

Independent Auditors' Report

To the Members of VM Aviation Private Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of VM Aviation Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2023, the statement of Profit and Loss 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 (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during 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 the Management and Board of Directors for Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion under section 143(3)(i) of the Act on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management and Board of Directors 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure



A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) Pursuant to MCA notification dated 13th June 2017, reporting on adequacy of the internal financial controls with reference to the financial statements is exempted for this company.
- (g) With respect to the other matters to be included in the Auditors' 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 as at 31 March 2023 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 during the year ended 31 March 2023; and
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds 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(s) or entity(ies), including foreign entities ("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

(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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

(c) Based on such audit procedures that the we have 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 (a) and (b) contain any material mis-statement.

- v. The Company has not paid/declared any dividend during the financial year. Accordingly, reporting on compliance with the provisions of Section 123 of the Act is not applicable.



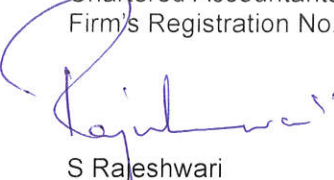
vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. Since the Company is a private limited company, the provisions of Section 197 of the Act are not applicable to it. Accordingly, reporting on the compliance with the provisions of Section 197 of the Act is not applicable.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018


S Rajeshwari

Partner

Membership No. 024105

UDIN: 23024105BGYMIS8444



Place of Signature: Chennai

Date: 29th September 2023

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of VM Aviation Private Limited ("the Company") on the financial statements as of and for the year ended 31 March 2023.

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible assets in the books and hence this sub-clause is not applicable.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification..

(c) According to the information and explanations given to us, the records examined by us, we report that, the Company does not have any immovable properties accordingly paragraph 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment during the year and hence this clause is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) The Company does not have inventory and hence reporting under this clause of the Order is not applicable.

b) Based on our audit procedures & according to the information and explanation given to us, the Company has not been sanctioned loan in excess of five crore rupees from banks or financial institution on the basis of security of current assets and hence the question of filing quarterly returns or statements by the company with such banks or financial institutions does not arise. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) Based on our audit procedures & according to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) (a) to (f) of the Order is not applicable to the Company.
- (iv) Based on our audit procedures & according to the information and explanation given to us, the Company has neither given any loan, guarantees and security nor made any investment during the year covered under section 185 and 186 of the Act. Therefore paragraph 3(iv) of the Order is not applicable to the Company.
- (v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of



sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

- (vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii)

- (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable with the appropriate authorities, though there has been a slight delay in a few cases.

According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of statutory dues were in arrears, as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

- (viii) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix)

- (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company and hence the question of the amount of loan so diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and the records of the Company examined by us, there were no funds raised on short term basis by the Company. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company taking loan from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company raising any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x)

- (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally



convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Act have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi)

- (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- (c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the Accounting Standard Related Party Disclosures (AS 18).

(xiv) In our Opinion and based on our examination, the Company does not have an Internal Audit system and is also not required to have an Internal Audit System as per Companies Act 2013. Accordingly, paragraph 3(xiv)(a) and (b) of the Order is not applicable.

(xv) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)

- (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).
- (b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.
- (c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 22.34 Lakhs in the financial year and Rs. 13.12 Lakhs in the immediately preceding financial year.



- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the 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 and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) Based on our audit procedures and according to the information and explanations given to us, the company is not required to spend the amount for corporate social responsibilities and Accordingly, paragraph 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018


S Rajeshwari

Partner

Membership No. 024105

UDIN: 23024105BGYMIS8444



Place of Signature: Chennai

Date: 29th September 2023

VM AVIATION PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2023
(All amounts are in Rupees Lakhs unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES			
Shareholder's Funds			
a. Share Capital	3	2,800.17	2,800.17
b. Reserves and Surplus	4	(1,125.41)	(1,103.05)
		<u>1,674.76</u>	<u>1,697.12</u>
Current Liabilities			
a. Trade Payables			
i. Due to Micro & Small Enterprises	5	-	-
ii. Due to Others		1.13	1.31
b. Other Current Liabilities	6	76.57	64.01
		<u>77.70</u>	<u>65.32</u>
Total		<u>1,752.46</u>	<u>1,762.44</u>
ASSETS			
Non-current assets			
a. Property Plant and Equipment			
(i) Tangible assets	7	0.12	0.14
b. Non Current Investments	9	1,712.00	1,065.00
c. Other non-current assets	10	31.25	31.25
		<u>1,743.37</u>	<u>1,096.39</u>
Current assets			
a. Current Investments	9	-	647.00
b. Cash and Bank Balances	11	8.78	8.71
c. Short-term loans and advances	8	-	10.06
d. Other current assets	10	0.31	0.28
		<u>9.09</u>	<u>666.05</u>
Total		<u>1,752.46</u>	<u>1,762.44</u>

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S / S200018

S. Rajeshwari
Partner
M.No 024105

Place : Chennai
Date : 29.09.2023



For and on behalf of the Board of Directors

G. Soundara Pandian
Director
DIN - 09431021

Place : Chennai
Date : 29.09.2023

Kannappan Vijayakumar
Director
DIN - 06996421

Place : Chennai
Date : 29.09.2023

Sitara Unnithan
Company Secretary
M.No A35057
Place : Chennai
Date : 29.09.2023



VM AVIATION PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(All amounts are in Rupees Lakhs unless otherwise stated)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
INCOME			
Revenue from operations		-	-
Other Income	12	0.02	0.02
Total Income		0.02	0.02
EXPENSES			
Employee benefit expenses	13	8.38	7.06
Finance costs	14	0.01	0.01
Depreciation and amortization expense	7	0.02	0.06
Other expenses	15	13.97	6.20
Total Expenses		22.38	13.33
Profit/(Loss) before extraordinary items and tax		(22.36)	(13.31)
Extraordinary items		-	-
Profit/(Loss) Before Tax		(22.36)	(13.31)
Tax expenses			
Current Tax		-	-
Total tax expenses		-	-
Profit / (Loss) for the year		(22.36)	(13.31)
Earnings Per Equity Share			
(Equity Share of par value of Rs. 100 each)	17		
- Basic (in Rs.)		(0.80)	(0.48)
- Diluted (in Rs.)		(0.80)	(0.48)

Significant Accounting Policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No. 003990S / S200018

S. Rajeshwari
Partner
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Place : Chennai
Date : 29.09.2023



VM AVIATION PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023
(All amounts are in Rupees Lakhs unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
A. Cash flows from operating activities			
Profit/(Loss) before tax after extraordinary items		(22.36)	(13.31)
Adjustments for:			
Depreciation and amortisation expense		0.02	0.06
Interest income		(0.02)	(0.02)
Write off of Advances		10.05	-
Write off of Assets		-	0.15
Operating profit / (loss) before working capital changes		(12.31)	(13.12)
Changes in assets and liabilities			
(Increase)/Decrease Loans and advances and other assets		-	(0.18)
Increase/(Decrease) Liabilities and provisions		12.38	11.53
Cash generated from operations		0.07	(1.77)
Taxes paid		-	-
Cash flow used in Operating activities (A)		0.07	(1.77)
B. Cash flows from investing activities		-	-
Net cash from/used in investing activities (B)		-	-
C. Cash flows from financing activities		-	-
Net cash used in financing activities (C)		-	-
D. Net increase/decrease in cash and cash equivalents (A+B+C)		0.07	(1.77)
Cash and cash equivalents at the beginning of the year		8.71	10.48
Cash and cash equivalents at the end of the year		8.78	8.71
E. Components of Cash and cash equivalents at the year end			
Balance with banks:			
In current account		8.73	8.60
Cash on Hand		0.05	0.11
		8.78	8.71

1. Previous year figures are regrouped / reclassified wherever necessary
2. The accompanying notes are an Integral Part of the Financial Statements

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S / S200018

S. Rajeshwari
Partner
M.No 024105

Place : Chennai
Date : 29.09.2023



For and on behalf of the Board of Directors

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Date : 29.09.2023

Sitara Unnithan
Company Secretary
M.No A35057

Place : Chennai
Date : 29.09.2023



1. Corporate information

VM Aviation Pvt Ltd ('the Company') was incorporated on August 17, 2010 as a private limited company under the Companies Act, 1956 ('the Act'). The Company was involved in the aviation sector, and engaged in the business of providing Charter services and is headquartered in Chennai, India. The Company has, after the date of financial statements, has amended its Objects to enable it to pursue Real Estate related activities as well.

2. Basis of preparation

The Company maintains its accounts on accrual basis following the historical cost convention, in accordance with the Generally Accepted Accounting Principles (GAAP) in India and to comply with the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and the accounting standards specified under section 133 of the Act. All items of income and expenditure that have a material bearing on the financial statements are recognized on accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

2.1 Summary of significant accounting policies

a Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of financial statements and reported amounts of income and expenses during the period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Examples of such estimates include provisions for taxes and depreciation. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

b Going Concern

The Company has ceased operations in Dec 2015, after the flood which damaged the only aircraft held by the company. The insurance claim made by the company was also admitted before 31st Mar 16 and received during the financial year 16-17. Even though the operations of the company have ceased, the financial statements have been prepared on a going concern basis by the management as the Company has renewed its license and is planning to purchase an aircraft in the near future with the plan of continuing the operations of the business. The Company has additionally amended its Objects, to enable it to pursue Real Estate related activities as well, in order to venture into newer avenues of business.

Even though the operations of the Company have ceased, the financial statements have been prepared on a going concern basis by the management as the Ultimate Holding Company has agreed to extend support to meet its liabilities and for any future uncertainties.

c Expenditure

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities. Costs associated with providing various services are accrued at the time when related revenues are recognized.

d Depreciation and amortization

Depreciation on tangible assets is provided on the written down value method over the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation on additions / deletions has been provided on a pro-rata basis.

In the case of tangible assets, the Company has adopted the following useful life prescribed under Part C.

Asset	Useful life
Furniture & Fixtures	10 years
Charter Aircraft	20 years
Office Equipment	5 years
End use devices, such as desktops, laptops, etc.	3 years
Motor cars other than those used in a business of running them on hire	8 years

e Revenue Recognition

The revenue from charter services arise from either on per charter basis or on minimum usage basis in accordance with the contract entered into with the customers and recognized when there is no uncertainty about its ultimate collection.

Interest income - Interest is recognized using the time-proportion method, based on the contracted rate.

f Fixed assets and Capital Work in Progress

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost includes all expenses directly attributable to bringing the assets to its working condition for its intended use.

While the cost of the fixed asset not ready for its intended use on the balance sheet date are disclosed under capital work-in-progress, advances paid towards the acquisition of fixed assets which are outstanding at each balance sheet date are disclosed under 'loans and advances' and grouped as 'non-current'.



g Foreign currency transactions

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

Foreign currency monetary items are retranslated using the exchange rate prevailing at the settlement date/reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on translation/settlement are recognised as income or as expenses in the period in which they arise barring the exchange difference arising out of long term foreign currency monetary items as they relate to acquisition of depreciable capital asset which is added/deducted from the cost of the asset and depreciated over the balance useful life of the asset.

h Leases

Company as a lessee

Assets acquired under leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. In respect of operating lease, rentals and all other expenses are treated as revenue expenditure. Operating lease payments are recognized as expenses in the statement of profit and loss account on a straight line basis over the lease term.

i Cash and Cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

j Cash flow statement

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

k Earnings per share

Basic earnings per share is calculated by dividing the net profit/(loss) for the period attributable to the equity shareholders by the weighted average number of shares outstanding during the period.

l Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit or loss.

m Taxes on Income

a. Income tax

Tax expenses comprise of current and deferred tax. Provision for income tax is made on the basis of the estimated taxable income as per the provisions of income tax act, 1961 and the relevant finance act, after taking into consideration judicial pronouncements and opinions of the company's tax advisors. Tax payments are set off against provisions.

b. Minimum Alternative Tax

Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal tax in future. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

c. Deferred tax

Deferred taxation is provided in respect of all material timing differences between the accounting and tax treatment of income and expenditure, which are expected with reasonable probability to reverse in subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only when there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or, written up to reflect the amount that is reasonable / virtually certain (as the case may be) to be realized.



n **Impairment of tangible assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized where ever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

o **Provisions and Contingent liabilities**

Provisions are recognized when the company has a present obligation as a result of past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed when the company has a possible obligation and it is probable that an outflow of resources embodying economic benefits will not be required to settle the obligation.

3. **SHARE CAPITAL**

	As at March 31, 2023	As at March 31, 2022
AUTHORISED SHARES :		
28,01,000 Equity shares of Rs. 100/- each	2,801.00	2,801.00
ISSUED, SUBSCRIBED & PAID - UP		
28,00,170 Equity shares of Rs. 100/- each	2,800.17	2,800.17
	<u>2,800.17</u>	<u>2,800.17</u>

a. **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
Equity shares				
Shares at the beginning of the year	2,800,170	2,800.17	2,800,170	2,800.17
Add:- Shares Issued during the year	-	-	-	-
Shares at the end of the year	<u>2,800,170</u>	<u>2,800.17</u>	<u>2,800,170</u>	<u>2,800.17</u>

b. **Terms / rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share. No dividend has been declared on equity shares.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c. **Details of shareholders holding more than 5% shares in the company**

	As at March 31, 2023		As at March 31, 2022	
	No of shares	% Holding in the class	No of shares	% Holding in the class
Equity shares of Rs. 100 each fully paid				
Manian Power Pvt Ltd	2,800,169	99.99996%	1,400,085	50.00%
Dadha Pharma Pvt. Ltd.	-	-	1,400,085	50.00%

d. **Detail of shares held by promoters at the end of the year**

As at March 31, 2023

Promoter name	No. of Shares	%of total shares	% Change during the year
Manian Power Pvt Ltd	2,800,169	99.99996%	49.99996%
Varun Manian	1	0.00004%	0.00004%
Dadha Pharma Pvt. Ltd.	-	0.00%	-50.00%
	<u>2,800,170</u>	<u>100.00%</u>	

As at March 31, 2022

Promoter name	No. of Shares	%of total shares	% Change during the year
Manian Power Pvt Ltd	1,400,085	50.00%	-
Dadha Pharma Pvt. Ltd.	1,400,085	50.00%	-
	<u>2,800,170</u>	<u>100.00%</u>	



4. RESERVES & SURPLUS	As at March 31, 2023	As at March 31, 2022
a. Surplus / (deficit) in the statement of profit and loss		
Balance as at the beginning of the year	(1,103.05)	(1,089.73)
Less : Loss for the year	(22.36)	(13.32)
	(1,125.41)	(1,103.05)
Total Reserves and Surplus	(1,125.41)	(1,103.05)

5. TRADE PAYABLES	As at March 31, 2023	As at March 31, 2022
Due to Micro, Small and Medium Enterprises	-	-
Due to Others	1.13	1.31
	1.13	1.31

Trade Payables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1.13	-	-	-	1.13
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

Trade Payables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1.31	-	-	-	1.31
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

6. OTHER CURRENT LIABILITIES *	As at March 31, 2023	As at March 31, 2022
Statutory Liabilities	0.13	0.15
Other payables	76.44	63.88
	76.57	64.03

* Refer Note 22 for related party transactions

8. LOANS & ADVANCES *	Non Current		Current	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Loans and advances to related parties				
Advances given to Dadha Pharma Pvt Ltd	-	-	-	10.06
	-	-	-	10.06

* Refer Note 22 for related party transactions

9. INVESTMENTS *	Non Current		Current	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022

Investments In Debentures

In Radiance Realty Developers India Limited (Ultimate Holding Company):
6,47,000 0.001% optionally fully convertible non cumulative debentures
(OFCD) of Rs.100/- each.

647.00 - - 647.00

in Dadha Pharma Pvt Ltd:
10,65,000 0.001% optionally fully convertible non cumulative debentures
(OFCD) of Rs.100/- each.

- 1,065.00 - -

In Manian Power Pvt Ltd (Holding Company) :
10,65,000 0.001% optionally fully convertible non cumulative debentures
(OFCD) of Rs.100/- each.

1,065.00 - - -

Aggregate amount of Unquoted Investments	1,712.00	1,065.00	-	647.00
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* Refer Note 22 for related party transactions



VM AVIATION PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in Rupees Lakhs unless otherwise stated)

Note 7 Fixed Assets Schedule for the year ended 31st March 2023

Particulars	Tangible assets				
	Furniture and Fixtures	Air Conditioner	Computer	Office Equipments	Motor Car
Original cost					
As at March 31, 2021	2.70	1.24	3.19	2.87	12.14
Additions	-	-	-	-	-
Deletions	(2.70)	(1.24)	(3.19)	(2.87)	-
As at March 31, 2022	-	-	-	-	12.14
Additions	-	-	-	-	-
Deletions	-	-	-	-	-
As at March 31, 2023	-	-	-	-	12.14
Depreciation and Amortisation					
As at March 31, 2021	2.61	1.22	3.18	2.84	11.94
For the period	-	-	-	-	0.06
On deletion of asset	(2.61)	(1.22)	(3.18)	(2.84)	-
As at March 31, 2022	-	-	-	-	12.00
For the period	-	-	-	-	0.02
On deletion of asset	-	-	-	-	-
As at March 31, 2023	-	-	-	-	12.02
Net book value					
As at March 31, 2022	-	-	-	-	0.14
As at March 31, 2023	-	-	-	-	0.12



10. OTHER ASSETS *	Non Current		Current	
	As at March 31,		As at March 31,	
	2023	2022	2023	2022
Others - Unsecured & considered good				
Income Tax refund receivable	31.25	31.25	-	-
Prepaid Insurance	-	-	0.05	0.04
Interest accrued on Debentures	-	-	0.11	0.09
Rental Advance	-	-	0.15	0.15
	<u>31.25</u>	<u>31.25</u>	<u>0.31</u>	<u>0.28</u>
* Refer Note 22 for related party transactions				
11. CASH AND BANK BALANCES			As at March 31, 2023	As at March 31, 2022
Cash & Cash Equivalents				
Balance with banks:				
In current account			8.73	8.62
Cash on Hand			0.05	0.11
			<u>8.78</u>	<u>8.74</u>
12. OTHER INCOME *			Year ended March 31, 2023	Year ended March 31, 2022
Interest On Debentures			0.02	0.02
			<u>0.02</u>	<u>0.02</u>
* Refer Note 22 for related party transactions				
13. EMPLOYEE BENEFIT EXPENSES			Year ended March 31, 2023	Year ended March 31, 2022
Salaries, bonus & incentives			8.25	7.05
Welfare expenses			0.13	0.01
			<u>8.38</u>	<u>7.06</u>
14. FINANCE COSTS			Year ended March 31, 2023	Year ended March 31, 2022
Bank charges			0.01	0.01
			<u>0.01</u>	<u>0.01</u>
15. OTHER EXPENSES			Year ended March 31, 2023	Year ended March 31, 2022
Insurance			0.14	0.14
Miscellaneous expenses			-	0.15
Advances written off			10.05	-
Payment to Auditors (refer note below)			1.25	1.25
Professional Charges			0.35	1.63
Rates and Taxes			0.45	0.73
Rent			0.60	0.35
Telephone Charges			0.06	0.08
Vehicle Maintenance			1.07	1.87
			<u>13.97</u>	<u>6.20</u>
<u>Payment to Auditors</u>				
For Statutory Audit			1.00	1.00
For Other Services			0.25	0.25
			<u>1.25</u>	<u>1.25</u>



16. CONTINGENT LIABILITIES & COMMITMENTS	As at March 31,	As at March 31,
Particulars	2023	2022

There are no contingent liability and commitment as on the balance sheet date.

17. EARNINGS PER SHARE	Year ended March 31, 2023	Year ended March 31, 2022
Profit after exceptional and extraordinary item and before tax	(22.36)	(13.32)
Less: Taxes	-	-
Profit after Tax	(22.36)	(13.32)
Face Value of Equity Shares (In Rs.)	100	100
Number of Equity Shares (In Nos.)	2,800,170	2,800,170
Basic and Diluted Earnings Per Share (In Rs.)	(0.80)	(0.48)

18. ACTIVITIES IN FOREIGN CURRENCY (on accrual basis)

Expenditure in foreign currency - NIL

19. MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006

The company has initiated the process of identification of suppliers registered under the Micro, Small and Medium Enterprises development act 2006, by obtaining confirmation from all the suppliers. Based on current information / confirmation available with the company there are no dues payable to suppliers, who are registered under the relevant act as at 31st March 2023. (PY-NIL)

20. OPERATING LEASE (ref Note 2.1.h)

Company has no operating lease where the lease term is beyond 11 months.

21. DEFERRED TAX LIABILITY / ASSET (ref Note 2.1.m.c)	As at March 31, 2023	As at March 31, 2022
(a) Deferred tax asset / (liability)		
Gross deferred tax asset		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	0.81	0.98
Net deferred tax asset / (liability)	0.81	0.98

In the absence of any evidence for certainty of realisability of taxable income, Deferred tax asset has not been recognised in the current year.

22. RELATED PARTY DISCLOSURE

(i) Relationship

Description of Relationship	Name of the party
Key Management Personnel	
- Director	G.Soundara Pandian
- Director	K.Vijayakumar
- Company Secretary	Sitara Unnithan
Ultimate Holding Company	Radiancy Realty Developers India Limited (w.e.f 25th July 2022)
Holding Company	Manian Power Private Limited (w.e.f 25th July 2022)
Entities having significant influence on the Company	Dadha Pharma Private Limited (upto 24th July 2022)



Details of transactions entered into with Related Parties	Year ended March 31, 2023	Year ended March 31, 2022
TRANSACTIONS DURING THE YEAR		
<u>Interest Income</u>		
Radiance Realty Developers India Limited	0.01	0.01
Manian Power Pvt Ltd	0.01	-
Dadha Pharma Private Limited	-	0.01
<u>Advances Written Off</u>		
Dadha Pharma Private Limited	10.06	-
<u>Rental Expenses</u>		
Radiance Realty Developers India Limited	0.60	0.35
<u>Salary</u>		
Salary paid to Sitara Unnithan	8.02	6.83
BALANCES AT THE YEAR END		
<u>Investments in Debentures at the end of the year</u>		
Radiance Realty Developers India Limited	647.00	647.00
Dadha Pharma Private Limited	-	1,065.00
Manian Power Pvt Ltd	1,065.00	-
AMOUNTS DUE (TO) / FROM RELATED PARTIES		
<u>OTHER PAYABLES</u>		
Radiance Realty Developers India Limited	76.44	63.88
<u>ADVANCE OTHERS</u>		
Dadha Pharma Private Limited- Loan	-	10.06
<u>RENTAL ADVANCE</u>		
Radiance Realty Developers India Limited	0.15	0.15

23. EMPLOYEE BENEFITS

Employee benefits such as Provident Fund, Employee's State Insurance, Gratuity and Bonus are not required to be provided by the company as the maximum number of employees employed at any time during the year, are less than the threshold limits specified in the respective acts.

24. SEGMENT REPORTING

The Company is primarily engaged in the business of providing Charter services. All the activities of the Company revolve around the main business. Further the company does not have any separate geographic segments other than India.

As such there are no separate reportable segments as per Accounting Standard 17 "Segment Reporting".

25. Disclosure requirements as notified by MCA pursuant to amended Schedule III

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company to holding any benami property.

ii) The Company has reviewed transactions, to the extent of information available, for the purpose of identifying transactions with struck off companies. Based on the above review, there are no transactions with struck off companies in the current financial year.

iii) The Company has not traded or invested in Crypto currency or virtual currency during the financial year

iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with understanding that intermediary shall :

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

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

v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (Whether recorded in writing or otherwise) that the company shall

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funded party (Ultimate Beneficiaries) or

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

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

vii) The Company has not invested in any companies and therefore reporting on the compliance with number of layers is not applicable.



VM AVIATION PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2023
(All amounts are in Rupees Lakhs unless otherwise stated)

Note 26 Ratios

Sl.no	Ratio	Numerator	Demoninator	March 31, 2023	March 31, 2022	Variance%	Remarks
(a)	Current Ratio	Current Assets	Current Liabilities	0.12	10.20	-98.85%	The period of debentures invested are extended and therefore they same are considered as non current investments. This has resulted in a decrease in current ratio of the company and therefore the variance.
(b)	Return on Equity Ratio	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	-1.33%	-0.30%	336.58%	The Company had written off irrecoverable advances which has resulted in an increase in the net loss of the company and therefore the variance.
(c)	Trade payables turnover ratio	Net Credit Purchases = Gross credit purchases - Purchase return	Average Trade Payables	3.21	5.02	-36.12%	Decrease in ratio on account of lower expenses during the current year at similar outstanding trade payables.

Note: Ratios to the extent applicable to the Company alone have been disclosed.



viii) The Company has nothing to report on compliance with approved Scheme(s) of Arrangements.

ix) The Company has not taken any loans and borrowings during the year and therefore nothing to report on:

- a) Declared as wilful defaulter by any banks or financial institutions.
- b) Filing and satisfaction of charge with the Registrar of Companies
- c) Utilisation of loans for the purpose for which it was borrowed

x) The Company has not paid any dividend or declared any dividend during the year and therefore reporting on compliance under section 123 of the Companies Act 2013 is not applicable.

27. DERIVATIVES

The Company has not entered into any derivative transactions during the year.

28. PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped / reclassified wherever considered necessary so as to conform with the current year's figures.

As per our report of even date attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S / S200018

S. Rajeshwari
Partner
M.No 024105

Place : Chennai
Date : 29.09.2023



For and on behalf of the Board of Directors

G. Soundara Pandian
Director
DIN - 09431021

Place : Chennai
Date : 29.09.2023

Sitara Unnithan
Company Secretary

M.No A35057
Place : Chennai
Date : 29.09.2023

Kannappan Vijayakumar
Director
DIN - 06996421

Place : Chennai
Date : 29.09.2023

