



# **PRITIKA ENGINEERING COMPONENTS PVT. LTD.**

**Regd. Office :** C-94, Phase VII, Industrial Area, S.A.S. Nagar (Mohali)-160 055

**CIN :** U28999PB2018PTC047462, **Tel. :** 0172-5008900, 5008901

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

## **NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 4<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF PRITIKA ENGINEERING COMPONENTS PVT. LTD. WILL BE HELD ON TUESDAY, THE 28<sup>TH</sup> DAY OF SEPTEMBER, 2021 AT 1.00 P.M. AT ITS REGISTERED OFFICE: PLOT NO. C-94, INDUSTRIAL FOCAL POINT, 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, 2021 including the audited Balance Sheet as at 31<sup>st</sup> March 2021, the Profit & Loss Account and Cash Flow Statement for the year ended on that date and Reports of the Auditors' and Directors' thereon.

#### **2. Appointment of Auditors**

**To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable, M/s. Sunil Kumar Gupta & Co., Chartered Accountants (Firm Registration No. 003645N), be and are hereby appointed as statutory auditors of the Company for a period of five years i.e. from the conclusion of 4<sup>th</sup> Annual General Meeting to the conclusion of the 9<sup>th</sup> Annual General Meeting to be held for the FY 2025-26 of the company, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.

### **SPECIAL BUSINESS**

#### **3. Approval of the material related party transactions with Pritika Industries Ltd.**

**To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (Act) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, and in continuation of approval of the Board of Directors dated 25<sup>th</sup> August, 2021, approval of Shareholders be and is hereby accorded for entering into/continue the agreements/contract(s)/ arrangement(s)/ transaction(s) with Pritika Industries Ltd. (CIN: U85100PB1997PLC038216), the related party of the company within the meaning of

Section 2(76) of the Companies Act, 2013 for the Financial year 2022-23, with relation to i) purchase and sale of Auto components/ parts, castings, scrap; ii) availing/providing services; iii) doing and/or getting done job work; iv) reimbursement of expenses; v) taking/giving inter-corporate loans/advances vi) selling/disposing/buying/leasing property of any kind (hereinafter collectively referred to as 'related party transactions') for the Cumulative value of transactions not exceeding Rs.60.00 crore, on the terms and conditions mentioned in the explanatory statement, provided herein, however that the contracts, agreements, arrangements and transactions so carried out shall be at arm's length basis and in Company's ordinary course of business.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise and to undertake all such acts, deeds, matters and things to finalize and execute such documents, deeds, agreements, arrangements and writings as may be deemed necessary, proper and desirable in its absolute discretion to give effect to the aforesaid Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution."

#### **4. Approval of the material related party transactions with Pritika Auto Industries Ltd.**

**To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (Act) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, and in continuation of approval of Board of Directors dated 25<sup>th</sup> August, 2021 approval of Shareholders be and is hereby accorded for entering into/continue the agreements/contract(s)/ arrangement(s)/ transaction(s) with Pritika Auto Industries Ltd. (CIN: L45208PB1980PLC046738), the related party of the company within the meaning of Section 2(76) of the Companies Act, 2013, for the Financial year 2022-23, with relation to i) purchase and sale of Auto components/ parts, castings, scrap; ii) availing/providing services; iii) doing and/or getting done job work; iv) reimbursement of expenses; v) taking/giving inter-corporate loans/advances vi) selling/disposing/buying/leasing property of any kind (hereinafter collectively referred to as 'related party transactions') for the Cumulative value of transactions not exceeding Rs. 50.00 crore, on the terms and conditions mentioned in the explanatory statement, provided herein, however that the contracts, agreements, arrangements and transactions so carried out shall be at arm's length basis and in Company's ordinary course of business.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise and to undertake all such acts, deeds, matters and things to finalize and execute such documents, deeds, agreements, arrangements and writings as may be deemed necessary, proper and desirable in its absolute discretion to give effect to the aforesaid Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any

of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution."

On behalf of the Board of Directors

Place: Mohali  
Dated: 25.08.2021

  
(Raminder Singh Nibber)  
Director  
DIN: 00239117

**NOTES: -**

1. Explanatory statement pursuant to sub-section (1) of Section 102 is annexed to the Notice.
2. 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.
3. 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.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 2**

**Explanatory Statement though not mandatory but provided for reference**

M/s. Sunil Kumar Gupta & Co., Chartered Accountants, were appointed as the statutory auditors of the company by the members in their Extraordinary General Meeting held on 12/7/2021 to fill the casual vacancy caused by the resignation of M/s. Chetal Vikesh & Associates, Chartered Accountants, the statutory auditors of the company. M/s. Sunil Kumar Gupta & Co., Chartered Accountants, was appointed as the statutory auditors of the company till the conclusion of this Annual General Meeting of the company. The Board of Directors, have recommended appointment of M/s. Sunil Kumar Gupta & Co., Chartered Accountants, as Statutory Auditors of the company for a period of 5 years, commencing from the conclusion of this 4<sup>th</sup> AGM till the conclusion of the 9<sup>th</sup> AGM to be held for the FY 2025-26. M/s. Sunil Kumar Gupta & Co., Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 2 of the notice. The Board recommends the resolution set forth in item No. 2 of the notice for approval of the members by Ordinary Resolution.

### Item No. 3 & 4

Pritika Industries Ltd. and Pritika Auto Industries Ltd. are 'related party' of the company within the meaning of Section 2(76) of the Companies Act, 2013, hence the contracts, agreements, arrangements and transactions between Pritika Engineering Components Pvt. Ltd. with Pritika Industries Ltd. and Pritika Auto Industries Ltd. fall under the category of related party transaction of the Company in terms of the provisions of Section 188 of the Companies Act, 2013, rules framed there under.

The value of the proposed aggregate transactions is likely to exceed the threshold limit prescribed u/s 188 of Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time. Hence approval of the members be and is hereby sought for entering into the transaction with the Related Party in the above specified manner pursuant to provisions of Section 188 and other applicable provisions of the Act and Rules framed there under as amended from time to time.

The Company had entered into agreement for related party transactions with Pritika Industries Ltd. and Pritika Auto Industries Ltd. w.e.f 1<sup>st</sup> April, 2020 for a period of two year. The Board of Directors of the Company at their meeting held on 25/8/2021, subject to approval by the members of the company, have approved entering into the related party contracts, agreements, arrangements and transactions w.e.f. 1<sup>st</sup> April, 2022 for a period of one year as more particularly described in table below. It is envisaged that considering the threshold limits prescribed under the applicable provisions, the related party transactions with Pritika Auto Industries Ltd. and Pritika Industries Ltd. may be classified as material and may require approval of the members.

The key details pursuant to Explanation 3 to clause 3 of Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are as below:

### Item No. 3

Sr. No.	Particulars	Details
1	Name of the Related Party	Pritika Industries Ltd. (PIL)
2	Name of the Director or KMP who is related	Mr. Raminder Singh Nibber and Mr. Harpreet Singh Nibber, directors
3	Nature of Relationship	Mr. Raminder Singh Nibber and Mr. Harpreet Singh Nibber, directors of company are also director of PIL.
4	Nature, material terms, monetary value and particulars of contract or arrangements of Services/ transactions	Nature of transactions: i) purchase and sale of Auto components/ parts, castings, scrap ii) availing/providing services

		<p>iii) doing and/or getting done job work etc</p> <p>iv) reimbursement of expenses</p> <p>v) taking/giving inter-corporate loans/ advances</p> <p>vi) selling/disposing/buying/leasing property of any kind</p> <p>Duration: One year (1/04/2022 to 31/03/2023)</p> <p>The cumulative value of all transactions with PIL shall not exceed Rs. 60.00 crore during FY 2022-23.</p> <p>Terms: Consideration for each of the transactions shall be determined mutually between the parties, depending on the process and product involved and shall be at an arm's length basis considering prevalent market conditions.</p>
5	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of contract	The pricing/ commercial terms will be determined based on the transactions with unrelated parties for similar nature of transaction, if any. The prices/commercial terms will be determined on arm's length basis.
6	Any other information relevant or important for the members to take a decision on the proposed transaction.	Pritika Auto Industries Ltd. the Holding of the company is Associate of Pritika Industries Ltd.

#### Item No. 4

Sr. No	Particulars	Details
1	Name of the Related Party	Pritika Auto Industries Ltd. (PAIL)
2	Name of the Director or KMP who is related	Mr. Raminder Singh Nibber and Mr. Harpreet Singh Nibber, directors
3	Nature of Relationship	Mr. Raminder Singh Nibber and Mr. Harpreet Singh Nibber, directors of company are also director of PAIL. The company is wholly owned subsidiary of PAIL

4	Nature, material terms, monetary value and particulars of contract or arrangements of Services/ transactions	<p>Nature of transactions:</p> <ul style="list-style-type: none"> <li>i) purchase and sale of Auto components/ parts, castings, scrap</li> <li>ii) availing/providing services</li> <li>iii) doing and/or getting done job work etc</li> <li>iv) reimbursement of expenses</li> <li>v) taking/giving inter-corporate loans/ advances</li> <li>vi) selling/disposing/buying/leasing property of any kind</li> </ul> <p>Duration: One year (1/04/2022 to 31/03/2023)</p> <p>The cumulative value of all transactions with PAIL shall not exceed Rs. 50.00 crore during FY 2022-23.</p> <p>Terms: Consideration for each of the transactions shall be determined mutually between the parties, depending on the process and product involved and shall be at an arm's length basis considering prevalent market conditions.</p>
5	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of contract	The pricing/ commercial terms will be determined based on the transactions with unrelated parties for similar nature of transaction, if any. The prices/commercial terms will be determined on arm's length basis.
6	Any other information relevant or important for the members to take a decision on the proposed transaction.	The company is wholly owned subsidiary of PAIL.

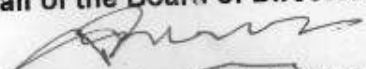
The contracts, agreements, arrangements and transactions so carried out shall be at arm's length basis and in Company's ordinary course of business. No advances have been paid for the said transactions as of now. However if required in future the advances will be paid as per industry norms, customs and usages. Further all the factors of the contract have been considered.

No member of the company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

Except Mr. Raminder Singh Nibber and Mr. Harpreet Singh Nibber, none of the Key Managerial persons of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 3 & 4.

The Board recommends Ordinary Resolutions at Item No. 3 & 4 for approval by the members.

On behalf of the Board of Directors



(Raminder Singh Nibber)  
Director

DIN: 00239117

Place: Mohali  
Dated: 25.08.2021

## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in submitting their Fourth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2021.

### FINANCIAL RESULTS

The Financial Results are briefly indicated below.

#### Amount (Rupees in lac)

	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
Sales /Income from Business Operations	3207.15	2167.84
Other Income	37.20	4.56
Total Income	3244.35	2172.40
Profit/Loss before interest, depreciation & taxation	352.88	262.91
Less Interest /finance cost	190.52	169.59
Profit/(Loss) before Depreciation	162.36	93.32
Less Depreciation	104.13	78.18
Profit/(Loss) after depreciation and Interest	58.23	15.14
Less Tax Expenses	22.82	1.37
Net Profit/(Loss) after Tax	35.41	13.77
Other Comprehensive Income	0.15	28.12
Total Comprehensive Income	35.56	41.89
Earning per share (Basic) in Rs.	0.46	0.28
Earning per Share(Diluted) in Rs.	0.46	0.28

### STATE OF COMPANY'S AFFAIRS & FUTURE PROSPECTS:

The Revenue from the operations (net) for the Financial Year 2020-21 was Rs. 3207.15 lac (Previous Year Rs. 2167.84 lac). The company earned Net Profit of Rs. 35.41 lac as against Rs. 13.77 lac in the previous year.

### DIVIDEND

The Directors do not recommend any dividend for the year ended 31<sup>st</sup> March, 2021.

### 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, the statutory auditors of the company who were appointed as Statutory Auditors in the 1st Annual General Meeting of the company for a period of Five years, resigned from the position of Statutory Auditors with effect from 29.06.2021 and M/s. Sunil Kumar Gupta & Co., Chartered Accountants, were appointed as Statutory Auditors till the conclusion of Annual General Meeting.

The Board of Directors, have recommended appointment of M/s. Sunil Kumar Gupta & Co., Chartered Accountants, as Statutory Auditors of the company for a period of 5 years, commencing from the conclusion of this 4th AGM till the conclusion of the 9th AGM. M/s. Sunil Kumar Gupta & Co., Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

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. 2021.

## **SHARE CAPITAL**

During the year the Authorised Share Capital of the company was increased to Rs. 8,00,00,000. The paid up share capital was increased to Rs. 7,63,45,150 by issuing 26,34,613 equity shares of Rs. 10 each at a premium of Rs. 16 per share on Preferential/Private allotment basis to the



promoter of the company. As on 31.03.2021 the paid up capital of company is Rs. 7,63,45,150.

#### **RESERVES**

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

#### **ANNUAL RETURN**

By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's 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 'A'.

#### **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 'B' 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 2020-21 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, sixteen 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 'C'.

## **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, 2021, 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, 2021 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: 25.08.2021  
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 and shareholders in Pritika Auto Industries Ltd.

ii) Pritika Industries Ltd. - Directors of the company are also directors and shareholders in Pritika Industries Ltd.

(b) Nature of contracts/arrangements/transactions

i) Pritika Auto Industries Ltd. -Purchase/sale of material.

ii) Pritika Industries Ltd. -Purchase/Sale of material.

**(c) Duration of the contracts / arrangements/transactions**

- i) Pritika Auto Industries Ltd. -Contract/Arrangement for two years w.e.f. 01/04/2020
- ii) Pritika Industries Ltd. -Contract/Arrangement for two years w.e.f. 01/04/2020

**(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. 267.97 lacs and purchase of scrap and consumables for Rs. 57.98 lac during F.Y. 2020-21
- ii) Pritika Industries Ltd. - Sale of casting Rs. 2925.10 lacs and purchase of steel scrap for Rs. 186.15 lac during F.Y. 2020-21

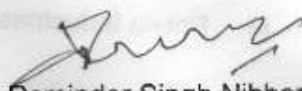
- (e) Date(s) of approval by the Board, if any:** - Prior approval by Board of Directors in its meeting held on 11.02.2020. The shareholders approved Related Party Agreement/Transactions in their Extra Ordinary General Meeting held on 11.03.2020.

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

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Date: 25.08.2021  
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. Gopal Krishan Dhiman	DGM	1215000	Permanent	Diploma in Mech. & AMIE Mech., 41 Years	01-07-2020	60 yrs.	Mahindra & Mahindra Ltd.	Nil	Part of the year	No
2.	Mr. Harpreet Singh Nibber	Director	1050000	Permanent	BE (Mech), 25 Years	01-10-2018	50 yrs.	Pritika Autocast Ltd.	Nil	Throughout year	Yes, son of Mr. Raminder Singh Nibber, director
3.	Mr. Munish Arora	AGM (Commercial)	688258	Permanent	BBA, 18 Years	26-02-2018	40 yrs.	Deepak Fasteners Ltd -	Nil	Throughout year	No
4.	Mr. Hitender Katoch	Sr. Manager (Plant Engg.)	569008	Permanent	Diploma in Mech., 33 Years	03-07-2018	56 yrs.	Castex Technologies Ltd	Nil	Throughout year	No
5.	Mr. Rajesh Kumar	Deputy Manager	437559	Permanent	B.Tech (Mech.), 10 Years	01-08-2019	32 yrs.	PAIL (unit 1)	Nil	Throughout year	No
6.	Mr. Satinder Kumar	Asst. Manager (Electrical)	421916	Permanent	Diploma in Electrical 21 Years	07-06-2018	43 yrs.	PAIL (unit 2)	Nil	Throughout year	No
7.	Mr. Vinod Kumar	Sr. Engineer	318854	Permanent	ITI, 17 Years	22-08-2019	35 yrs.	PAIL (unit 1)	Nil	Throughout year	No
8.	Mr. Ravi Chand	Lab Incharge	317520	Permanent	BSC, 11 Years	03-06-2018	31 yrs.	Eastman Mattcoat Pvt.Ltd	Nil	Throughout year	No
9.	Mr. Sukhwinder Singh	Manager (Personnel & HR)	293790	Permanent	Master of Personnel Management, 22 Years	11-10-2018	49 yrs.	Sarup Tanneries Ltd.	Nil	Throughout year	No

10	Mr. Harjinder Singh	Manager (Machine Shop)	270000	Permanent	12th & ITI & 23 Years	01-10-2020	40 yrs.	Shive Om, Hoshiarpur	Nil	Part of the year	No
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FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Harpreet Singh Nibber**  
Director  
DIN: 00239042

**Raminder Singh Nibber**  
Director  
DIN: 00239117

Sl. No.	Name of the Director	Designation	Age	Qualification	Experience	Particulars of the Director's Office	Particulars of the Director's Office	Particulars of the Director's Office	Particulars of the Director's Office	Particulars of the Director's Office	Particulars of the Director's Office
10	Mr. Harjinder Singh	Manager (Machine Shop)	40	12th & ITI & 23 Years	01-10-2020	40 yrs.	Shive Om, Hoshiarpur	Nil	Part of the year	No	



## 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:

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.

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

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 |

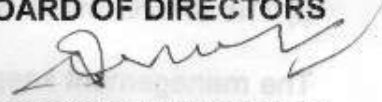
**(iv) Expenditure incurred on Research and Development**

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

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Date: 25.08.2021  
Place: Mohali

  
Harpreet Singh Nibber  
Director  
DIN: 00239042

  
Raminder Singh Nibber  
Director  
DIN: 00239117



# Chetal Vikesh & Associates

Chartered Accountants

129, Phase 1B, Shivalik Avenue, Naya Nangal, Tehsil – Nangal, Distt – Ropar (PB)  
Mob – 9815251200, Phone - 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 31<sup>st</sup> March 2021, 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').

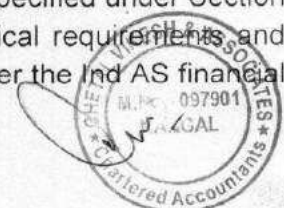
### Management's Responsibility for the Ind AS Financial Statements

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.

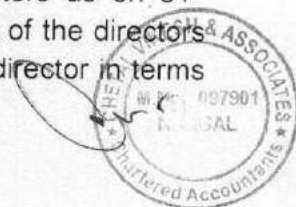
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### 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 31<sup>st</sup> March 2021, 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 31<sup>st</sup> March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021, from being appointed as a director in terms of section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure 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: Nangal  
Date : 15.06.2021

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

**(Vikesh Kr Chetal)**  
**(Membership No: 097901)**  
**Partner**  
**UDIN: 21097901AAAADF8613**



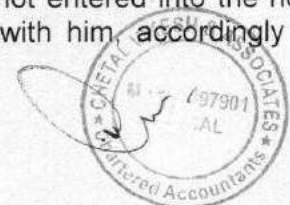
(Annexure referred to in our report of even date to the members of Pritika Engineering Components Private Limited, on the Ind AS Financial Statements for the year ended 31<sup>st</sup> March 2021).

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, Goods and Service 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 taken the term loan and used for the purpose for which it have been raised.
- (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 0197 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 made preferential allotment of equity shares for conversion of loan into equity. In respect to same, in our opinion, the company has complied with the requirements of the Companies Act 2103. Since the shares were issued on conversion of loans received, we are unable to comment whether the amount raised has been used for the purposes for which the funds were raised. No convertible debentures were issued during the year.
- (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: Nangal  
Date : 15.06.2021

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



**(Vikesh Kr Chetal)**  
**(Membership No: 097901)**  
Partner  
UDIN: 21097901AAAADF8613



**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 31<sup>st</sup> March 2021).

**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 31<sup>st</sup> March 2021 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 2021, 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: Nangal  
Date : 15.06.2021

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

  
**(Vikesh Kr Chetal)**  
(Membership No: 097901)  
Partner  
UDIN: 21097901AAAADF8613

**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, 2021

Particulars	Note No.	(All amounts in INR)	
		As At March 31, 2021	As At March 31, 2020
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	32,92,88,045	16,50,04,299
(b) Capital work in progress	3	2,21,60,678	9,99,42,983
(c) Financial Assets			
- Investments	4	2,65,32,938	1,68,75,000
- Other financial assets	5	15,00,000	-
(d) Deferred Tax Assets (net)	6	1,89,691	1,89,691
(e) Other Non-Current Assets	7	6,19,500	7,08,000
<b>Total Non Current Assets (A)</b>		<b>38,02,90,852</b>	<b>28,27,19,973</b>
<b>2. Current Assets</b>			
(a) Inventories			
(b) Financial Assets	8	9,67,20,080	5,55,74,797
- Trade Receivables	9	4,87,78,019	5,05,74,135
- Cash and Cash Equivalents	10	8,15,202	2,85,717
- Bank balances other than cash and cash equivalents	11	84,67,203	43,86,409
- Other Current Financial Assets	12	41,09,428	12,28,909
(c) Other Current Assets	13	2,02,45,211	1,86,69,143
<b>Total Current Assets (B)</b>		<b>17,91,35,143</b>	<b>13,07,19,110</b>
<b>TOTAL ASSETS (A + B)</b>		<b>55,94,25,995</b>	<b>41,34,39,083</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	14	7,63,45,150	4,99,99,020
(b) Other Equity	15	4,95,92,836	38,82,145
<b>Total Equity (A)</b>		<b>12,59,37,986</b>	<b>5,38,81,165</b>
<b>2. Non Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	16	17,76,52,571	16,57,18,460
(b) Provisions	17	-	-
(c) Deferred Tax Liabilities (net)	18	23,51,808	3,46,414
(d) Other non-current Liabilities	19	12,34,97,393	10,14,46,673
<b>Total Non Current Liabilities (B)</b>		<b>30,35,01,772</b>	<b>26,75,11,547</b>
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	20	2,98,29,445	3,02,81,301
- Trade Payables	21		
Total outstanding dues of micro and small enterprises			
Total outstanding dues of creditors other than micro and small enterprises			
- Other Financial Liabilities	22	3,68,75,025	2,03,10,074
(b) Other Current Liabilities	23	5,44,36,148	3,75,03,917
(c) Provisions	24	85,69,276	39,51,079
		2,76,343	-
<b>Total Current Liabilities (C)</b>		<b>12,99,86,237</b>	<b>9,20,46,371</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>55,94,25,995</b>	<b>41,34,39,083</b>

2

For and on behalf of Board of Directors

*(Signature of Harpreet Singh Nibber)* *(Signature of Raminder Singh Nibber)*

Harpreet Singh Nibber  
(Director)  
DIN No. 00239042

Raminder Singh Nibber  
(Director)  
DIN No. 00239117

Place: Mohali  
Date: 15-06-2021

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: Nangal  
Date: 15-06-2021



# PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED

CIN NO. U28999PB2018PTC047462

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

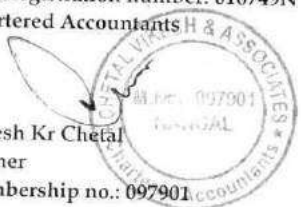
STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2021

Particulars	Note	For the March 31, 2021	For the Year ended March 31, 2020
I Revenue from operations			
II Other Income	25	32,07,15,507	21,67,84,105
	26	37,19,684	4,55,910
<b>III Total Income ( I+II)</b>		<b>32,44,35,191</b>	<b>21,72,40,015</b>
<b>IV Expenses</b>			
a) Cost of material consumed	27	20,45,02,139	12,79,89,572
b) Changes in inventories of finished goods , Work in progress and stock in trade			
c) Employee benefits expense	27(a)	(2,39,03,455)	(39,74,790)
d) Finance costs	28	1,69,56,109	1,72,63,807
e) Depreciation and amortization expense	29	1,90,52,548	1,69,58,788
f) Other Expenses	30	1,04,13,294	78,17,866
	31	9,15,91,399	4,96,70,724
<b>Total Expenses (IV)</b>		<b>31,86,12,034</b>	<b>21,57,25,967</b>
<b>V Profit/(Loss) before exceptional items and tax</b>		<b>58,23,157</b>	<b>15,14,048</b>
<b>VI Exceptional Items</b>		<b>-</b>	<b>-</b>
<b>VII Profit/(Loss) before tax</b>		<b>58,23,157</b>	<b>15,14,048</b>
<b>VIII Tax Expense:</b>			
a) Current Tax			
b) Adjustment of tax relating to earlier periods	33	2,76,342	-
c) Deferred Tax		-	19,729
d) Mat Credit Entitlement	33	20,05,395	1,17,815
<b>Total tax expenses ( VIII )</b>		<b>22,81,737</b>	<b>1,37,544</b>
<b>IX Profit/(Loss) for the period</b>		<b>35,41,420</b>	<b>13,76,504</b>
<b>X Other comprehensive income</b>			
Items that will not to be reclassified to profit or loss			
Impact of fair valuation of Equity Shares		-	-
<b>XI Total comprehensive income for the period ( IX - X )</b>		<b>15,463</b>	<b>28,12,500</b>
		<b>35,56,884</b>	<b>41,89,004</b>
<b>Earnings per equity share( Nominal value of Rs. 10/- per share )</b>			
Basic	32	0.46	0.28
Diluted	32	0.46	0.28
Significant accounting policies	2		

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: Nangal  
Date: 15-06-2021

For and on behalf of the Board of directors

Harpreet Singh Nibber  
( Director )  
DIN No. 00239042

Place: Mohali  
Date: 15-06-2021

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, 2021

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per statement of Profit & Loss	58,23,157	15,14,048
Adjustments for:		
- Depreciation and amortisation expense	1,04,13,294	78,17,866
- Finance costs	1,90,52,548	1,69,58,788
- Gain on sale of Investment	(27,57,137)	-
Operating profit before working capital changes	3,25,31,862	2,62,90,702
Adjustments for :		
Increase/(Decrease) in Trade Payables	1,65,64,951	(99,14,362)
Increase/(Decrease) in Other Current Liabilities	2,15,50,429	(1,03,67,027)
(Increase) / Decrease in Trade Receivables	17,96,116	4,45,743
(Increase) / Decrease in Inventories	(4,11,45,283)	(58,70,685)
(Increase)/ Decrease in Other Current Assets	(58,84,006)	86,43,116
Cash generated from operations	2,54,14,069	92,27,487
Taxes paid	-	(1,89,691)
Net Cash from Operating Activities	2,54,14,069	90,37,796
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	(10,90,90,291)	(3,98,50,224)
(Purchase)/Sale of Shares	53,06,136	(1,40,62,500)
Movement in fixed deposits (having original maturity of more than three months)	(40,80,794)	(2,50,946)
Net Cash used in Investing Activities	(10,78,64,949)	(5,41,63,670)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Loans Raised (Net )	3,39,84,830	5,06,39,758
Short term loan Raised (Net )	(4,51,855)	1,12,18,674
Share Capital issued including premium	6,84,99,938	-
Interest Paid	(1,90,52,548)	(1,69,58,788)
Net Cash from Financing Activities	8,29,80,365	4,48,99,644
Net Increase/(Decrease) in Cash and Cash Equivalents	5,29,485	(2,26,230)
Cash and Cash Equivalents at the beginning of the year	2,85,717	5,11,947
Cash and Cash Equivalents at the end of the year	8,15,202	2,85,717

**Notes:**

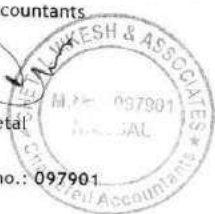
- 1.) The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard - 03 "Statement of Cash Flow".
- 2.) Figures in bracket indicates cash outflow

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: Nangal  
Date: 15-06-2021

Place: Mohali  
Date: 15-06-2021

# PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED

CIN NO. U28999PB2018PTC047462

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

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A. Equity Share Capital	Balance as on April 1, 2019	Changes during the year	Balance as on March 31, 2020	Balance as on April 1, 20	Changes during the year	Balance as on March 31, 2021
Particulars						
a) Authorised Share Capital						
50,00,000 Equity shares of Rs.10/- each	5,00,00,000	-	5,00,00,000	5,00,00,000	3,00,00,000	8,00,00,000
	5,00,00,000	-	5,00,00,000	5,00,00,000	3,00,00,000	8,00,00,000
b) Issued, Subscribed And Fully Paid Up						
76,34,515(PY 49,99,902) Equity shares of Rs.10/- each	4,99,99,020	-	4,99,99,020	4,99,99,020	2,63,46,130	7,63,45,150
	4,99,99,020	-	4,99,99,020	4,99,99,020	2,63,46,130	7,63,45,150

## B. Other Equity

Particulars	Reserves and Surplus			Total
	Securities premium	Capital Subsidy Reserve	Capital Redemption Reserve	
Balance as at April 1, 2020				
Balance at the beginning of the reporting period	-	-	-	(3,06,859)
Profit for the Current year	-	-	-	13,76,504
Other Comprehensive income for the year	-	-	-	28,12,500
<b>Balance as at March 31, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,82,145</b>
<b>Balance as at April 1, 2020</b>				
Balance at the beginning of the reporting period (I)	-	-	-	38,82,145
Profit for the Current year (II)	-	-	-	35,41,420
Other Comprehensive income (III)	-	-	-	15,463
Security Premium during the year	4,21,53,808	-	-	4,21,53,808
<b>Total Comprehensive income for the year [IV= (II+III)]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,56,884</b>
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,95,92,836</b>


# PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED

CIN NO. U28999PB2018PTC047462

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

## 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 15 , 2021.

## 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

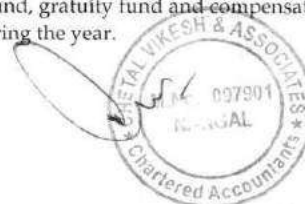
Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) 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)

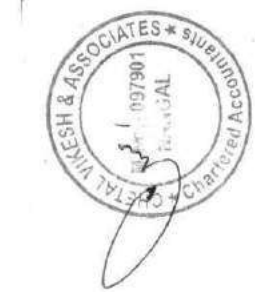
Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted 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
<b>Cost or Deemed Cost</b>														
At April 1, 2019	34,291	2,61,891	10,17,02,043	12,70,482	23,68,180	14,91,900	2,25,59,349	75,54,606	4,58,837	23,74,029	3,29,78,927	17,30,54,335	6,49,82,412	23,80,36,947
Addition	22,500	3,31,307	43,34,089	82,400	-	-	-	82,025	47,331	-	-	48,89,652	3,49,60,571	3,98,50,223
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2020	56,791	5,93,198	10,60,36,132	13,52,882	23,68,180	14,91,900	2,25,59,349	76,36,631	5,06,168	23,74,029	3,29,78,927	17,79,44,187	9,99,42,983	27,78,87,170
At April 1, 2020	56,791	5,93,198	10,60,26,132	13,52,882	23,68,180	14,91,900	2,25,59,349	76,36,631	5,06,168	23,74,029	3,29,78,927	17,79,44,187	9,99,42,983	27,78,87,170
Addition	-	1,40,775	14,48,64,774	2,06,070	21,148	-	1,02,56,824	16,45,758	1,10,623	-	1,74,51,068	17,46,97,040	4,82,58,017	22,29,55,057
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	12,60,40,322	12,60,40,322
At March 31, 2021	56,791	7,33,973	25,08,90,906	15,58,952	23,89,328	14,91,900	3,28,16,173	92,82,389	6,16,791	23,74,029	5,04,29,995	35,26,41,227	2,21,60,678	37,48,01,905
<b>Depreciation and Impairment</b>														
At April 1, 2019	1,815	63,048	36,51,808	1,23,340	2,29,872	1,34,622	-	3,42,005	26,131	1,08,453	10,40,926	51,22,020	-	51,22,020
Addition	4,934	96,693	48,70,295	2,53,624	4,49,954	1,77,238	-	7,23,121	46,301	1,50,276	10,45,432	78,17,868	-	78,17,868
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2020	6,749	1,59,741	79,22,103	3,76,964	6,79,826	3,11,860	-	10,65,126	72,432	2,58,729	20,86,358	1,29,39,888	-	1,29,39,888
At April 1, 2020	6,749	1,59,741	79,22,103	3,76,964	6,79,826	3,11,860	-	10,65,126	72,432	2,58,729	20,86,358	1,29,39,888	-	1,29,39,888
Addition	5,395	2,07,189	72,53,810	2,70,869	4,51,165	1,77,238	-	7,89,083	51,025	1,50,276	10,57,244	1,04,13,294	-	1,04,13,294
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2021	12,144	3,66,930	1,51,75,913	6,47,833	11,30,991	4,89,098	-	18,54,209	1,23,457	4,09,005	31,43,602	2,33,53,182	-	2,33,53,182
Net Block as on 31.03.2021	44,647	3,67,043	23,57,14,993	9,11,119	12,58,337	10,02,802	3,28,16,173	74,28,180	4,93,334	19,65,024	4,72,86,393	32,92,88,045	2,21,60,678	35,14,48,723
Net Block as on 31.03.2020	50,042	4,33,457	9,81,04,029	9,75,918	16,88,354	11,80,040	2,25,59,349	65,71,505	4,33,736	21,15,300	3,08,92,569	16,50,04,299	9,99,42,983	26,49,47,282



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

4 Investments

(All amounts in INR)

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Investments carried at Fair value through Other Comprehensive Income ( FVOCI)		
Investments in Equity Instruments (quoted)		
Shares in Ajooni Biotech Limited (8,72,794 PY 9,37,500 Equity Shares of Rs 10 /- each)	2,65,32,938	1,68,75,000
<b>Total</b>	<b>2,65,32,938</b>	<b>1,68,75,000</b>
Aggregate market value of Quoted Investments	2,65,32,938	1,68,75,000

5 Other Financial Assets

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Bank deposits having maturity more than 12 months	15,00,000	-
<b>Total</b>	<b>15,00,000</b>	<b>-</b>

6 Deferred tax assets(Net)

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Mat Tax credit Entitlement	1,89,691	1,89,691
<b>Total</b>	<b>1,89,691</b>	<b>1,89,691</b>

7 Other Non-Current Assets

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Unamortised Cost	6,19,500	7,08,000
<b>Total</b>	<b>6,19,500</b>	<b>7,08,000</b>

8 Inventories

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Raw Materials		
Store & Spares	4,00,49,329	2,45,92,624
Work in Process	47,47,847	29,62,724
	5,19,22,904	2,80,19,449
<b>Total inventories at the lower of cost and net reliable value</b>	<b>9,67,20,080</b>	<b>5,55,74,797</b>

9 Trade Receivables

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Unsecured, Considered Good	4,87,78,019	5,05,74,135
<b>Total</b>	<b>4,87,78,019</b>	<b>5,05,74,135</b>

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

10 Cash and Cash Equivalents

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Balances with banks		
- in current accounts	7,11,643	1,94,441
Cash in Hand ( including imprest )	1,03,559	91,276
<b>Total</b>	<b>8,15,202</b>	<b>2,85,717</b>

*[Handwritten signatures]*



11 Bank balances other than Cash and Cash Equivalents

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months)	84,67,203	43,86,409
<b>Total</b>	<b>84,67,203</b>	<b>43,86,409</b>

12 Other Current Financial Assets

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Advance to Staff	14,06,233	3,44,706
Loan and advances others	27,03,195	8,84,203
<b>Total</b>	<b>41,09,428</b>	<b>12,28,909</b>

13 Other Current Assets

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Prepaid expenses	5,10,144	2,03,978
Balance with Govt. authorities	99,66,258	1,06,20,123
Securities Deposits	92,31,115	78,10,597
Advance Tax and TDS	5,37,694	34,445
<b>Total</b>	<b>2,02,45,211</b>	<b>1,86,69,143</b>

14 Equity Share Capital

Particulars	As At	As At
	March 31, 2021	March 31, 2020
<b>Authorised</b> 80,00,000 Equity shares of Rs.10/- each	8,00,00,000	5,00,00,000
<b>Issued, subscribed and fully paid-up</b> 76,34,515(49,99,902) Equity shares of Rs.10/- each	8,00,00,000	5,00,00,000
<b>Total</b>	<b>7,63,45,150</b>	<b>4,99,99,020</b>

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

Particulars	No of shares
<b>Equity Shares</b>	
At April 1, 2019	
Add: Issued during the period	49,99,902
At March 31, 2020	-
Add: Issued during the period	49,99,902
At March 31, 2021	26,34,613
	<b>76,34,515</b>

(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, 2021	March 31, 2021 % of holding	March 31, 2020	March 31, 2020 % of holding
<b>Equity Shares</b>				
Shares held by Holding Company				
Pritika Auto Industries Limited	7634515*	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, 2021	March 31, 2020
<b>Retained Earnings</b>		
Opening balance		(3,06,859)
Net Profit / (loss) for the year	38,82,145	13,76,504
Other Comprehensive Income	35,41,420	28,12,500
	15,463	
Equity Share Premium	4,21,53,808	
<b>Total</b>	<b>4,95,92,836</b>	<b>38,82,145</b>

16 Borrowings

Particulars	As At	As At
	March 31, 2021	March 31, 2020
<b>Term Loan</b>		
(a) Secured		
- From Banks		
- From Financial Institutions / NBFC	14,18,20,129	11,47,04,072
(b) Unsecured	3,58,32,442	
- From Body Corporates-related party		
<b>Total</b>		5,10,14,388
<b>Note No.16 (a) (1): Details of Securities and Terms of Repayment</b>	<b>17,76,52,571</b>	<b>16,57,18,460</b>

Secured : Term loans from Banks

Particulars	As At	As At
	March 31, 2021	March 31, 2020
<b>Canara Bank</b> : The Term loan of Rs. 1286 lacs repayable in 107 monthly installments .Current rate of interest is 8.35% p.a . This loan is secured by first charge of EMT of Factory land and building and hypothecation of Existing Plant and machineries except the machinery /equipment funded by other banks/NBFCs. This loan is also personally guaranted 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 23.59 Cr to Canara Bank .	12,06,72,129	12,10,04,072
<b>Canara Bank</b> : The Working Capital Term loan of Rs. 298 lacs repayable in 48 monthly installments including moratorium period of 1 year under Guaranteed Emergency Credit Line of the NCGTCL . The credit facility will rank second charge with the existing credit facilities by Canara bank in term of cash flow and hypothecation of machineries fund through term loan by Canara bank. Current rate of interest is 7.50% p.a .	2,98,00,000	
<b>Total</b>	<b>15,04,72,129</b>	<b>12,10,04,072</b>
Less: Amount shown in Other Financial liabilities in Note No. 22 towards Current Maturities of Loans .	86,52,000	63,00,000
<b>Amount shown as Loan</b>	<b>14,18,20,129</b>	<b>11,47,04,072</b>

Note No.16 (a) (2): Details of Securities and Terms of Repayment  
Secured : Term loans from Financial Institutions / NBFC

Particulars	As At	As At
	March 31, 2021	March 31, 2020
<b>Electronica Finance Limited</b> : The Machinery Loan of Rs 56,28,600 repayable in 48 monthly installments of Rs. 1,37,147 including interest @ 7.9% p.a. This loan is fully secured by the machineries purchased out of the fund .	56,22,963	
<b>SIDBI</b> : The Term loan of Rs. 375 lacs repayable in 72 monthly installments comprising first 12 installments of Rs. 4 lacs each , next 12 monthly installments of Rs. 6.50 lacs each , next 24 installments of Rs. 8 lacs each next 18 installments of Rs. 2.50 lacs each and next 6 installments of Rs. 2 lacs each .Current rate of interest is 9.40% p.a with a monotoriaum period 12 month .This loan is fully secured by the machineries purchased out of the fund and second charge on all the immovable properties of the borrower , both present and future situated at village Simbli , Tehsil & Distt. Hoshiarpur , Punjab.	3,37,47,458	
<b>Total</b>	<b>3,93,70,421</b>	
Less: Amount shown in Other Financial liabilities in Note No. 22 towards Current Maturities of Loans .	35,37,979	
<b>Amount shown as Loan</b>	<b>3,58,32,442</b>	



Note No. 16 (b)  
Loan from Body Corporates

Particulars	As At March 31, 2021	As At March 31, 2020
Pritika Auto Industries Limited	-	5,10,14,388
	-	5,10,14,388

17 Provisions

Particulars	As At March 31, 2021	As At March 31, 2020
Provision for Employee Benefits	-	-
Leave encashment	-	-
Total	-	-

18 Deferred Tax Liabilities (net)

Particulars	As At March 31, 2021	As At March 31, 2020
Relating to the origination and reversal of temporary Differences	23,51,808	3,46,414
Total	23,51,808	3,46,414

19 Other Non - Current Liabilities

Particulars	As At March 31, 2021	As At March 31, 2020
<u>From Related Party</u>		
Tooling Advance	8,64,44,243	6,66,57,516
Advance against supplies	3,70,53,150	3,47,89,157
Total	12,34,97,393	10,14,46,673

20 Borrowings

Particulars	As At March 31, 2021	As At March 31, 2020
<u>Secured</u>		
From Bank- Cash Credit - Loan Repayable on Demand	2,98,29,445	3,02,81,301
Total	2,98,29,445	3,02,81,301

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 (6.90%) +1.45% =8.35% .

21 Trade Payables

Particulars	As At March 31, 2021	As At March 31, 2020
Trade payables		
Total Outstanding dues of micro enterprise and small enterprise	3,68,75,025	2,03,10,074
Total Outstanding dues of creditors other than micro enterprise and small enterprise		
Total	3,68,75,025	2,03,10,074

\*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.



22 Other Financial Liabilities

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Current Maturities of Long term Loans	1,21,89,979	63,00,000
Interest Accrued but not due on borrowings	3,14,317	1,65,096
Creditors for Capital Expenditure	23,02,424	82,25,761
Creditors for others	3,80,04,480	2,20,32,663
<b>Employee Related Liabilities</b>		
Salaries and Wages payable	16,24,948	7,80,397
<b>Total</b>	<b>5,44,36,148</b>	<b>3,75,03,917</b>

23 Other Current Liabilities

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Audit Fee Payable	5,000	43,750
Electricity Expenses Payable	58,38,490	27,84,916
Statutory dues payable	9,86,578	6,36,299
Other Liabilities	17,39,208	4,86,114
<b>Total</b>	<b>85,69,276</b>	<b>39,51,079</b>

24 Provisions

Particulars	As At	As At
	March 31, 2021	March 31, 2020
Provision for Income Tax	2,76,343	-
<b>Total</b>	<b>2,76,343</b>	<b>-</b>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

25 Revenue from Operations

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
Sale of Products ( Net of Sales Returns )	37,83,80,704	25,57,74,109
Less: Indirect Taxes	5,76,65,197	3,89,90,004
<b>Total</b>	<b>32,07,15,507</b>	<b>21,67,84,105</b>

26 Other Income

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
Interest received on deposits with banks and others	9,17,999	4,55,910
Misc Receipt	44,548	-
Profit on Sale of Shares	27,57,137	-
<b>Total</b>	<b>37,19,684</b>	<b>4,55,910</b>

27 Cost of materials consumed

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
<b>Raw material and components consumed</b>		
Inventory at the beginning of the year-Raw Materials	2,45,92,624	1,65,63,261
Inventory at the beginning of the year-Stores ,Spares, Packing Material	29,62,724	18,73,082
<b>Purchases</b>	<b>2,75,55,348</b>	<b>1,84,36,343</b>
Raw Materials	22,17,43,967	13,71,08,577
Less: Inventory at the end of the year - Raw Materials	22,17,43,967	13,71,08,577
Less: Inventory at the end of the year- Stores ,Spares and Packing Material	4,00,49,329	2,45,92,624
	47,47,847	29,62,724
<b>Total</b>	<b>20,45,02,139</b>	<b>12,79,89,572</b>

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

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
1. Opening inventories		
Stock in Process	2,80,19,449	2,40,44,659
Finished Goods	-	-
2. Closing inventories		
Stock in Process	5,19,22,904	2,80,19,449
Finished Goods	-	-
	<b>(2,39,03,455)</b>	<b>(39,74,790)</b>

*[Handwritten signatures]*





28 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021  
Employee Benefits Expense

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
Salaries and wages		
Director Remuneration	1,27,41,648	1,34,75,721
Contribution to Provident and ESI Funds	10,50,000	11,50,000
Staff Welfare Expenses	8,38,026	6,70,501
	23,26,435	19,67,585
<b>Total</b>	<b>1,69,56,109</b>	<b>1,72,63,807</b>

29 Finance Cost

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
Interest Expenses	1,90,52,548	1,69,58,788
<b>Total</b>	<b>1,90,52,548</b>	<b>1,69,58,788</b>

30 Depreciation and amortisation expenses

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
Depreciation on tangible assets	1,04,13,294	78,17,866
<b>Total</b>	<b>1,04,13,294</b>	<b>78,17,866</b>

31 Other expenses

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
<b>(a) Manufacturing Expenses</b>		
Cartage & Forwarding		
Power & Fuel	55,30,747	26,43,911
Contractual Job Work Expenses	4,56,27,090	2,62,95,859
Repair & Maintenance	2,74,95,742	1,13,66,031
- Building		
- Machinery		17,890
Other Manufacturing Expenses	19,357	
	5,81,540	25,872
<b>(b) Administrative &amp; Selling Expenses</b>	<b>7,92,54,476</b>	<b>4,03,49,563</b>
Payment to Auditors*		
Rates & Taxes	1,30,780	1,42,164
Insurance	4,70,891	1,36,672
Legal & Professional Charges	3,62,810	1,84,783
Communication Expenses	8,11,711	5,50,998
Printing & Stationery	1,05,531	1,42,225
Vehicle Running Expenses	1,62,086	1,85,648
Travelling & Conveyance Expenses	83,875	25,395
Freight Outward	1,51,812	2,52,483
Repairs and Maintenance others	65,93,255	39,99,110
Security expenses	2,028	39,896
Other Misc. Expenses	17,10,200	18,03,815
	17,51,944	18,57,972
<b>Total</b>	<b>9,15,91,399</b>	<b>4,96,70,724</b>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

\*Detail of Payment to Auditors

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
Audit Fee		
Auditor's out of pocket Expenses	1,25,000	1,25,000
Total	5,780	17,164
	<b>1,30,780</b>	<b>1,25,000</b>

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 March 31, 2021	For the Year ended March 31, 2020
Net Profit after tax attributable to equity holders	35,41,420	13,76,504
	<b>35,41,420</b>	<b>13,76,504</b>
Weighted average no of equity shares outstanding during the year- for Both Basic and Diluted EPS		
Face value of Equity Share ( INR )	76,34,515	49,99,902
Basic and Diluted	10.00	10.00
	0.46	0.28



33 Current Tax and Deferred Tax

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
<b>Current Tax:</b>		
Current income tax:		
Adjustments in respect of current income tax of previous period	2,76,342	
<b>Deferred Tax:</b>		
Relating to origination and reversal of temporary differences		19,729
<b>Total</b>	<b>20,05,395</b>	<b>1,17,815</b>
	<b>22,81,737</b>	<b>1,37,544</b>

**Income Tax on Other Comprehensive Income**

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
<b>Current Tax</b>		
<b>Deferred Tax</b>		
Net loss/(gain) on remeasurements of defined benefit plans		
<b>Total</b>		

(c) Movement of Deferred Tax

Particulars	For the March 31, 2021	For the Year ended March 31, 2020
<b>Tax effect of items constituting deferred tax assets</b>		
Difference between book value and tax written down value of Tangible Fixed Assets		
<b>Total deferred tax liabilities</b>	<b>(23,51,808)</b>	<b>(3,46,414)</b>
	<b>(23,51,808)</b>	<b>(3,46,414)</b>
<b>Net deferred tax asset (liability)</b>	<b>(23,51,808)</b>	<b>(3,46,414)</b>

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

Nature of Transactions During the year	Related Parties (in Lac's)					
	Referred in A Above		Referred in B Above		Referred in C Above	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>Income</b>						
Sales	267.97	194.21	2,925.10	1,979.94		
Share capital received	-	-	-	-	-	-
<b>Expenditure</b>						
Purchases	57.98	88.77	186.15	34.85		
Director Remunerations	-	-	-	-	-	-
Interest Payment	-	30.71	-	-	10.50	11.50
Balance as at 31st March, 2021, Debit /(Credit)	(509.97)	(457.47)	(237.97)	(52.07)	-	-
<b>Loan &amp; Advances</b>						
Loan taken during the year	176.00	127.64	-	-	-	-
Loan repayment during the year	1.14	-	-	-	-	-
Conversion of Loan into Equity	685.00	-	-	-	-	-
Balance of Loan at year end, Debit /(Credit) as at 31st March, 2021	-	(510.14)	-	-	-	-

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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, 2021	As At March 31, 2020	As At March 31, 2021	As At March 31, 2020
<b>Financial assets</b>				
Investments				
Trade Receivables	1,15,29,420	1,40,62,500		1,68,75,000
Cash and cash equivalents	4,87,78,019	5,05,74,135	2,65,32,938	3,05,74,135
Bank balances other than cash and cash equivalents	8,15,202	2,85,717	8,15,202	2,85,717
Other current assets	84,67,203	43,86,409	84,67,203	43,86,409
<b>Total</b>	<b>2,02,45,211</b>	<b>1,86,69,143</b>	<b>2,02,45,211</b>	<b>1,08,58,546</b>
	<b>9,13,35,056</b>	<b>8,79,77,904</b>	<b>10,63,38,573</b>	<b>8,29,79,807</b>
<b>Financial liabilities</b>				
Borrowings				
Trade Payables	17,76,52,571	16,57,18,460	17,76,52,571	16,57,18,460
Other Financial Liabilities	3,68,75,025	2,03,10,074	3,68,75,025	2,03,10,074
	5,44,36,148	3,75,03,917	5,44,36,148	3,75,03,917
<b>Total</b>	<b>26,89,63,744</b>	<b>22,35,32,451</b>	<b>26,89,63,744</b>	<b>22,35,32,451</b>

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.

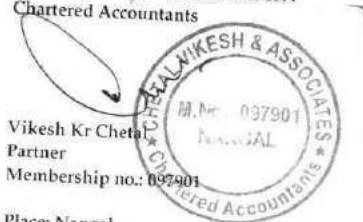
The company monitors the capital structure on the basis of total debt to equity ratio and maturity of the overall debt portfolio of the Company.

Particulars	As At March 31, 2021	As At March 31, 2020
Debt		
Less: cash and cash equivalents	21,96,71,995	20,22,99,761
<b>Net Debt (A)</b>	<b>8,15,202</b>	<b>2,85,717</b>
Equity (B)	21,88,56,793	20,20,14,044
<b>Gearing ratio (A/B)</b>	<b>1.74</b>	<b>3.75</b>

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: Nangal  
Date: 15-06-2020

For and on behalf of Board of Directors

*(Signature)*  
Harpreet Singh Nibber  
( Director )  
DIN No. 00239042

*(Signature)*  
Raminder Singh Nibber  
( Director )  
DIN No. 00239117

Place: Mohali  
Date: 15-06-2020