u>



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
Other non-operating income comprises:		
Profit on sale of fixed assets (net of expenses directly attributable)	8,900	-
Bad Debt Recovery	794,681	-
<b>Total</b>	<b>803,581</b>	<b>-</b>

**21. Cost of materials consumed**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
Opening stock	32,902,203	26,228,149
Add: Purchases	519,170,174	510,355,769
	552,072,377	536,583,918
Less: Closing stock	68,239,119	32,902,203
	483,833,258	503,681,715
<b>Total Cost of materials consumed</b>	<b>483,833,258</b>	<b>503,681,715</b>

*Material consumed comprises:*

Resin, Glass Fiber etc.

	483,833,258	503,681,715
<b>Total</b>	<b>483,833,258</b>	<b>503,681,715</b>

**22. Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
Inventories at the end of the year:		
Finished goods	18,914,187	21,463,635
Work-in-progress	25,629,499	31,788,268
	44,543,686	53,251,903
Inventories at the beginning of the year:		
Finished goods	21,463,635	16,631,945
Work-in-progress	31,788,268	47,458,915
	53,251,903	64,090,860
<b>Net (increase) / decrease in inventories</b>	<b>8,708,217</b>	<b>10,838,957</b>

Particulars	As at 31.03.2021		As at 31.03.2020	
	Closing	Opening	Closing	Opening
	Rs.	Rs.	Rs.	Rs.
Finished goods				
FRP Products	18,914,187	21,463,634	21,463,634	16,631,945
<b>Total Finished goods</b>	<b>18,914,187</b>	<b>21,463,634</b>	<b>21,463,634</b>	<b>16,631,945</b>



## Aeron Composite Private Limited

Notes forming part of the financial statements ( 2020-21 )

### 23. Employee benefits expense

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Salaries	54,067,464	39,570,331
Contributions to PF, ESI and other funds	2,520,199	1,282,928
<b>Total Employee benefits expense</b>	<b>56,587,663</b>	<b>40,853,259</b>

### 24. Finance costs

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<i>Interest expense on</i>		
Borrowings	8,921,317	6,834,418
Others	124,130	91,598
Other borrowing costs	1,626,624	1,641,804
<b>Total Finance costs</b>	<b>10,672,071</b>	<b>8,567,820</b>

### 25. Depreciation and amortisation expense

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Depreciation and amortisation for the year on tangible assets	18,113,244	13,826,488
Depreciation and amortisation for the year on intangible assets	-	-
<b>Total Depreciation and amortisation expense</b>	<b>18,113,244</b>	<b>13,826,488</b>

### 26. Other expenses

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<i>Other Manufacturing and Direct Exps.</i>		
Jobwork charges	3,389,084	7,995,524
Consumption of stores and spare parts	45,537,931	52,955,717
Power and fuel	11,329,800	10,105,664
Repairs and maintenance - Machinery	2,176,029	635,262
Other Mfg. & Direct Exps.	24,084,010	19,980,355
<i>Other Admin. Exps.</i>		
Rent	19,652,000	18,721,300
Repairs and maintenance - Buildings	13,039	447,262
Repairs and maintenance - Others	873,062	747,852
Insurance	828,709	1,064,523
Rates and taxes	263,847	707,706
Communication Exps.	721,538	778,699
Travelling and conveyance	461,848	3,184,822



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

Printing and stationery	892,165	876,554
Vehicle Running & Maintenance Exps.	147,391	369,109
Donations	5,001	-
Legal and professional	5,446,191	4,898,737
Payments to auditors	100,000	100,000
Loss on fixed assets sold / scrapped / written off	-	1,167,264
Other Miscellaneous expenses	4,040,153	5,213,726

*Other Selling & Marketing Exps.*

Sales commission	12,102,546	4,885,275
Advertisement Exps.	3,890,069	812,314
Business promotion	82,368	2,605,227
Freight Outward & Export Exps.	24,813,726	18,035,838
Bad trade and other receivables written off	15,366,465	6,285,677

Total Other expenses	<u>176,216,972</u>	<u>162,574,407</u>
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Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
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*Payments to the auditors comprises*

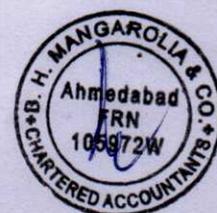
As auditors	70,000	70,000
For taxation matters	30,000	30,000
Total	<u>100,000</u>	<u>100,000</u>

**27. Value of imports calculated on CIF basis**

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Raw Material	123,849,456	23,868,306
Components and spare parts	-	-
Capital goods	-	10,318,069
Total	<u>123,849,456</u>	<u>34,186,375</u>

**28. Expenditure in foreign currency**

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Commission	3,100,838	-
Other matters	-	-
Total	<u>3,100,838</u>	<u>-</u>



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

**29. Details of consumption of imported and indigenous items**

Particulars	As at 31.03.2021		As at 31.03.2020	
	Rs.	%	Rs.	%
Raw Material				
Imported	113,254,553	23.41	28,642,413	5.69
Indigenous	370,578,705	76.59	475,039,302	94.31
Total	483,833,258	100.00	503,681,715	100.00
Components and spare parts				
Imported	-	-	-	-
Indigenous	45,537,931	100.00	52,955,717	100.00
Total	45,537,931	100.00	52,955,717	100.00

**30. Earnings in foreign exchange**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
Export of goods calculated on FOB basis	277,900,759	200,882,901
Other income	-	-
Total	277,900,759	200,882,901

**31. Contingent liabilities and commitments**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
Contingent liabilities		
Counter Guarantees given to the Banks In respect of various guarantees issued by The Bank to the third parties.	-	-
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

**32. Disclosures pursuant to Accounting Standard-15 "Employee Benefits"**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.

**a. Reconciliation of opening and closing balances of the present value of defined benefit obligation**

Obligation at the beginning of the year/period	-	-
Interest Cost	-	-
Current Service Cost*	5,786,479	-
Benefits paid	-	-
Actuarial (gain)/loss	-	-
Obligation at the end of the year/period	5,786,479	-



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

**b. The amount to be recognised in Balance Sheet and statement of profit and loss**

Present value of Obligation at the end of the year	5,786,479	-
Fair value of Plan assets at the end of the year	-	-
Funded status	(5,786,479)	-
Net Liability recognised in Balance Sheet	5,786,479	-

**c. Expenses recognised in statement of profit and loss**

Current Service Cost	5,786,479	-
Interest Cost	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain)/Loss	-	-
Expenses recognised in statement of profit and loss	5,786,479	-

**d. Assumptions**

Discount Rate	6.80%	-
Salary escalation	7.00%	-
Rate of Employee Turnover	5.00%	-

\* Since it is the first year of the company's valuation, it has considered the current service cost to be the same as the projected benefit obligation.

**33. Details of borrowing costs capitalised**

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Borrowing costs capitalised during the year as fixed assets / intangible assets / capital work-in-progress	<u>158,819</u>	-

**34.** The Company's business activity falls within a single primary segment viz., manufacture of Fiber Glass Reinforce Plastic Products. As such there are no separate reportable segments as envisaged under Accounting Standard - 17.



## Aeron Composite Private Limited

Notes forming part of the financial statements ( 2020-21 )

### 35. Research and Development activities

The company has In-house Research & Development Centre in developmental activities for new products, improvement in existing products, processes etc.

Details of Capital & Revenue expenditure incurred is as detailed below:

Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Revenue	12,119,077	-
Capital Expenditure	-	6,664,423
<b>Total R &amp; D Expenditure</b>	<b>12,119,077</b>	<b>6,664,423</b>

### 36. Related party transactions

#### a Names of related parties and related party relationship

##### Key management personnel

Padalia Chirag Kirtibhai, Vachhani Vishal Amrutlal, Dadhaniya Pankaj Shantilal, Patel Dilipbhai Ratilal, Ravi P Patel

##### Relatives of key management personnel

Bipinbhai R Patel, Pankajkumar R Patel, Prabhaben C. Patel, Manishaben D. Patel, Vishalbhai D. Patel, Tejalben J. Patel, Kantaben B. Patel, Alpeshbhai S. Dadhaniya, Ripaben P. Dadhaniya, Anand Padalia, Pravina K Padalia, Riddhi C Padalia, Pravina P Patel, Shobhanaben A Vachhani

##### Enterprises owned or significantly influenced by key management personnel or their relatives

Jal Agro Industries, A Innovative International Limited, A International Pvt Ltd, Chamak Polymers Pvt Ltd, Chamak Paint Industries, A. Innovative Food Products LLP

*Note : Related party relationship is as identified by the management and relied upon by the auditors.*

#### b Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

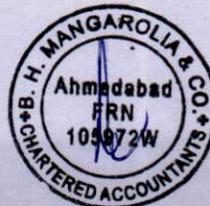
Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
<b>- Key management personnel</b>		
<b>- Salary</b>		
Pankaj S Dadhaniya	738,000	2,162,000
Dilip R Patel	306,000	1,156,000
Vishal A Vacchani	1,200,000	1,440,000
Ravi Pankaj Patel	312,000	312,000
Chirag K Padalia	1,080,000	1,620,000
<b>Total</b>	<b>3,636,000</b>	<b>6,690,000</b>
 <b>Rent Exps</b>		
Pankaj S Dadhaniya	315,000	216,000



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

<u>Interest expense</u>		
Chirag K Padalia	46,536	252,000
Ravi Pankaj Patel	8,547	232,753
Pankaj S Dadhaniya	6,457	358,738
Dilip R Patel	50,968	276,000
Vishal A Vachhani	58,574	299,034
<b>Total</b>	<b>171,082</b>	<b>1,418,525</b>
<u>Relatives of key management personnel</u>		
- <u>Salary</u>		
Tejalben J Patel	504,000	504,000
Bipinbhai R Patel	156,000	512,000
Riddhi C Padalia	248,492	-
Anand Padalia	345,600	352,000
Pankaj R Patel	132,000	481,046
<b>Total</b>	<b>1,386,092</b>	<b>1,849,046</b>
- <u>Rent Exps</u>		
Ripa Pankaj Dadhaniya	315,000	216,000
Kantaben B Patel	315,000	216,000
Manishaben D Patel	315,000	216,000
Prabhaven C Patel	315,000	216,000
Pravinaben P Patel	315,000	216,000
<b>Total</b>	<b>1,575,000</b>	<b>1,080,000</b>
- <u>Commission Exps</u>		
Pankaj R Patel	736,628	-
Bipinbhai R Patel	106,850	-
<b>Total</b>	<b>843,478</b>	<b>-</b>
- <u>Interest</u>		
Anand Padalia	6,648	36,000
Pravina Padalia	6,648	36,000
Shobhanaben A Vachhani	3,324	18,000
Alpesh S Dadhaniya	12,188	66,000
Vishal D Patel	13,296	72,000
<b>Total</b>	<b>42,104</b>	<b>228,000</b>
- <u>Enterprises owned or significantly influenced by key management personnel or their relatives</u>		
- <u>Sales/Revenue from Operations</u>		
A Innovative International Limited	-	411,270
Chamak Paint Industries	610,447	45,748
Chamak Polymers Pvt. Ltd.	-	137,563
<b>Total</b>	<b>610,447</b>	<b>594,581</b>
- <u>Rent Exps.</u>		
Jal Agro Industries	-	1,540,000
<b>Total</b>	<b>-</b>	<b>1,540,000</b>



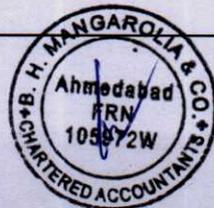
**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

<i>Purchases</i>			
Chamak Paint Industries	10,939,485	14,658,783	
Chamak Polymers Pvt. Ltd.	15,116,053	23,724,238	
<b>Total</b>	<b>26,055,538</b>	<b>38,383,021</b>	
<i>Purchases- Machinery</i>			
A Innovative International Ltd.	-	2,699,000	
<b>Total</b>	<b>-</b>	<b>2,699,000</b>	
<i>Purchases- Furniture and Office Equipment</i>			
A International Pvt. Ltd.	-	624,865	
<b>Total</b>	<b>-</b>	<b>624,865</b>	
<i>Machinery Maintenance Exps.</i>			
A Innovative International Ltd.	847,000	-	
<b>Total</b>	<b>847,000</b>	<b>-</b>	
<i>Interest Income</i>			
A Innovative International Ltd.	55,890	215,639	
Chamak Polymers Pvt. Ltd.	370,504	-	
A Innovative Food Products LLP	-	147,389	
<b>Total</b>	<b>426,394</b>	<b>363,028</b>	
<i>Interest Exps.</i>			
A International Pvt. Ltd.	1,639	78,904	
<b>Total</b>	<b>1,639</b>	<b>78,904</b>	
<i>Sales - Capital Asset</i>			
Chamak Paint Industries	10,000	-	
<i>Building Maintenance Exp.</i>			
Chamak Paint Industries	-	13,758	
<b>Total</b>	<b>-</b>	<b>13,758</b>	

**c Balance as at the year end**

Particulars	As at	As at
	31.03.2021	31.03.2020
	Rs.	Rs.
<i>Related Parties</i>		
- Long-term borrowings(unsecured)	-	19,803,419
- Short-term borrowings (Unsecured)	5,001,516	-
- Trade Payables	4,601,104	7,096,122
- Payables on purchase of fixed assets	-	624,865
- Trade Receivable	70,030	216,307
- Exps. Payables	-	3,041,046
- Capital advances	8,496,000	-



**Aeron Composite Private Limited**

Notes forming part of the financial statements ( 2020-21 )

37. India and other global markets experienced significant disruption in operations resulting from lockdown and other economic uncertainty caused by the worldwide coronavirus (Covid-19) pandemic. The management has assessed that the Coronavirus outbreak will not have material impact on financial position or financial performance of the company. However, the Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.
38. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

**For, B H MANGAROLIA & CO.**

Chartered Accountants

(FRN 105972W )



( B H MANGAROLIA )

UDIN:21032693AAAABJ3898

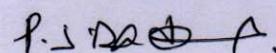
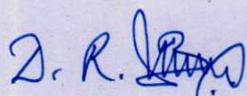
Partner

Place: Ahmedabad

M. No. 032693

Date: 29.08.2021

For and on behalf of the Board



( Dilipkumar R. Patel ) ( Pankaj S. Dadhaniya )

Director

Director

DIN:00314623

DIN:02100802