



PRITIKA ENGINEERING COMPONENTS PVT. LTD.

Works : Village Simbli, Phagwara-Hoshiarpur Road,
Tehsil & District Hoshiarpur, Punjab-146001

E-mail : pec@pritikagroup.com, **Website :** www.pritikagroup.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 3RD ANNUAL GENERAL MEETING OF THE MEMBERS OF PRITIKA ENGINEERING COMPONENTS PVT. LTD. WILL BE HELD ON MONDAY, THE 28TH DAY OF SEPTEMBER, 2020 AT 3.00 P.M. AT ITS REGISTERED OFFICE PLOT NO. C-94, INDUSTRIAL AREA, PHASE-VII, S.A.S. NAGAR, MOHALI TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:


1. Adoption of financial statements

To receive, consider and adopt the Audited Financial Statements of the company for the year ended March 31, 2020 including the audited Balance Sheet as at 31st March 2020, the Profit & Loss Account and Cash Flow Statement for the year ended on that date and Reports of the Auditors' and Directors' thereon.

On behalf of the Board of Directors

Place: Mohali

Dated: 28.08.2020


(Raminder Singh Nibber)

Director

DIN: 00239117

NOTES: -

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. Proxies in order to be valid must be lodged at the registered office of the Company not less than 48 hours before the commencement of the meeting.

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in submitting their Third Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2020.

FINANCIAL RESULTS

The Financial Results are briefly indicated below.

Amount (Rupees in lac)

	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Sales /Income from Business Operations	2167.84	1646.49
Other Income	4.56	1.50
Total Income	2172.40	1647.99
Profit/Loss before interest, depreciation & taxation	262.91	180.54
Less Interest /finance cost	169.59	119.46
Profit/(Loss) before Depreciation	93.32	61.08
Less Depreciation	78.18	51.22
Profit/(Loss) after depreciation and Interest	15.14	9.86
Less Tax Expenses	1.37	2.29
Net Profit/(Loss) after Tax	13.77	7.57
Other Comprehensive Income	(28.12)	0.00
Total Comprehensive Income	41.89	7.57
Earning per share (Basic) in Rs.	0.28	0.15
Earning per Share(Diluted) in Rs.	0.28	0.15

STATE OF COMPANY'S AFFAIRS & FUTURE PROSPECTS:

The Revenue from the operations (net) for the Financial Year 2019-20 was Rs. 2167.84 lac (Previous Year Rs. 1646.49 lac). The company earned Net Profit of Rs. 13.77 lac as against Rs. 7.57 lac in the previous year.

DIVIDEND

The Directors do not recommend any dividend for the year ended 31st March, 2020.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125 of the Companies Act, 2013 do not apply as there is no unpaid/ unclaimed dividend.

DIRECTORS

There was no change in the directors during the year.

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to the Company. None of the directors is disqualified u/s 164 (2) of the Companies Act, 2013.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the company during the year.

STATUTORY AUDITORS

M/s. Chetal Vikesh & Associates, Chartered Accountants, were appointed as statutory auditors of the Company in the first AGM of the company for a period of five years. They will continue as Statutory Auditors of the company till the conclusion of the 6th AGM.

The Auditors' Report for the fiscal 2020 does not contain any qualification, reservation or adverse remark.

Further, in terms of section 143 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, as amended, no fraud has been reported by the Auditors of the Company where they have reasons to believe that an offence involving fraud is being or has been committed against the company by officers or employees of the company.

KEY MANAGERIAL PERSONNEL

The company does not have any KMP as on 31.03. 2020.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2020 is Rs. 4,99,99,020/-. There was no change in the share capital of the company during the year under review.

RESERVES

During the financial year, there was no amount proposed to be transferred to the Reserves.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 in Form MGT-9 is furnished in Annexure 'A' and is attached to this Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company. The Company is wholly owned subsidiary of Pritika Auto Industries Ltd.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loan, guarantee and investment covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the Notes to the financial statements.

RELATED PARTY TRANSACTIONS

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and forms part of this report as Annexure 'B'.

DEPOSITS

The company has not accepted any fixed deposits covered under Chapter V of Companies Act, 2013 and no amount of principal or interest was outstanding as on the Balance Sheet date.

PARTICULARS OF EMPLOYEES

The information required under Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, is attached as Annexure 'C' and forms an integral part of this report.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is not required to establish a vigil mechanism.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

The company is not required to constitute an Audit Committee.

NOMINATION & REMUNERATION COMMITTEE

The company is not required to constitute Nomination & Remuneration Committee.

SEXUAL HARASSMENT POLICY

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

As per provisions of section 21 and 22 of "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" read with Rule 14 of "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013", the report on the

details of the number of cases filed under sexual harassment and their disposal, for the year 2019-20 is as under:

Number of cases pending as on the beginning of the financial year	Nil
Number of complaints filed during the financial year	Nil
Number of cases pending for more than 90 days	Nil
Number of cases pending at the end of end of the financial year	Nil
Nature of action taken by the employer or District Officer	NA

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has developed and implemented the Risk Management Policy.

BOARD EVALUATION

The provisions of section 134 (3)(p) relating to an annual performance evaluation by the Board are not applicable.

NUMBER OF MEETINGS HELD

During the year, eight Board Meetings were duly convened and held. The intervening gap between the meetings was within the period as prescribed under the provisions of Companies Act, 2013 and SS-1 on Meetings of Board of Directors.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Information in accordance with the provisions of Section 134 (3)(m) of the Act read with the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo during the reporting period is attached herewith and marked as Annexure 'D'.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no Foreign Exchange earnings and outgo made by the company during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) that in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2020 and of the profit and loss of the Company for that period;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

COST RECORDS

The Company is not required to maintain Cost Records as specified by the Central Government under Sub section (1) of Section 148 of the Companies Act 2013.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) that in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) that such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2020 and of the profit and loss of the Company for that period;

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the annual financial statements have been prepared on a going concern basis;

(e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

(f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

COST RECORDS

The Company is not required to maintain Cost Records as specified by the Central Government under Sub section (1) of Section 148 of the Companies Act 2013.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The provisions relating to submission of Secretarial Audit Report are not applicable to the Company.

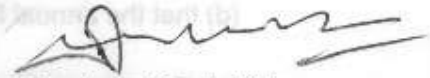
ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Harpreet Singh Nibber
Director
DIN: 00239042



Raminder Singh Nibber
Director
DIN: 00239117

Date: 28.08.2020
Place: Mohali

COST RECORDS

The Company is not required to maintain Cost Records as specified by the Central Government under Sub-section (1) of Section 141 of the Companies Act 2013.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

'ANNEXURE-A'

Form No. MGT-9

EXTRACT OF ANNUAL RETURNas on the financial year ended on 31st March, 2020**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

I. REGISTRATION AND OTHER DETAILS:	
i)	CIN U28999PB2018PTC047462
ii)	Registration Date 20/02/2018
iii)	Name of the Company Pritika Engineering Components Private Limited
iv)	Category / Sub-Category of the Company Company having Share Capital
v)	Address of the Registered office and contact details C-94, Phase-VII, Industrial Focal Point S.A.S. Nagar, Mohali (Punjab) 160055 Tel: 0172-5008900, 5008901
vi)	Whether listed company Yes / No No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Steel Products Castings	2431	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares Held	Applicable Section
1.	Pritika Auto Industries Ltd. Regd. Office: Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali-160055, Punjab	L45208PB1980PLC046738	Holding	100%	2(87)(ii)

Capital Funds									
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas									
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lac	-	-	-	-	-	-	-	-	-
c) Others --Non-Resident Individual --OCB	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	4999902	4999902	100	-	4999902	4999902	100	-

*The beneficial owner of these shares is Pritika Auto Industries Limited.

(ii) Shareholding of Promoters								
S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			%change in share Holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged /Encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Mr. Raminder Singh Nibber	2*	0.00	-	2*	0.00	-	-
2	Pritika Auto Industries Limited	4999900	100	-	4999900	100	-	-
	Total	4999902	100	-	4999902	100	-	-

*The beneficial owner of these shares is Pritika Auto Industries Ltd.

(iii) Change in Promoters' Shareholding (please specify, if there is no change): There is no change in Promoters' Shareholding during the year.					
Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4999902*	100		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			4999902	100
	At the End of the year			4999902*	100

*The beneficial owner of these shares is Pritika Auto Industries Ltd.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):							
Sl. No.		Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders						
	At the beginning of the year						
	Changes during the year						
	At the end of the year						

(v) Shareholding of Directors and Key Managerial Personnel:					
Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Mr. Raminder Singh Nibber At the beginning of the year	2*	-		
	Change in shareholding	-	-		
	At the End of the year			2*	-

*The beneficial owner of these shares is Pritika Auto Industries Ltd.

V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rupees in lacs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1476.63	382.50	-	1859.13
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.78	-	-	1.78
Total (i+ii+iii)	1478.41	382.50	-	1860.91
Change in Indebtedness during the financial year				
• Addition	100.00	127.64	-	227.64
• Reduction	63.90	-	-	63.90
Net Change	36.10	127.64	-	163.73
Indebtedness at the end of the financial year				
i) Principal Amount	1512.85	510.14	-	2023.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.65	-	-	1.65
Total (i+ii+iii)	1514.50	510.14	-	2024.65

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:					
Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the				

	Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-				
2.	Stock Option	-	-			
3.	Sweat Equity	-	-			
4.	Commission - as % of profit - others, specify	-	-			
5.	Others, please specify					
	Total (A)	-	-			
	Ceiling as per the Act					

B. Remuneration to other directors:						
Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors	-	-	-	-	
	• Fee for attending board / committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)					
	4. Other Non-Executive Directors	Mr. Raminder Singh Nibber	Mr. Harpreet Singh Nibber			
	• Fee for attending board / committee meetings	-	-			
	• Commission	-	-			
	• Others, please specify Salary	-	11,50,000			11,50,000
	Total (2)	-	11,50,000			11,50,000
	Total (B)=(1+2)	-	11,50,000			11,50,000
	Total Managerial Remuneration	-	11,50,000			11,50,000
	Overall Ceiling as per the Act	<i>Not applicable to private company.</i>				


C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD					
Sl. no.	Particulars of Remuneration	Key Managerial Personnel (There is no other KMP)			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	-	-	-	-
	(a) Salary as per provisions				

	contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify				
5.	Others, please specify				
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of The Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
B. DIRECTORS					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


Harpreet Singh Nibber
Director
DIN: 00239042


Raminder Singh Nibber
Director
DIN: 00239117

Date: 28.08.2020
Place: Mohali

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
NONE

- (a) Name(s) of the related party and nature of relationship
 (b) Nature of contracts/arrangements/transactions
 (c) Duration of the contracts / arrangements/transactions
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 (e) Justification for entering into such contracts or arrangements or transactions
 (f) date(s) of approval by the Board
 (g) Amount paid as advances, if any:
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

- | (a) Name(s) of the related party and nature of relationship | |
|---|---|
| i) Pritika Auto Industries Ltd. | - Directors of the company are also directors in Pritika Auto Industries Ltd. |
| ii) Pritika Industries Ltd. | - Directors of the company are also directors in Pritika Industries Ltd. |
| (b) Nature of contracts/arrangements/transactions | |
| i) Pritika Auto Industries Ltd. | -Purchase/sale of material. |
| ii) Pritika Industries Ltd. | -Purchase of castings |

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
NONE

- (a) Name(s) of the related party and nature of relationship
 (b) Nature of contracts/arrangements/transactions
 (c) Duration of the contracts / arrangements/transactions
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 (e) Justification for entering into such contracts or arrangements or transactions
 (f) date(s) of approval by the Board
 (g) Amount paid as advances, if any:
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

- | (a) Name(s) of the related party and nature of relationship | |
|---|---|
| i) Pritika Auto Industries Ltd. | - Directors of the company are also directors in Pritika Auto Industries Ltd. |
| ii) Pritika Industries Ltd. | - Directors of the company are also directors in Pritika Industries Ltd. |
| (b) Nature of contracts/arrangements/transactions | |
| i) Pritika Auto Industries Ltd. | -Purchase/sale of material. |
| ii) Pritika Industries Ltd. | -Purchase of castings |

(c) Duration of the contracts / arrangements/transactions

- i) Pritika Auto Industries Ltd. -Contract/Arrangement for one year w.e.f. 01/04/2019
- ii) Pritika Industries Ltd. -Contract/Arrangement for one year w.e.f. 01/04/2019

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

- i) Pritika Auto Industries Ltd. -Sale of castings, cold box etc. for Rs. 228.86 lacs and purchase of scrap and consumables for Rs. 104.35 lac during F.Y. 2019-20
- ii) Pritika Industries Ltd. - Sale of casting Rs. 2336.32 lacs and purchase of steel scrap for Rs. 41.10 lac during F.Y. 2019-20

- (e) Date(s) of approval by the Board, if any: - Prior approval by Board of Directors in its meeting held on 27.02.2019. The shareholders approved Related Party Agreement/Transactions in their Extra Ordinary General Meeting held on 25.03.2019.

- (f) Amount paid as advances, if any - Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Date: 28.08.2020
Place: Mohali


Harpreet Singh Nibber
Director
DIN: 00239042


Raminder Singh Nibber
Director
DIN: 00239117

INFORMATION REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED, IS GIVEN HEREUNDER:

There was no employee who was employed throughout the year and was in receipt of remuneration at the rate of not less than Rs. 1,02,00,000/- per annum.
There was no employee employed for a part of the financial year and was in receipt of remuneration at the rate of not less than Rs. 8,50,000/- per month.

PARTICULARS OF TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN, PURSUANT TO RULE 5 OF COS. (APPT. & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED:

Sr. No.	Name	Designation	Remuneration received (Rs. per annum)	Nature of employment	Qualification & Experience	Date of commencement of employment	Age of employee	Last employment before joining the company	%age of equity shares held in company	If employed throughout year or part thereof	Whether relative of any director/ manager of the company
1.	Mr. Surinderjit Singh Sidhu	DGM	9,10,000	Permanent	B. Tech. 24 yrs.	08-01-2019	49 yrs.	DCM - AGM	Nil	Part of the year	No
2.	Mr. Munish Arora	Sr. Manager Commercial	6,71,000	Permanent	BBA & MBA 17 Years	26-02-2018	39 yrs.	Deepak Fasteners Ltd - GM	Nil	Throughout year	No
3.	Mr. H. D. Satti	Head Quality & Development	6,00,000	Permanent	Diploma in Mgt. 35 Years	05-02-2019	59 yrs.	Karan Motors Pvt Ltd - GM	Nil	Throughout year	No
4.	Mr. Hitender Katoch	Maintenance Head	5,49,000	Permanent	Diploma in Mech 30 Years	03-07-2018	55 yrs.	Castex Technologies Ltd - Asst. Manager	Nil	Throughout year	No
5.	Mr. Santosh Lal	Machine Shop Head	5,40,000	Permanent	Diploma in Mech. Eng. 20 Years	27-12-2018	48 yrs.	Rico Auto Industry - Assist Manager Machine Shop	Nil	Throughout year	No
6.	Mr. Kushal Makkar	Asst. Manager	4,80,000	Permanent	B. Com 16 Years	17-04-2019	39 yrs.	Daily World - Finance Head	Nil	Throughout year	No
7.	Mr. Satinder Kumar	Electrical Head	4,36,760	Permanent	Diploma in Electrical 20 Years	07-06-2018	42 yrs.	PAIL (unit 2) Bathri - Senior Engineer	Nil	Throughout year	No
8.	Mr. Ravi Chand	Lab Incharge	3,90,400	Permanent	BSC 10 Years	03-06-2018	30 yrs.	Eastman Mattcast Pvt.Ltd-Lab Incharge	Nil	Throughout year	No
9.	Mr. Ram Bilash	Moulding Supervisor	3,66,000	Permanent	B.A 13 Years	01-01-2019	40 yrs.	HNV Casting Pvt. Ltd. - Supervisor Core shop/ Moulding	Nil	Throughout year	No


10.	Mr. J.P. Satti	Lab Head	3,66,000	Permanent	BSC 43 Years	08-03-2018	66 yrs.	DCM - Sr.Executive	Nil	Throughout year	No
-----	----------------	----------	----------	-----------	-----------------	------------	---------	--------------------	-----	--------------------	----

INFORMATION REQUIRED UNDER RULE 8(b) OF THE COMPANIES (MANAGEMENT AND REMUNERATION) REGULATIONS, 2014 AND UNDER SECTION 177(2)(b) OF THE COMPANIES ACT, 2013.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Harpreet Singh Nibber
Director
DIN: 00239042



Raminder Singh Nibber
Director
DIN: 00239117

Date: 28.08.2020
Place: Mohali

Sl. No.	Name	Designation	Qualification	Age	Experience	Directorship	Shareholding	Other Directorships	Other Directorships	Other Directorships	Other Directorships	Other Directorships
1	Mr. J.P. Satti	Lab Head	B.Sc.	43	66 yrs.	DCM - Sr.Executive	Nil	Throughout year	No			
2	Mr. H. D. Datta	Director	B.A., B.L., LL.B.	60	30	Director	10%	10 years	10 years	10 years	10 years	10 years
3	Mr. H. D. Datta	Director	B.A., B.L., LL.B.	60	30	Director	10%	10 years	10 years	10 years	10 years	10 years
4	Mr. H. D. Datta	Director	B.A., B.L., LL.B.	60	30	Director	10%	10 years	10 years	10 years	10 years	10 years
5	Mr. H. D. Datta	Director	B.A., B.L., LL.B.	60	30	Director	10%	10 years	10 years	10 years	10 years	10 years
6	Mr. H. D. Datta	Director	B.A., B.L., LL.B.	60	30	Director	10%	10 years	10 years	10 years	10 years	10 years
7	Mr. H. D. Datta	Director	B.A., B.L., LL.B.	60	30	Director	10%	10 years	10 years	10 years	10 years	10 years
8	Mr. H. D. Datta	Director	B.A., B.L., LL.B.	60	30	Director	10%	10 years	10 years	10 years	10 years	10 years
9	Mr. H. D. Datta	Director	B.A., B.L., LL.B.	60	30	Director	10%	10 years	10 years	10 years	10 years	10 years
10	Mr. H. D. Datta	Director	B.A., B.L., LL.B.	60	30	Director	10%	10 years	10 years	10 years	10 years	10 years

Pritika Engineering Components Pvt Ltd.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

A) Conservation of energy:

(i) The steps taken or impact on conservation of energy:

The Company is taking all possible measures to conserve energy. The company has upgraded Automatic Power Factor Controller to improve the Power Factor. The company is using Standard Drives in CNC Machines for better energy efficiency. The employees are regularly educated and made aware to save power. The Company is saving energy by using LED lights/lamps in place of filament bulbs/tubes/sodium/mercury lights.

The company by optimising operations is saving machine running hours. The energy consumption is lowered by converting high rated electric motors into low power consumption motors.

The company is also saving power by using Natural Light during day with transparent sheets and Natural Ventilators.

(ii) The steps taken by the Company for utilising alternate sources of energy:

Optimization of electric motor rating from high H.P to lower H.P. or reduction in number of motors to save energy.

iii) The capital investment on energy conservation equipments:

The company has not made any major investment on energy conservation equipments during the year under review and this cannot be quantified.

(B) Technology absorption:

(i) The efforts made towards technology absorption:

By replacing Conventional machines with Automatic CNC machines, the company is saving energy and yielding higher productivity.

The management keeps itself abreast of the adaptation and innovation technological advancements in the industry and ensures continued and

sustained efforts towards absorption as well as development of the same to meet business needs and objectives.

The Company has in-house development centre, wherein all the tooling required are designed and manufactured.

The company is also engaged in design and development of machine tools for captive use, wherein old technology is replaced with modern Hydraulics/CNC/PLC controlled system for lesser power consumption and higher productivity.

The company is going extensively on machine made core from conventional handmade.

The company uses Screw Compressor instead of Conventional Reciprocating compressor which are more efficient.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The technological absorption has resulted in improvement, cost reduction, product development, improvement in services, import substitution, etc. making company's products more competitive in the market. However, the benefits derived from the technological advancements are not quantifiable.

Machining stocks from the castings reduced to improve the cycle time to save energy and productivity improvement.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The company has not absorbed any imported technology.

- | | |
|---|----------------|
| (a) the details of technology imported: | Not applicable |
| (b) the year of import: | Not applicable |
| (c) whether the technology been fully absorbed: | Not applicable |
| (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: | Not applicable |

(iv) Expenditure incurred on Research and Development

The Company has not carried out any specific research and development activities during the year. As such expenditures on Research & Development cannot be quantified.





Chetal Vikesh & Associates

Chartered Accountants

129, Phase 1B, Shivalik Avenue, Naya Nangal, Tehsil – Nangal, Distt – Ropar (PB)
Mob – 9815251200 Ph. 01887-22100, E-mail vikesh_chetal@yahoo.com

Independent Auditor's Report

To

The Members of Pritika Engineering Components Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Pritika Engineering Components Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss and Cash Flow Statement and statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Ind AS financial statements').

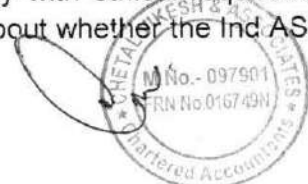
Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matter stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design procedures that are appropriate in the circumstances, an audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

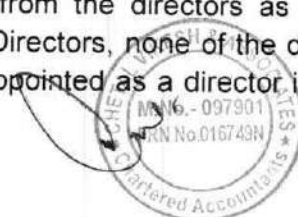
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and its Profit (Loss) and its cash flows and changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order 2016 ("the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure 1**, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on 31st March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020, from being appointed as a director in terms of section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure 2**"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations, which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There are no items, which are required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mohali
Date : 26.06.2020

For Chetal Vikesh & Associates
Firm Registration No 016749N
Chartered Accountants


(Vikesh Kr Chetal)
(Membership No: 097901)
Partner
UDIN: 20097901AAAABY9108

(Annexure referred to in our report of even date to the members of Pritika Engineering Components Private Limited, on the Ind AS Financial Statements for the year ended 31st March 2020).

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) a) The company has maintained proper records showing full particulars, including the quantitative details and situation of fixed assets on the basis of information available.
- b) The company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- c) According to the information and explanations given to us and based on our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) The management/banks and stock auditors have physically verified the inventories during the reasonable intervals. In our opinion and according to information and explanations given to us the frequency of physical verification is reasonable. The discrepancies noticed on physical verification of inventory were not material and have been adequately dealt within the books of accounts. As the items of the stock are technical in nature and being the chartered accountant by profession, we are not technocrat and due inadequate time, we are unable to get it cross verified. However, no adverse information is available to us during our audit.
- (iii) The company had not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii(a) and iii(b) of the order are not applicable to the Company.
- (iv) That company had not granted any loan or given any guarantee with respect to section 185 and 186 of company act 2013.
- (v) In our opinion, and according to the information and explanation given to us, the company has not accepted any deposit; hence, clause (v) is not applicable to the company. Accordingly the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the companies Act and rules framed there under are not applicable.
- (v) The company is not required to maintain the cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act 2013.



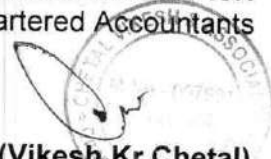
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us and on the basis of examination of record, no arrear of statutory dues for the period more than six months from the date they become payable at the end of financial year.
- b) According to the information and explanations given to us, there is no amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Value Added Tax, Customs Duty and Excise Duty which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the company had not defaulted in repayment of loans or borrowings to the banks or financial institutions or debenture holders except some delayed payments. Moreover the company did not have any outstanding debentures. Accordingly, the paragraph 3(viii) of the order is not applicable.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments). Regarding the term loans, company had not taken any term loan so the question of uses does not arise.
- (x) To the best of our knowledge & belief and according to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) That the company had provided the managerial remuneration in accordance with the provisions of section 197 read with schedule V of the Companies Act, 2013.
- (xii) In our opinion and information and explanation given to us, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- (xiii) According to information & explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 188 of the Act 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of records of the company, during the year, the company had not made any preferential allotment/Private of shares or fully or partly convertible debentures during the year under review as per the provisions of section 42 of the Act read with Section 62(1)(C) and rules made there under.
- (xv) According to the information and explanations given to us and based on our examination of records of the company, the company has not entered into the non - cash transaction with the directors or persons connected with him, accordingly the paragraph 3(xv) of the order is not applicable.



(xvi) The company is not required to be registered under section 45-IA of Reserve bank of India Act 1934.

Place: Mohali
Date : 26.06.2020

For Chetal Vikesh & Associates
Firm Registration No 016749N
Chartered Accountants



(Vikesh Kr Chetal)
(Membership No. 097901)
Partner
UDIN: 20097901AAAABY9108

TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of Pritika Engineering Components Private Limited, on the Ind AS Financial Statements for the year ended 31st March 2020).

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 **Pritika Engineering Components Private Limited** ("the Company") as of 31st March 2020 in conjunction with our audit of the Ind AS 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 and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls over Financial Reporting

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 31 March 2020, based on the internal control over financial reporting criteria established by the Company and the 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).

Place: Mohali
Date : 26.06.2020

For Chetal Vikesh & Associates
Firm Registration No 016749N
Chartered Accountants

(Vikesh Kr Chetal)
(Membership No: 097901)

Partner
UDIN: 20097901AAAABY9108



PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED

CIN NO. U28999PB2018PTC047462

C-94 PHASE - VII , S.A.S NAGAR , MOHALI , PUNJAB-160055

BALANCE SHEET AS AT MARCH 31 ,2020

(All amounts in INR)

Particulars	Note	As At	
		March 31, 2020	March 31, 2019
I. ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment	3	165,004,299	167,932,515
(b) Capital work in progress	3	99,942,983	64,982,412
(c) Financial Assets			
- Investments	4	16,875,000	-
- Other financial assets	5	-	-
(d) Deferred Tax Assets (net)	6	189,691	189,691
(e) Other Non-Current Assets	7	8,518,597	5,796,900
Total Non Current Assets (A)		290,530,570	238,901,518
2. Current Assets			
(a) Inventories	8	55,574,797	49,704,112
(b) Financial Assets			
- Trade Receivables	9	50,574,135	51,019,878
-Cash and Cash Equivalents	10	285,717	511,947
-Bank balances other than cash and cash equivalents	11	4,386,409	4,135,463
-Other Current Financial Assets	12	1,228,909	1,879,921
(c) Other Current Assets	13	10,858,546	21,553,616
Total Current Assets (B)		122,908,513	128,804,937
TOTAL ASSETS (A+ B)		413,439,083	367,706,455
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	14	49,999,020	49,999,020
(b) Other Equity	15	3,882,145	(306,859)
Total Equity (A)		53,881,165	49,692,161
2. Non Current Liabilities			
(a) Financial Liabilities			
- Borrowings	16	165,718,460	157,250,375
(b) Provisions	17	-	-
(c) Deferred Tax Liabilities (net)	18	346,414	228,599
(d) Other non-current Liabilities	19	101,446,673	59,275,000
Total Non Current Liabilities (B)		267,511,547	216,753,974
3. Current Liabilities			
(a) Financial Liabilities			
- Borrowings	20	30,281,301	19,062,628
-Trade Payables	21	-	-
Total outstanding dues of micro and small enterprises			
Total outstanding dues of creditors other than micro and small enterprises		20,310,074	30,224,436
- Other Financial Liabilities	22	37,503,917	47,019,236
(b) Other Current Liabilities	23	3,951,079	4,802,788
(c) Provisions	24	-	151,231
Total Current Liabilities (C)		92,046,371	101,260,319
TOTAL EQUITY AND LIABILITIES (A+B+C)		413,439,083	367,706,455


The accompanying notes are integral part of the financial statements

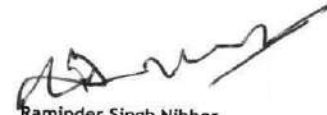
As per our report of even date

For and on behalf of Board of Directors

For Chetal Vikesh & Associates
Firm registration number: D16749N
Chartered Accountants

Vikesh Kr Chetal
Partner
Membership no.: 097901


Harpreet Singh Nibber
(Director)
DIN No. 00239042


Raminder Singh Nibber
(Director)
DIN No. 00239117

Place: Mohali
Date: 26-06-2020

PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED

CIN NO. U28999PB2018PTC047462

C-94 PHASE - VII , S.A.S NAGAR , MOHALI , PUNJAB-160055

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Note	For the Year ended March 31, 2020	For the Year ended March 31, 2019
I Revenue from operations	25	216,784,105	164,648,953
II Other Income	26	455,910	150,514
III Total Income (I+II)		217,240,015	164,799,467
IV Expenses			
a) Cost of material consumed	27	127,989,572	119,013,742
b) Changes in inventories of finished goods , Work in progress and stock in trade	27(a)	(3,974,790)	(24,044,659)
c) Employee benefits expense	28	17,263,807	10,885,086
d) Finance costs	29	16,958,788	11,946,378
e) Depreciation and amortization expense	30	7,817,866	5,122,020
f) Other Expenses	31	49,670,724	40,890,978
Total Expenses (IV)		215,725,967	163,813,545
V Profit /(Loss) before exceptional items and tax		1,514,048	985,922
VI Exceptional Items		-	-
VII Profit / (Loss) before tax		1,514,048	985,922
VIII Tax Expense:			
a) Current Tax	33	-	189,691
b) Adjustment of tax relating to earlier periods		19,729	-
c) Deferred Tax	33	117,815	228,599
d) Mat Credit Entitlement		-	(189,691)
Total tax expenses (VIII)		137,544	228,599
IX Profit / (Loss) for the period		1,376,504	757,323
X Other comprehensive income			
Items that will not to be reclassified to profit or loss		-	-
Impact of fair valuation of Equity Shares		(2,812,500)	-
XI Total comprehensive income for the period (IX - X)		4,189,004	757,323
Earnings per equity share(Nominal value of Rs. 10 /- per share)			
Basic	32	0.28	0.15
Diluted	32	0.28	0.15

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

As per our report of even date
For Chetal Vikesh & Associates
Firm registration number: 016749N
Chartered Accountants

Vikesh Kr Chetal
Partner
Membership no.: 097901
Place: Mohali
Date: 26-06-2020



For and on behalf of the Board of directors

Harpreet Singh Nibber
(Director)
DIN No. 00239042

Raminder Singh Nibber
(Director)
DIN No. 00239117

PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED

CIN NO. U28999PB2018PTC047462

C-94 PHASE - VII , S.A.S NAGAR , MOHALI , PUNJAB-160055

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

Particulars	(Amount in Rs.)	
	For the Year ended March 31, 2020	For the year ended March 31, 2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per statement of Profit & Loss	1,514,048	985,922
Adjustments for:		
- Depreciation and amortisation expense	7,817,866	5,122,020
- Finance costs	16,958,788	11,946,378
Operating profit before working capital changes	<u>26,290,702</u>	<u>18,054,320</u>
Adjustments for :		
Increase/(Decrease) in Trade Payables	(9,914,362)	30,224,436
Increase/(Decrease) in Other Current Liabilities	(10,367,027)	51,257,902
(Increase) / Decrease in Trade Receivables	445,743	(51,019,878)
(Increase) / Decrease in Inventories	(5,870,685)	(49,704,112)
(Increase)/ Decrease in Other Current Assets	8,643,116	112,984,882
Cash generated from operations	<u>9,227,487</u>	<u>111,797,550</u>
Taxes paid	(189,691)	-
Net Cash from Operating Activities	<u>9,037,796</u>	<u>111,797,550</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(39,850,224)	(238,010,648)
Purchase of Shares	(14,062,500)	-
Movement in fixed deposits (having original maturity of more than three months)	(250,946)	(4,135,463)
Net Cash used in Investing Activities	<u>(54,163,670)</u>	<u>(242,146,111)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Loans Raised (Net)	50,639,758	105,229,774
Short term amount	11,218,674	19,062,628
Share Capital issued	-	4,999,000
Interest Paid	(16,958,788)	(11,946,378)
Net Cash from Financing Activities	<u>44,899,644</u>	<u>117,345,024</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(226,230)	(13,003,537)
Cash and Cash Equivalents at the beginning of the year	511,947	13,515,484
Cash and Cash Equivalents at the end of the year	<u>285,717</u>	<u>511,947</u>

Notes:

- 1.) The above Cash Flow Statement has been prepared under the indirect method set out in IND AS - 07 "Statement of Cash Flow".
- 2.) Figures in bracket indicates cash outflow

As per our report of even date

For and on behalf of the Board of Directors of

For Chetal Vikesh & Associates
Firm registration number: 016749N
Chartered Accountants

Vikesh Kr Chetal
Partner
Membership no.: 097901



(Signature)

Harpreet Singh Nibber
(Director)
DIN NO.00239042

(Signature)

Raminder Singh Nibber
(Director)
DIN No. 00239117

Place: Mohali
Date: 26-06-2020

PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED

CIN NO. U29999PN2020PTC057462

C-94 PHASE - VII, S.A.S NAGAR, MOHALI, PUNJAB-160055

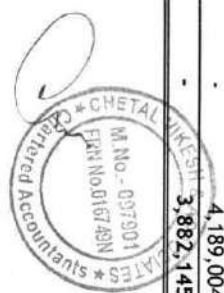
STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A. Equity Share Capital

Particulars	Balance as on April 1, 2018	Changes during the year	Balance as on March 31, 2019	Balance as on April 1, 2019	Changes during the year	Balance as on 31st March 2020
a) Authorised Share Capital						
50,00,000 Equity shares of Rs.10/- each	50,000,000	-	50,000,000	50,000,000	-	50,000,000
	50,000,000	-	50,000,000	50,000,000	-	50,000,000
b) Issued, Subscribed And Fully Paid Up						
49,99,902(PY 49,99,902) Equity shares of Rs.10/- each	45,000,020	4,999,000	49,999,020	49,999,020	-	49,999,020
	45,000,020	4,999,000	49,999,020	49,999,020	-	49,999,020

B. Other Equity

Particulars	Reserves and Surplus			Retained earnings	Total
	Securities premium	Capital Subsidy Reserve	Capital Redemption Reserve		
Balance as at April 1, 2018					
Balance at the beginning of the reporting period	-	-	-	(1,064,182)	(1,064,182)
Profit for the Current year	-	-	-	757,323	757,323
Other Comprehensive income for the year	-	-	-	-	-
Balance as at March 31, 2019					
	-	-	-	(306,859)	(306,859)
Balance as at April 1, 2019					
Balance at the beginning of the reporting period (I)	-	-	-	(306,859)	(306,859)
Profit for the Current year (II)	-	-	-	1,376,504	1,376,504
Other Comprehensive income (III)	-	-	-	2,812,500	2,812,500
Total Comprehensive income for the year [(I)+(II)+(III)]					
	-	-	-	4,189,004	4,189,004
Balance as at March 31, 2020 (I+IV)					
	-	-	-	3,882,145	3,882,145



PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED

CIN NO. U28999PB2018PTC047462

C-54 PHASE - VII , S.A.S NAGAR , MOHALI , PUNJAB-160055

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note No. 1: Notes To The Financial Statement

1 GENERAL INFORMATION

Pritika Engineering Components Private Limited (" the Company ") a private company domiciled in India was incorporated on 20.02.2018 with in objective of manufacturing of tractor and automobile components .The company is having works at Village Simbli , Phagwara - Hoshiarpur Road , Tehsil & District Hoshiarpur , Punjab-146001. The Company is wholly owned subsidiary of Pritika Auto Industries Limited .The financial statements were approved for issue by the board of directors on June 26 , 2020.

Note No. 2 : SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

2.2 The Company has prepared the balancesheet by recognising all assets and liabilities whose recognition is required by Ind AS , not recognising assets or liabilities which are not permitted by Ind AS .

2.3 Summary of Significant Accounting Policies

2.3.1 Current versus non - current classification

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act , 2013 . Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents , the Company has determined its operating cycle as twelve months for the purpose of current-non current classification of assets and liabilities.

2.3.2 Property, Plant and Equipment (PPE)

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

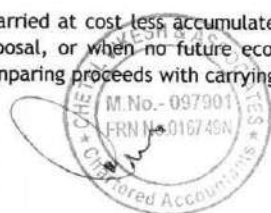
Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight- line method ("SLM"). Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the revised useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Asset Useful live	
Buildings including factory buildings	30 years
General Plant and Machinery	15 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 years
Computers	3 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.3.3 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss.



2.3.4 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

2.3.5 Non-derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

2.3.6 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Cash flow statement

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

2.3.7 Financial Assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial liabilities

Financial liabilities are measured at amortised cost .

2.3.8 Impairment

PPE and intangibles assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

2.3.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, net of taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

2.3.10 Employee benefit expenses

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences. Liability on account of contribution to gratuity and earned leave has not been provided during the year.

2.3.11 Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All the other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.



2.3.12 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

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

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting dates.

2.3.13 Accounting of provisions, contingent liabilities and contingent assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.3.14 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.



3. Property, Plant and Equipment

(All amounts in INR)

Particulars	Air Conditioner	Computers	Plant and Machinery	Office Equipment	Lab Equipment	Vehicle	Land	Electric Installation	Furniture and Fixtures	D.G Set	Building	Total	Capital Work in Progress	Total
Cost or Deemed Cost														
At April 1, 2018	34,291	261,891	101,702,043	26,300	2,368,180	1,491,900	22,559,349	7,554,606	458,837	2,374,029	32,978,927	26,300	64,982,412	26,300
Addition	-	-	-	1,244,182	-	-	-	-	-	-	-	173,028,235	-	173,028,235
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2019	34,291	261,891	101,702,043	1,270,482	2,368,180	1,491,900	22,559,349	7,554,606	458,837	2,374,029	32,978,927	173,054,535	64,982,412	238,036,947
At April 1, 2019	34,291	261,891	101,702,043	1,270,482	2,368,180	1,491,900	22,559,349	7,554,606	458,837	2,374,029	32,978,927	173,054,535	64,982,412	238,036,947
Addition	22,500	331,307	4,324,089	82,400	-	-	-	82,025	47,331	-	-	4,889,652	34,960,571	39,850,223
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2020	56,791	593,198	106,026,132	1,352,882	2,368,180	1,491,900	22,559,349	7,636,631	506,168	2,374,029	32,978,927	177,944,187	99,942,983	277,887,170
Depreciation and Impairment														
At April 1, 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Addition	1,815	63,048	3,051,808	123,340	229,872	134,622	-	342,005	26,131	108,453	1,040,926	5,122,020	-	5,122,020
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2019	1,815	63,048	3,051,808	123,340	229,872	134,622	-	342,005	26,131	108,453	1,040,926	5,122,020	-	5,122,020
At April 1, 2019	1,815	63,048	3,051,808	123,340	229,872	134,622	-	342,005	26,131	108,453	1,040,926	5,122,020	-	5,122,020
Addition	4,934	96,693	4,870,295	253,624	449,954	177,238	-	723,121	46,301	150,276	1,045,432	7,817,868	-	7,817,868
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2020	6,749	159,741	7,922,103	376,964	679,826	311,860	-	1,065,126	72,432	258,729	2,086,358	12,939,888	-	12,939,888
Net Block as on 31.03.2020	50,042	433,457	98,104,029	975,918	1,688,354	1,180,040	22,559,349	6,571,505	433,736	2,115,300	30,892,569	165,004,299	99,942,983	264,947,282
Net Block as on 31.03.2019	32,476	198,843	98,650,235	1,147,142	2,138,308	1,357,278	22,559,349	7,212,601	432,706	2,265,576	31,938,001	167,932,515	64,982,412	232,914,927



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

4 Investments

(All amounts in INR)

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Investments carried at Fair value through Other Comprehensive Income (FVOCI)		
Investments in Equity Instruments (quoted)		
Shares in Ajooni Biotech Limited (9,37,500 Equity Shares of Rs 10 /- each)	16,875,000	-
Total	16,875,000	-
Aggregate market value of quoted investments	16,875,000	-

5 Other financial Assets

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Security Deposits	-	-
Total	-	-

6 Deferred tax assets(Net)

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Mat Tax Credit Entitlement	189,691	189,691
Total	189,691	189,691

7 Other non-current Assets

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Unamortised Cost	708,000	796,500
Security Deposits	7,810,597	5,000,400
Total	8,518,597	5,796,900

8 Inventories

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Raw Materials	24,592,624	23,786,371
{ includes in transit INR Nil (At March 2019 : INR 72.23 lacs)}		
Store & Spares	2,962,724	1,873,082
Work in Process	28,019,449	24,044,659
Total inventories at the lower of cost and net reliable value	55,574,797	49,704,112

9 Trade Receivables

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Unsecured, Considered Good	50,574,135	51,019,878
Total	50,574,135	51,019,878

* Note : Trade receivables include from related parties . (Refer Note no. 34)

10 Cash and Cash Equivalents

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Balances with banks		
- in current accounts	194,441	281,052
Cash in Hand (including imprest)	91,276	230,895
Total	285,717	511,947



11 Bank balances other than Cash and Cash Equivalents

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months)	4,386,409	4,135,463
Total	4,386,409	4,135,463

12 Other Current Financial Assets

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Advance to Staff	344,706	237,641
Loan and advances others	884,203	1,642,280
Total	1,228,909	1,879,921

13 Other Current Assets

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Prepaid expenses	203,978	196,362
Balance with Govt. authorities	10,620,123	21,357,254
Advance Tax and TDS	34,445	-
Total	10,858,546	21,553,616

14 Equity Share Capital

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Authorised		
50,00,000 Equity shares of Rs.10/- each	50,000,000	50,000,000
	50,000,000	50,000,000
Issued, subscribed and fully paid-up		
49,99,902 (49,99,902) Equity shares of Rs.10/- each	49,999,020	49,999,020
Total	49,999,020	49,999,020

(a) Reconciliation of shares outstanding at the beginning and at the end of the period

Particulars	No of shares
Equity Shares	
At April 1, 2018	4,500,002
Add: Issued during the period	499,900
At March 31, 2019	4,999,902
Add: Issued during the period	-
At March 31, 2020	4,999,902

(b) Term/right attached to equity shares:

The Company has only one class of equity share having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share.

(c) Shares held by holding company

Out of the equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Particulars	As At	As At	As At	As At	%
	March 31, 2020	March 31, 2020 % of holding	March 31, 2019	March 31, 2019 % of holding	
Equity Shares					
Shares held by Holding Company					
Pritika Auto Industries Ltd. (formerly known as Shivkrupa Machineries and Engineering Services Ltd.)	4999902*	100%	4999902*	100%	

* Note : Out of above holding two shares are registered in name of Mr. Raminder Singh Nibber as nominee of Pritika Auto Industries Limited



15 Other Equity

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Retained Earnings		
Opening balance		
Net Profit / (loss) for the year	(306,859)	(1,064,182)
Other Comprehensive Income	1,376,504	757,323
Closing balance	2,812,500	-
Total	3,882,145	(306,859)

16 Borrowings

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Secured		
Term Loan		
(a) Secured		
- From Banks	114,704,072	119,000,000
(b) Unsecured		
- From Body Corporates-related party	51,014,388	38,250,375
Total	165,718,460	157,250,375

Note No.16 (a): Details of Securities and Terms of Repayment

Secured : Term loans from Banks

Canara Bank

Secured by first charge by way of hypothecation of Trade receivables, Inventories, other current assets and Plant and Machinery of the company including land & Building. These loans are also personally guaranteed by directors Namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber. Moreover Pritika Auto Industries Limited, holding company had given corporate guarantee amounting to Rs 15.86 Cr to Canara Bank.

Particulars	As At	As At
	March 31, 2020	March 31, 2019
The Term loan of Rs. 1286 lacs repayable in 107 monthly installments .Current rate of interest is 12.20% p.a with a moratorium period 8 month from the date of COD:31.07.2018	121,004,072	128,600,000
Total	121,004,072	128,600,000
Less: Amount shown in Other Financial liabilities in Note No. 22 towards Current Maturities of Loans .	6,300,000	9,600,000
Amount shown as Loan	114,704,072	119,000,000

Note No. 16 (b)

Loan from Body Corporates

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Pritika Auto Industries Limited	51,014,388	38,250,375
	51,014,388	38,250,375

17 Provisions

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Provision for Employee Benefits		
Leave encashment	-	-
Total	-	-

18 Deferred Tax Liabilities (net)

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Relating to the origination and reversal of temporary Differences	346,414	228,599
Total	346,414	228,599



19 Other Non - Current Liabilities

Particulars	As At	As At
	March 31, 2020	March 31, 2019
From Related Party		
Tooling Advance	66,657,516	59,275,000
Advance against supplies	34,789,157	-
Total	101,446,673	59,275,000

20 Borrowings

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Secured		
From Bank- Cash Credit - Loan Repayable on Demand	30,281,301	19,062,628
Total	30,281,301	19,062,628

Note :

Secured by Hypothecation of all kinds of Raw Material / Work in progress / Finished goods and receivable of the Company (present and future) and carries interest rate RLLR (8.05%) +1.45% =9.50% .

21 Trade Payables

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Trade payables		
Total Outstanding dues of micro enterprise and small enterprise		
Total Outstanding dues of creditors other than micro enterprise and small enterprise	20,310,074	30,224,436
Total	20,310,074	30,224,436

*Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006 ('Act').

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum Number as allocated after filing of the said Memorandum. Accordingly, the disclosures below in respect of the amounts payable to such enterprises as at the period end has been made based on information received and available with the Company.

As explained by management there is no outstanding balance related to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006 ('Act') as at year end.

* Note : Trade payables for FY 2018-19 includes from related parties .(Refer Note no . 34)

22 Other Financial Liabilities

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Current Maturities of Long term Loans	6,300,000	9,600,000
Interest Accrued but not due on borrowings	165,096	178,278
Creditors for Capital Expenditure	8,225,761	14,638,871
Creditors for others	22,032,663	21,535,256
Employee Related Liabilities		
Salaries and Wages payable	780,397	1,066,831
Total	37,503,917	47,019,236

* Note : Creditors for Capital Expenditure for FY 2018-19 includes from related parties (Refer Note no . 34)

23 Other Current Liabilities

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Audit Fee Payable	43,750	112,500
Electricity Expenses Payable	2,784,916	3,401,350
Statutory dues payable	636,299	746,570
Other Liabilities	486,114	542,368
Total	3,951,079	4,802,788



24 Provisions

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Provision for Income Tax	-	151,231
Total	-	151,231



25 Revenue from Operations

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Sale of Products (Net of Sales Returns)	255,774,109	194,284,895
Less: Indirect Taxes	38,990,004	29,635,942
	216,784,105	164,648,953
Total	216,784,105	164,648,953

26 Other Income

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Interest received on deposits with banks and others	455,910	150,514
Total	455,910	150,514

27 Cost of materials consumed

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Raw material and components consumed		
Inventory at the beginning of the year-Raw Materials	16,563,261	-
Inventory at the beginning of the year-Stores ,Spares, Packing Material	1,873,082	-
	18,436,343	-
Purchases		
Raw Materials	137,108,577	137,450,085
	137,108,577	137,450,085
Less: Inventory at the end of the year - Raw Materials	24,592,624	16,563,261
Less: Inventory at the end of the year- Stores ,Spares and Packing Material	2,962,724	1,873,082
Total	127,989,572	119,013,742

27(a) Changes in inventories of finished goods and Work in progress

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
1. Opening inventories		
Stock in Process	24,044,659	-
Finished Goods	-	-
2. Closing inventories		
Stock in Process	28,019,449	24,044,659
Finished Goods	-	-
	(3,974,790)	(24,044,659)

[Handwritten signature]

[Handwritten signature]



28 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
Employee Benefits Expense

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Salaries and wages	13,475,721	8,136,760
Director Remuneration	1,150,000	600,000
Contribution to Provident and ESI Funds	670,501	376,301
Staff Welfare Expenses	1,967,585	1,772,025
Total	17,263,807	10,885,086

29 Finance Cost

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Interest Expenses	16,958,788	11,946,378
Total	16,958,788	11,946,378

30 Depreciation and amortisation expenses

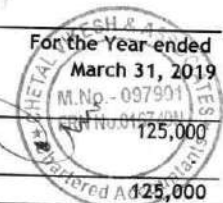
Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Depreciation on tangible assets	7,817,866	5,122,020
Total	7,817,866	5,122,020

31 Other expenses

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(a) Manufacturing Expenses		
Cartage & Forwarding	2,643,911	3,597,646
Power & Fuel	26,295,859	21,669,434
Contractual Job Work Expenses	11,366,031	7,637,083
Repair & Maintenance		
– Building	17,890	272,598
– Machinery	-	396,763
Caliberation Expenses	-	11,850
Other Manufacturing Expenses	25,872	108,590
	40,349,563	33,693,964
(b) Administrative & Selling Expenses		
Payment to Auditors*	142,164	125,000
Rates & Taxes	136,672	53,624
Insurance	184,783	192,226
Legal & Professional Charges	550,998	389,918
Communication Expenses	142,225	52,583
Printing & Stationery	185,648	180,786
Vehicle Running Expenses	25,395	324,540
Travelling & Conveyance Expenses	252,483	242,395
Freight Outward	3,999,110	3,327,203
Repairs and Maintenance others	39,896	44,016
Security expenses	1,803,815	850,886
Other Misc. Expenses	1,857,972	1,413,837
Total	49,670,724	40,890,978

*Detail of Payment to Auditors

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Audit Fee	125,000	125,000
Auditor's out of pocket Expenses	17,164	
Total	142,164	125,000



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

32 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Net Profit after tax attributable to equity holders	1,376,504	757,323
	<u>1,376,504</u>	<u>757,323</u>
Weighted average no of equity shares outstanding during the year- for Both Basic and Diluted EPS	4,999,902	4,999,902
Face value of Equity Share (INR)	10.00	10.00
Basic and Diluted	0.28	0.15



33 Current Tax and Deferred Tax

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Current Tax:		
Current income tax:	-	189,691
Adjustments in respect of current income tax of previous period	19,729	(189,691)
Deferred Tax:		
Relating to origination and reversal of temporary differences	117,815	228,599
Total	137,544	228,599

Income Tax on Other Comprehensive Income

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Current Tax	-	-
Deferred Tax		
Net loss/(gain) on remeasurements of defined benefit plans	-	-
Total	-	-

(c) Movement of Deferred Tax

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Tax effect of items constituting deferred tax assets		
Difference between book value and tax written down value of Tangible Fixed Assets	346,414	228,599
Total deferred tax liabilities	346,414	228,599
Net deferred tax asset (liability)	346,414	228,599

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

34 Related party transactions

a) Related party and nature of the related party relationship with whom transactions have taken place during the year

A) Holding Company

Pritika Auto Industries Limited

B) Enterprises owned or Significantly influenced by Key Management Personnel or their Relatives

Pritika Industries limited

C) Key Management Personnel

Harpreet Singh Nibber

(in Lac's)

Nature of Transactions During the year	Related Parties					
	Referred in A Above		Referred in B Above		Referred in C Above	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Income						
Sales	228.86	110.35	2,336.32	1,817.66	-	-
Share capital received	-	49.99	-	-	-	-
Expenditure						
Purchases	104.35	114.44	41.10	186.04	-	-
Director Remunerations	-	-	-	-	11.50	6.00
Interest Payment	30.71	30.68	-	-	-	-
Balance as at 31st March, 2020 , Debit /(Credit)	(457.47)	(18.50)	(52.07)	(204.92)	-	-
Loan & Advances						
Loan taken during the year	127.64	304.61	-	-	-	-
Loan repayment during the year	-	49.99	-	-	-	-
Balance of Loan at year end, Debit /(Credit)	(510.14)	(382.50)	-	-	-	-



34 Fair values

The carrying value and fair value of financial instruments by category:

Assets and liabilities carried at amortised cost

Particulars	Carrying Value		Fair Value	
	As At March 31, 2020	As At March 31, 2019	As At March 31, 2020	As At March 31, 2019
Financial assets				
Investments	14,062,500	-	16,875,000	-
Trade Receivables	50,574,135	51,019,878	50,574,135	51,019,878
Cash and cash equivalents	285,717	511,947	285,717	511,947
Bank balances other than cash and cash equivalents			4,386,409	4,135,463
Other current financial assets	4,386,409	4,135,463		
	10,858,546	21,553,616	10,858,546	21,553,616
Total	80,167,307	77,220,904	82,979,807	77,220,904
Financial liabilities				
Borrowings	165,718,460	157,250,375	165,718,460	157,250,375
Trade Payables	20,310,074	30,224,436	20,310,074	30,224,436
Other Financial Liabilities	37,503,917	47,019,236	37,503,917	47,019,236
Total	223,532,451	234,494,047	223,532,451	234,494,047

There are no assets and liabilities which have been carried at fair value through the profit and loss account.

Investments in Equity instruments have been carried at fair value through the other comprehensive income.

The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

35 Capital Management

The company manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the capital deployment.

The company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirement are met through equity and long-term/ short-term borrowings.

The company monitors the capital structure on the basis of total debt to equity ratio and maturity of the overall debt portfolio of the Company.

Particulars	As At March 31, 2020	As At March 31, 2019
Debt	202,299,761	185,913,003
Less: cash and cash equivalents	285,717	511,947
Net Debt (A)	202,014,044	185,401,055
Equity (B)	53,881,165	49,692,161
Gearing ratio (A/B)	3.75	3.73

36 Previous year figures has been regrouped / re arranged wherever considered necessary .


As per our report of even date

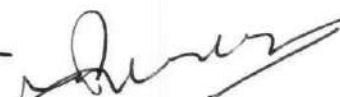
For Chetal Vikesh & Associates
Firm registration number: 016749N
Chartered Accountants


Vikesh Kr Chetal
Partner
Membership no.: 097901

Place: Mohali
Date: 26-06-2020

For and on behalf of Board of Directors


Harpreet Singh Nibber
(Director)
DIN No. 00239042


Raminder Singh Nibber
(Director)
DIN No. 00239117