

MIL INDUSTRIES & AEROSPACE LIMITED

Regd off: 25A SIDCO Industrial Estate,
Ambattur, Chennai – 600098

CIN: U74999TN2018PLC122159
E-Mail: admin@mial.tech

NOTICE

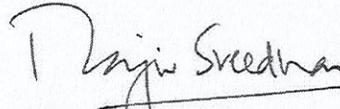
NOTICE is hereby given that the **4th Annual General Meeting** of the members of **MIL Industries & Aerospace Limited** will be held on **Wednesday, the 20th day of July, 2022** at **3.00 P.M** at the registered office of the Company No. 25A, SIDCO Industrial Estate, Ambattur, Chennai – 600098, to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the standalone financial statements of the Company for the financial year ended 31st March, 2022, together with the Directors' and Auditors' Reports thereon.
2. To appoint a director in place of Mrs. Saroja Raman (DIN: 00481687), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.

By order of the Board

For MIL INDUSTRIES & AEROSPACE LIMITED



RAJIV SREEDHAR

Director

DIN: 00181532

Place: Chennai

Date: 30.05.2022

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/herself and such a proxy need not be a member of the Company.

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2. The instrument appointing the proxy, duly completed, stamped and signed must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. The Proxy form for the AGM is enclosed herewith.

3. During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during business hours of the Company.

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DIRECTORS REPORT

To
The Members of
MIL INDUSTRIES & AEROSPACE LIMITED

Your Directors have pleasure in presenting the 4th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022

1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY:

PARTICULARS	31.03.2022	31.03.2021
Income	-	-
Less: Expenditure	56,385	37,695
Profit (Loss) before Tax	(56,385)	(37,695)
Less: Current tax	-	-
Profit (Loss) after Tax	(56,385)	(37,695)

The company is yet to commence its operations and therefore the company ended with the loss of Rs. 56,385/- Further, your company is contemplating to develop its business in upcoming years.

Since, the Company is a wholly owned subsidiary of MIL INDUSTRIES LIMITED to which the provisions of IND AS are applicable; the financial statements for the year ended 31st March 2022 have been prepared under IND AS.

2. DIVIDEND:

In view of loss the Board does not recommend any dividend for the year.

3. RESERVES:

Your company has not transferred any amount to general reserve during the year under review.

4. SHARE CAPITAL:

The paid up share capital as on March 31, 2022 was Rs. 20,00,000/-. The Company has not issued any Equity Shares, Sweat Equity Shares, Employee Stock Option and not called for Buy back of Shares during the financial year.

5. DEPOSITS:

The Company has not accepted deposits falling within the ambit of Chapter V of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014 during the year. There were no outstanding deposits at the end of the year.

6. SUBSIDIARY/ JOINT VENTURES / ASSOCIATE COMPANIES AND PERFORMANCE THEREOF:

Your Company is a wholly owned subsidiary of MIL Industries Limited. The Company does not have any Subsidiary, Joint Venture and Associate companies.

7. STATE OF COMPANY'S AFFAIR & CHANGE IN THE NATURE OF BUSINESS:

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The operations of the Company have not yet started and therefore there is no change in the nature of business during the current financial year under review.

8. MATERIAL CHANGES AND COMMITMENTS:

No material changes and commitments affecting the financial position of the company, have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

9. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

The Board of Directors of the Company at their meeting held on 02.12.2019 have approved a Scheme of Demerger between the Company and the Holding Company i.e. MIL Industries Limited and their respective Shareholders, for the demerger of the PTFE business from the holding Company to MIL Industries & Aerospace Limited ("the company"). In this regard, an application No CA/793/CAA/2020 had been filed before the Hon'ble National Company Law Tribunal (NCLT), Chennai under Sections 230 to 232 of the Companies Act, 2013 for dispensation of the meeting of the Equity shareholders and Creditors of the Company and obtained an Order for the same on 17.11.2021.

Further, Company Petition has been filed before the Hon'ble National Company Law Tribunal, Chennai for the approval of the Scheme of Demerger between the Company and the Holding Company and is pending for its approval.

Except the above, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

10. DIRECTORS:

There is no change in directors during the year. The present directors of the Company are

1. Ms. Saroja Raman - Director
2. Mr. Rajiv Sreedhar - Director
3. Dr. T Venkatesan - Director

Mr. Rajiv Sreedhar (DIN: 00181532), Director retires by rotation and being eligible offers himself for re-appointment. The Board of Directors recommends his continuation as a Director of the Company.

11. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

6 Board Meetings were held during the financial year under review and the gap between two meetings were not more than 120 days.

12. STATUTORY AUDITORS:

M/s. S.N.S. Associates, Chartered Accountants, Chennai, were appointed as statutory auditor of the Company for a period of five years in the Annual General Meeting held on 25.07.2019. Pursuant to notification of Companies (Amendment) Act, 2017, on 7th May 2018, the proviso for ratification of appointment of statutory auditors is omitted. The company has received confirmation from them that their appointment is within the limits and are not disqualified as specified under Section 141 of

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the Companies Act, 2013.

13. AUDITORS' REPORT:

The Auditors did not make any qualification, reservation or adverse remark or disclaimer on the financial statements prepared as per Section 133 of Companies Act, 2013, and notes on Accounts annexed thereto.

14. INSTANCES OF FRAUD REPORTED:

There is no fraud happened in the Company during the year ended March 31, 2022. This is also being supported by the report of the auditors of the Company as no fraud has been reported in their audit report for the year ended March 31, 2022.

15. ANNUAL RETURN:

The Company does not have any website. Hence the web link for the Annual return is not provided.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not advanced any loans, provided any security and made any investments under Sec 186 of Companies Act, 2013 during the year under review.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SEC 188(1) COMPANIES ACT 2013:

There were no contracts or arrangement with the related party u/s 188 of the Act during the year under review.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Conservation of Energy

The Company's operations are not energy intensive and as such involve low energy consumption. However, adequate measures have been taken to conserve the consumption of energy.

Technology Absorption

Operations of the company do not involve any kind of special technology and there was no expenditure on research & development during this financial year.

Foreign Exchange Earnings and outgo

There is no foreign earnings and outgo during the financial year

19. CORPORATE SOCIAL RESPONSIBILITY:

The provision of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company.

20. RISK MANAGEMENT POLICY:

The Company has a Proper Risk Management Policy towards Operations and Administrative affairs

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of the Company. The Directors review the Policy at regular intervals of time and ensure Proper Implementation of the Policy Formulated.

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company's internal control systems are commensurate with the nature of its business, the size and complexity of operations. In addition to the Internal Control Systems the Board has laid emphasis on adequate Internal Financial Controls to ensure that the financial affairs of the Company are carried out with due diligence.

22. PARTICULAR OF EMPLOYEES:

The Company has no employees covered under Section 197 of the Companies Act 2013 read with Rule No.5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and hence no particulars furnished.

23. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provision of Section 178(1) relating to constitution of Nomination and Remuneration Committee is not applicable to the Company and hence the Company has not devised any policy relating to Appointment of Directors, Payment of Managerial Remuneration and Discharge of their duties.

24. SECRETARIAL STANDARDS

The Company has followed applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

25. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

- Not Applicable

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

- Not Applicable

27. DIRECTORS RESPONSIBILITY STATEMENT:

To the best of their knowledge, belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(C) of the Companies Act, 2013:

- i). In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made for the same.

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- ii). Appropriate accounting policies have been selected and applied consistently and have 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 31st March, 2022 and of the Loss of the Company for the year ended 31st March, 2022;
- iii). Proper and sufficient care have been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- iv). The annual accounts have been prepared on a going concern basis
- v). Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

28. SEXUAL HARRASMENT AT WORKPLACE:

The Company has zero tolerance towards sexual harassment at the workplace. The Company has not received any complaints, during the year under review.

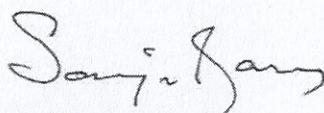
29. OTHER DISCLOSURES:

The disclosures pertaining to Audit Committee, Nomination & Remuneration Committee, Formal annual evaluation by the Board, Appointment of Internal Auditor, Declaration of Independent Directors, Prevention of Insider trading, Secretarial Audit report, Cost Records & Audit, Corporate Governance Certificate and Management Discussion and Analysis Report are not applicable to the Company, as your Company does not fall under the class of Companies.

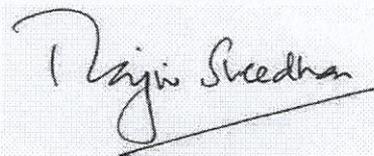
30. ACKNOWLEDGEMENTS:

The Directors gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

for MIL INDUSTRIES AND AEROSPACE LIMITED



SAROJA RAMAN
DIRECTOR
DIN: 00481687



RAJIVSREEDHAR
DIRECTOR
DIN: 00181532

Place: Chennai
Date: 27.06.2022



Independent Auditors' Report
To the Members of MIL Industries and Aerospace Limited
Report on the standalone Financial Statements

Opinion

We have audited the standalone financial statements of MIL Industries and Aerospace Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements")

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 ("the Act"), in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its Loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 Auditors' Report thereon

The Company's Board of Directors is responsible for the other information in the Annual Report, comprising of the Directors' Report and its annexures, but does not include the standalone financial statements and our Auditors' Report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise





appears to be materially misstated. If, based on the work we have performed, we conclude that if 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 the Management and Those Charged with Governance for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain and audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the Statement of Profit and Loss including other comprehensive income, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.





- e. On the basis of written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164 (2) of the Act.
3. 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**".
4. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its Directors.
5. 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:
 - a. There are no pending litigations.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d. (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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





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

e. The Company has not paid or declared any dividend during the year.

ICAI UDIN NO.22020899AJWRXA6429

Chennai

Dated: 30th May 2022



For S.N.S. ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO.006297S)

S. Nagarajan
(S. NAGARAJAN)
Partner
MEMBERSHIP No.020899



**Annexure A to the Independent Auditors' Report
To the Members of MIL Industries and Aerospace Limited**

- i) (a) The Company does not have any Property, Plant and Equipment and hence the provisions of clause (i) b to (i)(e) of the aforesaid Order are not applicable to the Company.
- (b) As explained to us, and according to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.
- ii) (a) The Company does not have any inventories and hence the provisions of clause (ii)(a) of the aforesaid Order are not applicable to the Company.
- (b) In our opinion and according to the explanations given to us, the Company has not availed working capital facilities on the security of current assets in excess of Rs.5 crores at any point of time during the year and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) The Company has not made any investments nor has it granted any loans or advances in the nature of loans to any entity and hence the provisions of clause (iii)(a) to (iii)(f) of the aforesaid order are not applicable to the Company.
- iv) The Company has neither made any investments nor provided any guarantee or security requiring compliance with the provisions of section 185 and 186 of the Act.
- v) The Company has not accepted deposits from the public.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013, for any of the activities of the Company.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees state insurance, excise, income tax, sales tax, value added tax, duty of customs, service tax, cess and other statutory dues have been regularly deposited during the year by the Company with appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, value added tax, duty of customs, excise, service tax, cess and other statutory dues which were in arrears as on 31st March 2022 for a period of more than six months from the date they became payable.
- (b) There are no dues of income tax, sales tax, value added tax, duty of customs, excise, service tax, cess or other statutory dues that have not been deposited on account of any dispute.
- viii) As explained to us and according to the information and explanations furnished to us, no transactions not recorded in the books of accounts have been surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961.





- ix) (a) The Company has not availed any loans from any Bank or financial institution.
- (b) In our opinion and according to the information and explanations given to us, the Company has not been declared as a wilful defaulter by any bank or financial institution.
- (c) The Company has not availed any loans during the year.
- (d) In our opinion and according to the information and explanations given to us, the funds raised on short term basis have not been utilised for long term purposes.
- (e) In our opinion and according the information and explanations give to us, the Company has not taken any funds from any entity to meet the obligations of its subsidiary company, associate companies or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the Company has not availed any loans on the basis of the pledge of its investments in Subsidiary Company.
- x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). As per the records of the Company, the term loans availed during the year were applied for the purposes for which those are raised.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully , partly, or optionally convertible) during the year.
- xi) (a) As per the records of the Company and according to the information and explanations given to us, no frauds by the Company or on the company by its officers or employees have been noticed or reported during the year.
- (b) No report under sub-section 12 of section 143 of the Companies Act, 2013 have been filed by the Auditors in Form ADT – 4 as prescribed under rule 13 of the Companies (Audit and Auditors') Rules 2014 with the Central Government.
- (c) As explained to us and based on the information, explanations and representations furnished to us, the Company has not received any whistle blower complaints during the year (upto and including the date of this report).
- xii) The Company is not a nidhi company.
- xiii) In our opinion, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable Accounting Standards.
- xiv) The provisions of the Companies Act relating to internal audit are not applicable to the Company.





- xv) Based on the audit procedures performed and the information and explanations given to us, the Company has not entered into any non-cash transactions with the Directors or persons connected with the Directors.
- xvi) (a) In our opinion, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a), (b) and (c) are not applicable.
- xvii) The Company has incurred cash losses during the current financial year and in the immediately preceding financial year as given below:

Financial Year ended	Cash Loss Rs.in lakhs
31 st March 2022	0.56
31 st March 2021	0.38

- xviii) There has been o resignation of statutory auditors during the year under audit.
- xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, since there are no liabilities as at 31st March 2022, the question the company not being able to meet its liabilities as on the date of the balance sheet within a period of one year does not arise.
- xx) The provisions of section 135 of the Act with respect to Corporate Social Responsibility are not applicable to the Company and hence the provisions of clause (xx)(a) and (xx)(b) of the aforesaid Order are not applicable to the Company.

Chennai

Dated: 30th May 2022



For S.N.S. ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO.006297S)

S. Nagarajan
(S. NAGARAJAN)
Partner
MEMBERSHIP No.020899



"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of MIL INDUSTRIES AND AEROSPACE LIMITED

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

We have audited the internal financial controls over financial reporting of **MIL INDUSTRIES AND AEROSPACE LIMITED** ("the Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system 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 procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for





external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect

the transactions and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our Opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial Controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

ICAI UDIN NO.22020899AJWRXA6429

Chennai

Dated: 30th May 2022



For S.N.S. ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO.006297S)

S. Nagarajan
(S. NAGARAJAN)
Partner
MEMBERSHIP No.020899

MIL INDUSTRIES & AEROSPACE LIMITED

(Rupees in lakhs)

BALANCE SHEET AS AT 31ST MARCH 2022

PARTICULARS	NOTE NO.	Figures as at the end of the current reporting period 31-03-2022	Figures as at the end of the previous reporting period 31-03-2021
ASSETS			
NON CURRENT ASSETS			
I) Other Non Current Assets			
Preliminary Expenses - to the extent not written off or adjusted		3.05	3.05
CURRENT ASSETS			
I) Cash and Cash Equivalents			
Cash on hand		0.08	0.08
Bank Balances with Scheduled Banks			
In Current Account		15.45	16.01
Total Current Assets		15.53	16.09
Total Assets		18.58	19.14
EQUITY AND LIABILITIES			
Equity			
i) Share Capital	6	20.00	20.00
II) Reserves and Surplus		(1.53)	(0.97)
Total Equity		18.47	19.03
LIABILITIES			
Current Liabilities			
Sundry Creditors			
Dues to MSME			-
Dues to Others		0.11	0.11
Total Current Liabilities		0.11	0.11
Total Equity and Liabilities		18.58	19.14

Notes forming part to the financial statements

Vide our Report of even date attached

For S.N.S Associates
Chartered Accountants
Firm Regn.No. 006297S



S.NAGARAJAN
Partner
Membership No. 020899

Rajiv Sreedhar
RAJIV SREEDHAR
Director

Saroja Raman
SAROJA RAMAN
Director

Chennai
Date : 30th May 2022

MIL INDUSTRIES & AEROSPACE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2022

PARTICULARS	(Rupees in lakhs)	
	Figures as at the end of the current reporting period 31-03-2022	Figures as at the end of the previous reporting period 31-03-2021
INCOME		
Income from operations	-	-
	-	-
EXPENDITURE		
Rates and Taxes	0.01	0.04
Bank charges	0.01	0.01
Professional Fees	0.35	0.22
Communication Expenses		-
Auditors' Remuneration - For Audit	0.19	0.11
	0.56	0.38
LOSS for the Year	(0.56)	(0.38)
Less: Taxation		
Current tax	-	-
Deferred Tax	-	-
	(0.56)	(0.38)
Other Comprehensive Income		
Remeasurement of defined benefit planst	-	-
Total of Other Comprehensive Income for the year	(0.56)	(0.38)
Earnings per Share - In Rupees	(0.28)	(0.19)
Earnings per Share (Basic and diluted)	-	-

Vide our report of even date attached
For S.N.S Associates
Chartered Accountants
Firm Regn.No. 0062975



S. Nagarajan

Rajiv Sreedhar

Saroja Raman

S. NAGARAJAN
Partner
Membership No. 020899

RAJIV SREEDHAR
Director

SAROJA RAMAN
Director

Chennai
Date : 30th May 2022

MIL INDUSTRIES & AEROSPACE LIMITED**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2022**

PARTICULARS	(Rupees in lakhs)	
	Figures as at the end of the current reporting period 31-03-2022	Figures as at the end of the previous reporting period 31-03-2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year before tax	(0.56)	(0.38)
Adjustment for changes in		
Current liabilities	-	0.02
Other non current assets	-	-
Cash generated from Operations (A)	(0.56)	(0.36)
B. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	-
Cash generated from Financing Activities	-	-
Net Increase in Cash and Cash Equivalents	(0.56)	(0.36)
Opening Cash and Cash Equivalents	16.09	16.45
Closing Cash and Cash Equivalents	15.53	16.09
	-	-

Vide our Report of even date attached

For S.N.S Associates
Chartered Accountants
Firm Regn.No. 006297S



S.NAGARAJAN

Partner

Membership No. 020899

RAJIV SREEDHAR

Director

SAROJA RAMAN

Director

Chennai

Date : 30th May 2022

MIL INDUSTRIES & AEROSPACE LIMITED

STATEMENT OF CHANGES IN EQUITY AS ON 31ST MARCH 2022

PARTICULARS	(Rupees in lakhs)	
	Figures as at the end of the current reporting period 31-03-2022	Figures as at the end of the previous reporting period 31-03-2021
A. EQUITY SHARE CAPITAL		
Balance at the beginning of the year	20.00	20.00
Changes in Equity Share Capital during the year		
Shares allotted during the year	-	-
	20.00	20.00
B. OTHER EQUITY		
Retained Earnings		
Balance as on 1-4-2018	-	-
Loss for the year 31-03-2019	(0.13)	(0.13)
Balance as on 31st march 2019	(0.13)	(0.13)
Loss for the year 31-03-2020	(0.46)	(0.46)
Balance as on 31st march 2020	(0.59)	(0.59)
Loss for the year 31-03-2021	(0.38)	(0.38)
Balance as on 31st March 2021	(0.97)	(0.97)
Loss till the period ended 31-03-2022	(0.56)	-
TOTAL	(1.53)	(0.97)

Vide our report of even date attached

For S.N.S Associates
Chartered Accountants
Firm Regn.No. 006297S



S.NAGARAJAN
Partner
Membership No. 020899

Rajiv Sreedhar
RAJIV SREEDHAR
Director

Saroja Ramam
SAROJA RAMAN
Director

Place: Chennai
Date : 30th May 2022

(Rupees in lakhs)

1 Basis of preparation of Financial Information

The accompanying Financial Statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the provisions of the Companies Act, 2013. The financial statements for the year ended 31st March 2019 were prepared under the Accounting Standards Rules 2006 (Indian GAAP). Since the Company became a wholly owned subsidiary of MIL Industries Limited, to which the provisions of Ind AS are applicable, the financial statements for the year ended 31st March 2020 have been prepared under Ind AS with the transition date being 17th April 2018, being the date of incorporation of the Company.

2 First time adoption of Ind AS

The Company has restated the financial statements as of 17th April 2018 being the transition date on the following basis:

- a) The value of all the assets, which consist of Cash and Cash Equivalents and the preliminary expenses incurred have been adopted at historical cost.

Exemptions availed under Ind AS 101

Since the assets and liabilities as on the transition date consisted only of Cash and Cash Equivalents and current liabilities and Share Capital, the Company has not availed any of the exemptions specified in Ind AS 101.

3 Significant Accounting Policies

a) Use of Estimates

In the preparation of the financial statements, in conformity with the Indian Accounting Standards (Ind AS), requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the result of operations during the accounting period. Although these estimates are based on the management's best knowledge of current events and actions, the actual results could differ from these estimates.

b) Revenue Recognition

Revenue is recognised on accrual basis. Expenditure is also accounted for on accrual basis.

c) Other Policies

Since the Company does not have any Property Plant and Equipment and other assets and any employees, the accounting policies relating to these assets and activities would be determined at the relevant time and hence not disclosed in these financial statements.

4 Disclosure of Risk Management and other disclosures required under Ind AS

Since the activities of the Company are in the process of being set up, the disclosures required under various Ind AS as applicable will be disclosed as when the activities commence in a regular way.



MIL INDUSTRIES & AEROSPACE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31-03-2022 31-03-2021

(Rupees in lakhs)

5 Provision for tax and Deferred tax

In view of the loss, no provision for taxation is considered necessary. The Deferred tax asset in respect of the Loss has not even considered on prudence.

6 Share Capital

Authorised

200000 Equity Shares of Rs.10/- each

20.00 20.00

Issued, Subscribed and Paid up

200000 Equity Shares of Rs.10/- each fully paid up

20.00 20.00

Reconciliation of Number of Shares

Shares outstanding at the beginning of the year

2,00,000 2,00,000

Number of Shares issued during the year

- -

Shares outstanding at the end of the year

2,00,000 2,00,000

Details of Shareholders holding more than 5%

MIL Industries Limited and its nominees

2,00,000 2,00,000

Details of Shares held by the Promoters

MIL Industries and its nominees

2,00,000 2,00,000

Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. All the shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

7 Demerger of the PTFE Division of MIL Industries Limited, the Holding Company

At the meeting held on 2nd December 2019 the Board of Directors of the Company have approved a Scheme of Demerger between the Company and the Holding Company and their respective Shareholders, for the demerger of the PTFE business from the Holding Company to the Company. After receipt of No objection from the Stock Exchange, an application has been filed before the Hon'ble National Company Law Tribunal (NCLT) at Chennai as per the provisions of sections 230 to 232 of the Companies Act, 2013. Pending sanction of the Hon'ble NCLT, no effect has been given to the Scheme.

8 Since the operations have not yet started, there is no impact on the financial statements on account of COVID 19 Pandemic.

9 The Other requirements of Schedule III of the Companies Act, 2013 and the requirements of Ind AS, other than those disclosed are not applicable to the Company.

10 Since there are no operations, the furnishing of mandatory ratios is not applicable.



MIL INDUSTRIES & AEROSPACE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31-03-2022 31-03-2021

11 Earnings per Share

(Rupees in lakhs)

Loss after tax

-0.56

-0.38

Number of Equity Shares of face value of Rs.10/- each

2,00,000

2,00,000

Earnings Per Share

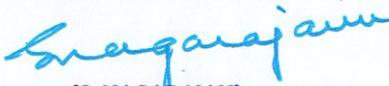
Rs.

-0.28

-0.19

Vide our report of even date attached

For S.N.S. ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REGISTRATION NO.006297S)



(S. NAGARAJAN)
Partner
MEMBERSHIP No.020899

S.NAGARAJAN

Partner

Membership No. 020899

Place: Chennai

Date : 30th May 2022



RAJIV SREEDHAR
Director



SAROJA RAMAN
Director

