

September 02, 2022

To,
The Manager- Listing
The Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai-400051.

NSE Symbol: PAVNAIND
ISIN- INE07S101020

Reference:- Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Subject:- Annual Report along with Notice convening 28th Annual General Meeting for F/Y 2021-22

Dear Sir,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Please find enclosed herewith the Annual Report of the Company for the F/Y 2021-22 along with the Notice convening 28th Annual General Meeting to be held on **Tuesday 27th September, 2022 at Pavna International School, Agra-Aligarh Highway, near Mangalayatan Mandir, Aligarh-202001, UP at 01:00 P.M.**

The Annual Report containing the Notice is also uploaded on the Company's Website : www.pavnagroup.com.

Kindly take the same on records.

Thanking you.

Yours faithfully

For Pavna Industries Limited

Charu

Charu Singh
Company Secretary & Compliance Officer
M.No. A48257



PAVNA

Industries Limited

(Formerly Known as Pavana Zadi Security Systems Limited)

Product Pageant PAVNA
(On wooden motorcycle)



Annual Report

2021-22



Scan & Visit

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ABOUT PAVNA GROUP

Your Company was incorporated as **Pavna Locks Private Limited** on April 19, 1994 under the Companies Act, 1956 with the Registrar of Companies, Kanpur bearing Registration number 016359. The status of the Company was changed to public limited and the name of our Company was changed to Pavna Locks Limited on dated October 30, 2000. Further name of the company was changed to Pavna Zadi Security Systems Limited on dated October 30, 2000 and subsequent name of the company was changed to Pavna Industries Limited on dated April 30, 2019.

PAVNA is engaged in manufacturing of wide range of automotive components for reputed Original Equipment Manufacturers (OEMs) as per their requirements primarily catering to various vehicle segments, including, passenger vehicles, two-wheelers, three-wheelers, heavy and light commercial vehicles and off-road vehicles. Our Company has a varied client base and PAVNA is committed to continuing to diversify our product offerings, customer base and geographical footprint, thereby minimizing our exposure to individual geographies and industry sectors. The Company along with its subsidiaries has a diversified product portfolio, which consists of high-quality reliable parts such as Ignition Switches, Fuel Tank Caps, Latches, Auto Locks, Handles, Switches, Oil Pump, Carburettor, Throttle Body, Fuel Cocks, Injection System, Casting Components etc. PAVNA also provide aftermarket sales and services. Aftermarket products include products manufactured by us such as filters, clutch plates, bearings, wiper blades and brake shoes.

PAVNA has ultra-modern manufacturing plants in India, located in Aligarh (Uttar Pradesh), Aurangabad (Maharashtra), & Pantnagar (Uttarakhand). Facilities are located in key auto-clusters and some of the facilities are in close proximity to the plants of our OEM customers. The proximity of facilities to the plants of OEM customers also facilitates greater interaction with customers, thereby enabling to respond to their requirements in a timely manner. The facilities have been laid out to match best plant engineering standards as plants are busy producing automotive products in large quantities as per our customer's exacting standards. Our units are ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007 and IATF 16949:2016 certified.

PAVNA undertake research and development with a focus on technologically advanced products, innovation, enhancing our products portfolio, improving the quality of our products and our manufacturing processes both independently and through cooperation with our customers. Research and development capabilities are a result of a combination of the technological knowledge of joint venture partners and technical collaborators, and those that internally developed. The Company has entered into joint ventures and technical collaboration with Sunworld Moto Industrial Co.

At PAVNA, we focus on Quality & Customer centric components, catering to Automotive Market. With a unique motto to make users 'Secure, Fast & Better' we are committed to empower the lives of our employees to live better, increase their efficiency, and promote manufacturing of innovative products and solutions. Over the years, we have experienced a steady growth in our business in terms of product portfolio, manufacturing plants, clients we serve, and various other aspects that set us apart in the industry.

As the most experienced automotive part solutions company in South Asia, PAVNA GROUP, enjoys a history of around 50 years of innovation, technology, manufacturing and market leadership. Today, PAVNA GROUP is a full-capability provider of high-quality reliable parts such as Ignition Switches, Fuel Tank Caps, Latches, Auto Locks, Handles, Switches, Oil Pump, Carburettor, Throttle Body, Fuel Cocks, Injection System, Casting Components and other automotive parts solutions for automobile applications, serving automobile, agricultural and other application. We are a large-scale, multi-product and advanced auto component manufacturer, driven by new products and technology.



VISION AND MISSION OF PAVNA

GROUP VISION & MISSION

PAVNA Group will be an institution in perpetuity that will build entrepreneurial organizations, making a difference to society through creation of value. To become Pioneer in Automobile Lock, Lock Technology and Power Train Component.

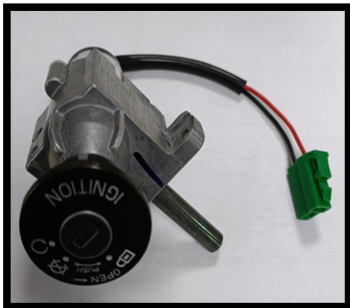
To retain and reinforce our position as a leading Indian manufacturer of automotive genuine spare parts, to meet the aspirations of customers in domestic and export markets.



**CORE PRODUCT PORTFOLIO
FUEL TANK CAP**

IGNITION SWITCHES

FUEL COCKS & PUMPS



MESSAGE FROM MANAGING DIRECTOR

“Firstly we would like to give Tribute to Mr. Pawan Jain, the founder of this group. He moulded and shaped bricks & Walls and laid foundation of this Pavna group. He is an exemplary personality, epitome of courage and honesty, man of relations and a visionary, who tended the sapling with his blood and sweat.

Secondly, company is pleased to announce that during the year we have issued Bonus Shares in the ratio of 1:1 to the Shareholders of the Company.”



Dear Shareholders,

It is my privilege to write to you and present the Annual Report for FY22.

Hope this letter finds you safe and in good health.

As you are aware FY2022 has been one of the most challenging years for corporates across the globe and Indian industry. The global auto industry has grappled with multiple issues during the year and the automotive sector has been no exception to this. Despite the above challenges, the Company reported revenue of Rs.24954.28 lakh and delivered positive net profit of Rs. 640.85 lakh.

As mentioned earlier we have issued bonus shares during the year 2022. The Company issue Bonus shares of 60,90,400 Equity Shares in the proportion of 1 (one) Bonus Equity Share of Rs. 10 for every 1 (one) fully paid-up Equity Shares of Rs. 10/- each held, credited as fully paid-up to the holders of the Equity shares of the Company whose names appears in the Register of Members on the ‘Record Date’ to be determined by the Board for this purpose.

Further, in line with our Recreate theme, we have gained adequate expertise in developing the technology to serve our customers. We have been an extremely cost-conscious organization and, over the years, this has helped us build a strong balance sheet.

We are now preparing for future in which private vehicles could play a far greater role than previously imagined. We have planned a path towards long-term sustainable growth, with a lean cost base, disciplined capital allocation, a highly skilled workforce and world-class R&D.

Throughout all of this, our purpose will remain constant; to create experiences people love for life.

I would like to thank and acknowledge the contribution of all shareholders, our employees, network and business partners and customers for reposing faith in Pavna Group and actively working for our combined success. As we continue to confidently face the challenges in this year and beyond, we remain committed and sincere in our efforts in creating and delivering value for all stakeholders.

Best Regards
Swapnil Jain
Managing Director

Place- Aligarh, India
Date- 01 September, 2022



CORPORATE INFORMATION
BOARD OF DIRECTOR

Asha Jain	Chairperson, WTD
Swapnil Jain	Managing Director
Priya Jain	Executive Director
Pawan Jain	Non-Executive Director (Till 02-12-2021)
Sanjay Jain	Non-Executive Director (w.e.f. 31-12-2021)
Naozer Aibara	Independent Director
Achyutanand Mishra	Independent Director

KMP

Makarand Mahajan	Chief Financial Officer
Vijay Sharma	Vice President
Charu Singh	Company Secretary & CO

STATUTORY AUDITOR

Rajeev Kumar & Company
Chartered Accountants, Aligarh UP
Firm Registration No.: 000633C
Peer Review No: 013843

SECRETARIAL AUDITOR

D.SAGAR & ASSOCIATES
Practicing Company Secretary
Aurangabad, MH

BANKER/NBFC

HDFC Bank
Bajaj Finance Limited

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai, Maharashtra, India, 400083
SEBI Registration No.: INR000004058
Email- pavna.ipo@linkintime.co.in
Website- www.linkintime.co.in

LISTED STOCK EXCHANGE

National Stock Exchange of India Limited (Emerge)

REGISTERED OFFICE

“Vimlanchal”, Hari Nagar, Aligarh 202001 UP
CIN- L34109UP1994PLC016359
Website- www.pavnagroup.com

SUBSIDIARIES

Pavna Auto Engineering Private Limited
Swapnil Switches Private Limited
Pavna Marketing Private Limited
Pavna Sunworld Autotech Private Limited
Pavna Goyam Auto Private Limited

GROUP PLANTS
ALIGARH UP

-Plant at 19/17, Gopal Puri, Hari Nagar, Aligarh-202001
-Plant at 9 KM G.T. Road, Bhankari, Aligarh-202001
-Plant at Khasra No. 29, Chauwali, Bhankari, Aligarh-202001
-Plant at Nauhati Village, Agra Road, Madrak, Aligarh-202150
-Pavna Sunworld Autotech Private Limited at Nauhati Village, Agra Road, Madrak, Aligarh-202150
- Pavna Marketing Private Limited at at Nauhati Village, Agra Road, Madrak, Aligarh-202150

AURANGABAD MH

-Plant at Gut 41, Ramrai, Gangapur, Aurangabad

PANTNAGAR, UTTARAKHAND

- Plant at PN. 14, Sector-4, SIDCUL, Udham Singh Nagar

INVESTOR GRIEVANCE

Email- pavna.ipo@linkintime.co.in
Tel: +91 22 4918 6200

ISIN- INE07S101020

Symbol- PAVNAIND

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Pavna Industries Limited is a manufacturer and supplier of high-quality reliable auto mobile parts such as Ignition Switches, Fuel Tank Caps, Latches, Auto Locks, Handles Bar Switches, Oil Pump, Chain Tensioner, Decomp Assembly, Pressure relieve Valve, Fuel Pump, Water Pump, Fuel Cocks, Casting Components & Different Components for Electric Vehicle, serving automobile, agricultural and other applications worldwide. All PAVNA units have been certified with IATF & OHSAS.

India's automobile sector is split into four segments, i.e., two-wheelers, three-wheelers, passenger vehicles and commercial vehicles, each having a few market leaders. Two-wheelers and passenger vehicles dominate the domestic demand. India's annual production of automobiles in FY22 was 22.93 million vehicles.

In terms of market size, the India passenger car market is expected to reach a value of US\$ 54.84 billion by 2027, while registering a CAGR of over 9% between 2022-27. The electric vehicle (EV) market is estimated to reach Rs. 50,000 crore (US\$ 7.09 billion) in India by 2025. India has a strong market in terms of domestic demand and exports. In FY22, total passenger vehicle sales reached 3.07 million, while automobile exports from India stood at 5,617,246.

India is currently shifting focus to electric cars to reduce emissions. A report by India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, projection for the EV battery market is forecast to expand at a CAGR of 30% during the same period.

There have been plenty of investments in the automobile sector recently, as the Government of India expects the automobile sector to attract US\$ 8-10 billion in local and foreign investments by 2023. The industry attracted Foreign Direct Investment equity inflow (FDI) worth US\$ 32.84 billion between April 2000- March 2022, accounting for 6% of the total equity FDI during the period.

Investment flow into EV start-ups in 2021 touched an all-time high, increasing nearly 255% to reach Rs. 3,307 crore (US\$ 444 million). There is a need to set up proper charging infrastructure for EVs in India. To install electric vehicle supply equipment (EVSE) infrastructure for EVs, various public sector firms, ministries and railways have come together to create infrastructure, and to manufacture components.

The Indian government has planned US\$ 3.5 billion in incentives over a five-year period until 2026 under a revamped scheme to encourage production and export of clean technology vehicles. Initiatives like Make in India, the Automotive Mission Plan 2026, and NEMMP 2020 will be a net positive for the sector.

The Government aims to develop India as a global manufacturing and research and development (R&D) hub. It has set up National Automotive Testing and R&D Infrastructure Project (NATRiP) centres as well as the National Automotive Board to act as facilitator between the Government and the industry. Under (NATRiP), five testing and research centres have been established in the country since 2015.

Following on from the COVID-19 pandemic, the Indian automobiles sector is expected to bounce back and show strong growth in FY23. If it continues on its upward trajectory, India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles.

OPPORTUNITIES AND THREATS

Opportunities

The global automotive industry is going through a rapid transition with a significant disruption caused by the introduction of new technologies. This has opened a gamut of opportunities for the component suppliers across the globe. Auto component suppliers, with a culture of investing in R&D, and a vision to sense the new trends would be the major benefiter of this positive change.

Some of the recent/planned investments and developments in the automobile sector in India are as follows:

- In April 2022, Tata Motors announced plans to invest Rs. 24,000 crore (US\$ 3.08 billion) in its passenger vehicle business over the next five years.
- In March 2022, MG Motors, owned by China's SAIC Motor Corp, announced plans to raise US\$ 350-500 million in private equity in India to fund its future needs, including EV expansion.
- Two-wheeler EV maker HOP Electric Mobility, a diversified business venture of Rays Power Infra, is looking at investing Rs. 100 crore (US\$ 13.24 million) over the next two years to expand manufacturing capacity for its EVs.
- In December 2021, Hyundai announced plans to invest Rs, 4,000 crores (US\$ 530.25 million) in R&D in India, with the goal of launching six EVs by 2028.
- In November 2021, Indian Oil Corporation (IOC) and two other public sector oil firms announced that they will install 22,000 EV charging stations in India over the next 3–5 years.
- In November 2021, Hero Motor (HMC), the parent company of Hero Cycles, entered a joint venture partnership with Yamaha, a Japanese two-wheeler major, to make electric motors for e-bicycles for the global market.
- In October 2021, Tata Motors announced that private equity group TPG along with ADQ of Abu Dhabi has agreed to invest Rs. 7,500 crore (US\$ 1 billion) in its EV division.
- A cumulative investment of Rs. 12.5 trillion (US\$ 180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India's EV ambitions.

The Government of India encourages foreign investment in the automobile sector and has allowed 100% foreign direct investment (FDI) under the automatic route. Some of the recent initiatives taken by the Government of India are –

- In February 2022, 20 carmakers, including Tata Motors Ltd, Suzuki Motor Gujarat, Mahindra and Mahindra, Hyundai and Kia India Pvt. Ltd, were chosen to receive production-linked incentives (PLI) as part of the government's plan to increase local vehicle manufacturing and attract new investment. The 20 automobile companies have proposed a total investment of around Rs. 45,000 crore (US\$ 5.95 billion).
- In the Union Budget 2022-23, the government laid out the following initiatives:
 - The government introduced a battery-swapping policy, which will allow drained batteries to be swapped with charged ones at designated charging stations, thus making EV's more viable for potential customers.
 - India's National Highways would be expanded by 25,000 km in 2022-23 under the Prime Minister's Gati Shakti Plan.
- In November 2021, the Union Government added >100 advanced technologies, including alternate fuel systems such as compressed natural gas (CNG), Bharat Stage VI compliant flex fuel engines, electronic control units (ECU) for safety, advanced driver assist systems and e-quadracycles, under the PLI scheme for automobiles.
- In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). This scheme is expected to bring investments of over Rs. 42,500 (US\$ 5.74 billion) by 2026, and create 7.5 lakh jobs in India.
- The Indian government has planned US\$ 3.5 billion in incentives over a five-year period until 2026 under a revamped scheme to encourage production and export of clean technology vehicles.
- As of June 2021, Rs. 871 crore (US\$ 117 million) has been spent under the FAME-II scheme, 87,659 electric vehicles have been supported through incentives, and 6,265 electric buses have been sanctioned for various state/city transportation undertakings.

- In May 2021, the Central Government approved a PLI scheme for manufacturing Advanced Chemistry Cells (ACC) with a budget of Rs. 18,100 crores (US\$ 2.33 billion). In March 2022, four firms, namely Reliance New Energy Solar Limited, Ola Electric Mobility Private Limited, Hyundai Global Motors Company Limited and Rajesh Exports Limited, were elected to receive the incentives.

Threats

- The automotive industry is witnessing a significant technological disruption which can make many products obsolete. To grow in this highly competitive business scenario, we must develop and produce new innovative products or enhanced versions of existing products to meet our customers' demands in a timely manner.
- An inability to meet competitive pressure could adversely impact Company's business.
- An inability to pass on any cost increase to customers could adversely impact Company's business.

OUTLOOK

Business Strategy

We have set our mission to become one of the world's best and technologically advanced component suppliers to global OEMs. To achieve this objective, we have formulated an exhaustive strategy spread across various key factors of the Company's operations.

Increase customer penetration and diversification

We have been continuously strengthening our existing relationships with OEM customers, while simultaneously pursuing opportunities to develop new OEM relationships. With respect to our existing customers, we aim to continue to maintain our track record of continuous and new orders as well as expand and strengthen our relationships with our customers as part of our organic growth efforts.

Increase exports and expand international operations

Our products have been exported to customers across 10 countries. We believe that there are significant growth opportunities in the international markets for die casting components and wire harnessing solutions. Accordingly, we will continue to focus on developing and increasing our product portfolio for die casting components and wire harnessing solutions.

Enhanced Focus on developing technologically advanced products

The entire automotive value chain across OEMs, Tier-1 manufacturers and component suppliers are undergoing significant re-alignment due to technological advancement, stricter emission norms, rapid development around electrification, deeper penetration of information technology, vendor consolidation and safety norms.

Continue to focus on cost efficiencies and improve operational efficiency

As an integral part of our continuing efforts targeted at ensuring cost efficiencies, we have undertaken a number of SMIT Visit initiatives aimed at improving operational efficiencies and optimizing our manufacturing operations including reduction in lead-time in manufacturing processes, leveraging our sourcing networks to control raw material costs through bulk purchases, improving inventory management to optimize transportation costs and expedite raw materials procurement and product delivery, and controlling consumption and wastage through effective supervision of manufacturing processes. We intend to continue to improve the efficiency of our operations and reduce our cost base by taking advantage of our international presence and economies of scale as well as by targeting savings in our administrative, procurement and production processes.

RISK AND CONCERNS

The Board of Directors of the Company has implemented a Risk Management policy to monitor the Risk Management plan for the Company. The Head of Departments is responsible for assessing the risk management strategies and safeguarding their effectiveness and report the same to the Board of Directors. All Strategic Risks, Compliance Risks, Operational Risks, Financial Risks & Reputational Risks are systematically addressed through mitigating actions on a continuous basis.

Some of business operational risk are as follows- Geo-Economic Risks

The Company has a presence across various countries. Any unexpected regulatory changes in the region or volatility in economic development could impact the business of the Company. Mitigation: Though the Company has no control over systemic risks such as fluctuations in economic growth of the regions where the Company operates, it has diversified its presence by venturing into newer geographies.

Exchange Rate Risk

The Company has operations across international locations and is actively engaged in sale of products to customers globally. Therefore, Company revenues and profitability is to fluctuations in foreign currency exchange rates Mitigation: The Company keeps track of currency risk and takes appropriate position.

Technology Innovation Factor

The automobile industry is currently going through a sea change in terms of introduction of newer technologies where many existing products can become redundant. Mitigation: The Company has always been focused towards innovation and also has been a pioneer in introducing many new technologies. We have been investing heavily in R&D and to further strengthen our R&D team.

Raw Material and Supply Risk

The Company procures raw materials and components from external sources globally. Any non-availability of raw material or significant price fluctuation can have an adverse impact on the Company's business operations and profitability. Mitigation: The Company tracks the changes in the prices of raw materials and maintains an inventory for the operating cycle to avoid purchasing them at high prices. The Company also has back to back arrangements with most of its customers for change in the commodity price

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well-established framework of internal controls in place across all areas which include suitable monitoring procedures and competent qualified professionals. The systems maintain strict accounting control, optimum utilization of resources and efficiency in operations as well as financial reporting, compliance with policies, applicable laws, rules and regulations. The internal controls are designed to maintain the transparency and adequacy of the financial and other records, which are reliable resources for preparing financial reports and other data. We have continued our efforts to align all of our processes and controls with global best practices.

Some significant features of the internal control of systems are:

- The Audit Committee of the Board of Directors, comprising of independent directors and regularly reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those related to strengthening of the Company's risk management policies and systems.

The Committee regularly meets to review the progress of the internal audit initiatives, significant audit observations and the action plans. The Company conducts its business with integrity and high standards of ethical behaviour and in compliance with the laws and regulations that govern its business.

- Detailed business plans for each segment, investment strategies, year-on-year reviews, annual financial and operating plans and monthly monitoring are part of the established practices for all operating and service functions;
- The Board takes responsibility for the overall process of risk management throughout the organisation. The Business risk is managed through cross-functional involvement and communication across businesses. The results of the risk assessment are presented to the senior management. The audit Committee reviews business risk areas covering operational, financial, strategic and regulatory risks.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE INCLUDING NUMBER OF EMPLOYEE

Our Human Resource (HR) initiatives are focused towards further strengthening and nurturing our vast and diverse employee base which currently stands at over 1300 permanent employees. Because of our well-crafted and employee friendly HR policies, we enjoy a very cordial relationship with our employees and have not experienced any major work stoppages due to labour disputes or cessation of work in the last five years.

We continue to enhance safety and security at the workplace by prescribing policies and procedures, creating awareness and imparting trainings. In addition to the above, we have mechanism in place to foster a positive workforce environment, free from harassment of any nature. We have institutionalized the Anti-Sexual Harassment Initiative framework, through which we address complaints of sexual harassment at the workplace.

Our HR practices are aimed at recruiting talented individuals, ensuring continuous development and addressing their grievances, if any, in a timely manner. We are also in process of centralizing the HR processes at our group level, which we believe will have both long-term tangible and intangible benefits

DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standards.

NEW CUSTOMER

The Company has introduced new Customer on Board i.e. TVS and many more Electric Vehicle Manufacturer.

PAVNA INDUSTRIES LIMITED

BOARD OF DIRECTORS' REPORT

FOR THE YEAR 2021-22

A large, light blue, faded version of the PAVNA logo, centered on the page.

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present 28th Annual Report on the business and operations of the Company along with Audited Financial Statements (Standalone and Consolidate) for the financial year ended on **March 31, 2022**.

FINANCIAL RESULTS

Financial Performance of the Company for the year ended 31st March, 2022 is summarized below:

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	24954.28	17121.70	33572.95	21940.72
Total expenditure	22886.61	15593.94	30449.71	19954.02
Operating profit	2067.67	1527.76	3123.24	1986.70
Other Income	21.89	14.41	63.56	19.09
Profit before interest, foreign exchange, depreciation, amortization, exceptional item and tax	2089.56	1542.17	3186.80	2005.79
Finance cost	623.72	445.10	926.19	536.77
Profit before depreciation, amortization, exceptional item, foreign exchange and tax	1465.84	1097.07	2260.61	1469.02
Depreciation, amortization and product development/ engineering Expenses	536.61	355.51	920.17	404.00
Profit/(loss) before exceptional items and tax	929.23	741.55	1340.44	1065.02
Exceptional Items - loss (net)	58.45	34.24	58.45	6.00
Profit / (loss) before Tax	987.68	775.80	1398.90	1059.02
Tax expenses / (credit) (net)	346.83	246.18	434.42	338.28
Profit / (loss) after Tax	640.85	529.61	964.47	720.74
Attributable to:				
- Shareholders of the Company	-	-	812.39	623.13
- Non-controlling interest	-	-	152.09	97.61
Earning Per Equity Share	10.52	8.70		-

OPERATIONAL PERFORMANCE

Standalone Operational Performance

During the review, the Company has generated revenue from operation Rs. 24954.28 lakh which is 45.75% higher than Rs. 17121.70 lakh in FY 2020-21. Operating Expenses of the Company has also increased by 46.77% than to last FY.

The Company has booked Profit Before Tax (PBT) of Rs. 987.68 Lakh and Net Profit of Rs. 640.85 lakh compare to last year of Rs.775.80 lakh and Rs. 529.62 lakh respectively.

Subsidiary Operational Performance

The Company has five subsidiaries. Performance of the subsidiaries have contributed positive increase in the revenue as well as operational profit as per below table shows-

(Rs. In Lakh)

Particulars	SSPL		PAEPL		PSAPL		PMPL		PGAPL	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Revenue	2033.03	1532.55	4687.33	3320.58	25.80	28.69	5176.68	4707.75	5320.95	1367.31
Operational Exp.	1913.31	1446.67	4323.57	3040.84	19.76	16.95	5096.22	4626.17	4873.56	1264.14
EBITA	119.72	85.88	363.76	279.73	6.04	11.74	80.46	81.58	447.39	103.17

Consolidated Operational Performance

During the year, under review, consolidated revenue from operations for the year ended as on March 31, 2022 is Rs. 33572.95 lakhs, while last year operational revenue was 21940.72 lakh. However the expenses have also been increased by 52.60% compare to last year. The Company has booked Net Profit of Rs. 964.47 Lakh which is nearly 33.82% increased compare to last year consolidate price.

DIVIDEND

To strengthen the financial position of the Company, your Directors are not recommending any dividend for the financial year 2021-22 under review.

RESERVE & SURPLUS

The Company has transferred net profit of Rs. 640.85 lakh to the reserve and Surplus during the financial year.

SHARE CAPITAL

The Paid Share Capital of the Company as on 01st April, 2021 was 6090400 equity shares of Rs.10/- each aggregating to Rs. 609.04 Lakh.

CHANGES IN NATURE OF BUSINESS

Your Company is engaged in manufacturing of wide range of automotive components for reputed Original Equipment Manufacturers (OEMs) as per their requirements primarily catering to various vehicle segments, including, passenger vehicles, two-wheelers, three-wheelers, heavy and light commercial vehicles and off-road vehicles.

There is no change in the nature of business during the year under review.

PREVENTION OF SEXUAL HARASSMENT

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. During the FY 2021-22, the Company has not received any complaint.

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Act, read along with Rule 8 of the Companies (Accounts) Rules, 2014, is as follows-

A. CONSERVATION OF ENERGY

The Company has always been conscious about conservation of energy in its Manufacturing Plants which leads to optimized

consumption of non-renewable fossil fuels, energy productivity, climate change mitigation and reduction in operational costs. Your Company carries out its operations in an environmental friendly manner and continuously active to find ways to for the betterment of the Company as well as for the society.

During the year, the Company has consumed total 83.35 lakh KVAH renewable electricity in its operation.

Energy Conservation projects have been implemented at all Plants and Offices of the Company in a planned and budgeted manner. In FY 2021-22, all Plants achieved significant reduction in fixed energy consumption on non-working days by administrative and process controls. Some of the major decision includes:

- a machinery based meters has been installed for each machine to calculate consumption.
- Gas furnace replaced with electricity to control environment pollution from release of Carbon Monoxide.
- Installed in our all plants cooling towers to cut down use of water and chemicals that also lower the risk of bacterial contamination.
- Replaced all lighting equipment with LED to reduce consumption of electricity.
- Installed exhaust blowers in every plants.
- Installed Automatic Dispensing Cabinet Machines interlock systems with timer that helps in control of waste of electricity.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Efforts made towards innovation, technology development, absorption and adaptation

- The Company used Annual Technology Planning & Development cycle for managing its engineering and technology initiatives. The process framework enables identification, development and deployment of the right technologies for future products. Making use of the Technology Creation and Development System (TCDS) process, the same has been institutionalized across its businesses.
- The Company is setting up lean and agile innovation hubs. These hubs will operate like start-ups with focus on testing of solutions and go-to-market strategies.

Specific areas in which R & D carried out by the Company

C. FOREIGN EXCHANGE EARNINGS & OUTGO

During the year the Company has imported raw material out of India of Rs 19.31 Lakh

Foreign Exchange Earnings and Outgo

Particulars	EURO	US \$
Import in Foreign currency	0	29362.25
Export in Foreign currency	473316.70	587504.70

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

The impact of Covid-19 on the Company’s financial statements has been given in the Notes to financial statements for the year ended 31st March, 2022 and the Company’s response to the situation arising from this pandemic has been explained in the Management Discussion and Analysis, which forms part of the Annual Report.

EXTRACT OF ANNUAL RETURN

Pursuant to Sections 92 & 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for F/Y 2021-22 is available on the website of the Company.

HOLDING, SUBSIDIARY, JOINT ARRANGEMENTS AND ASSOCIATE COMPANIES

The Company has 05 subsidiaries as at March 31, 2022 and detail subsidiaries as follows-

Name of Subsidiary	% of Subsidiary	Location	Nature of Business
Pavna Auto Engineering Private Limited	50.74%	Aligarh, UP	Manufacturing of Auto Mobile Parts, Accessories, Spare Parts, assemblies parts, Fuel and petrol taps and corks and all accessories and assembly line of Die Casting products
Pavna Sunworld Autotech Private Limited	71.50%	Aligarh UP	manufacturing of all types of Automobiles, Auto Parts, Engineering Goods and Hardware etc.
Swapnil Switches Private Limited	50.74%	New Delhi	Manufacturing of all type of electric auto switches and accessories thereof and store parts.
Pavna Marketing Private Limited	99.99%	Aligarh UP	Business of marketing and trading of automobiles locks, auto parts, die casting items
Pavna Goyam Auto Private Limited	51.00%	Aurangabad MH	Business of manufacturing of all type of casting parts.

Your Company acquired 51% shares of Goyam Auto Private Limited, by the Company on 09th July, 2021 during the year under review.

CORPORATE SOCIAL RESPONSIBILITY

During the year under review the Company has constituted CSR committee and spent Rs. 7.49 lakh under CSR activities as per the section 135 of the Companies Act, 2013 and Rules made thereunder.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies (CSR Policy) Rules, 2014 are set out in **Annexure – I**

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on date, the Board of the Company comprises of total 6 (Six) directors are as set out in **Annexure- III**.

Appointment / Re-appointment

In accordance with provisions of the Act and the Articles of Association of the Company, Mrs. Asha Jain, Whole Time Director (DIN: 00035024) is liable to retire by rotation and is eligible for re-appointment.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the SS- 2 on General Meeting are given in the Notice of Annual General Meeting ('AGM'), forming part of the Annual Report.

Due to sudden death of Mr. Pawan Jain, the Board has appointed Mr. Sanjay Kumar Jain (DIN: 03008142) on 31st December, 2021 as an Additional Director.

Independent directors

In terms of Section 149 of the Act and the SEBI Listing Regulations, Mr. Achyutanand Ramchandra Mishra (DIN: 0940098), Mr. Naozer Firoze Aibara (DIN: 08759817) are the Independent Directors of the Company as on date of this report.

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors of the

Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 ('the Act') as well as the Rules made thereunder and are independent of the management.

Key Managerial Personnel

In terms of Section 203 of the Act, the Company has appointment Mr. Makarand Mahajan (PAN: ABUPM4863G) Chartered Accountant as Chief Finance Officer and Mrs. Charu Singh (PAN: CVBPS6669B) Company Secretary as Company Secretary and Compliance Officer of the Company at Board Meeting hold on 31st December, 2021 with immediate effect.

Due to personal reason Mrs. Divyani Koshta (PAN: BGYPK8182L) has resigned from the position of Company Secretary and Compliance officer of the Company with effect from 31st December, 2021.

MEETINGS OF THE BOARD

During the year, the Board of Directors met 6 times. For details, please refer to the Report on Corporate Governance, which forms part of this Annual Report as **Annexure II**.

COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Report. Further, during the year under review, all recommendations made by the various committees have been accepted by the Board.

GENERAL MEETINGS

During the year, Members of the Company met 1 time. For details, please refer to the Report on Corporate Governance, which forms part of this Annual Report as **Annexure II**.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as **Annexure-III**.

Statement containing particulars of Top employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders, excluding the aforesaid Annexure.

The said Statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary.

BOARD EVALUATION

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provision of the Act.

The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

PUBLIC DEPOSITS

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013. The Company does not have any unclaimed deposits as of date.

PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES OR SECURITY

Details of loans, guarantee and investments covered under the provisions of section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the Notes forming part of the Audited Financial Statements of the Company.

CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements of the Company and its subsidiaries for FY 2021-22 are prepared in compliance with the applicable provisions of the Act and as stipulated under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations] as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statement together with the Independent Auditor's Report thereon form part of this Annual Report. Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statement of the subsidiary companies is attached to the Financial Statement in Form AOC-1. Pursuant to the provisions of Section 136 of the Act, the Company will make available the said financial statement of the subsidiary companies upon a request by any member of the Company or its subsidiary companies. These financial statements of the Company and the subsidiary companies will also be kept open for inspection by any member and the same would also be available on the Company's website <https://www.pavnagroup.com/subsidiary-financial.html>.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts/ arrangements/ transactions entered by the Company during the year with related parties were on an arm's length basis and mostly in the ordinary course of business. There were no material related party transactions (RPTs) undertaken by the Company during the year that require Shareholders' approval under Regulation 23(4) of the SEBI Listing Regulations or Section 188 of the Act. The approval of the Audit Committee was sought for all RPTs. Certain transactions which were repetitive in nature were approved through omnibus route. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

Detail of transaction with related party shown in **Form AOC-2**.

RISK MANAGEMENT

The Board takes responsibility for the overall process of risk management throughout the organization. Our business units and corporate functions address risks through an institutionalized approach aligned to our objectives. This is facilitated by corporate audit. The Business risk is managed through cross-functional involvement and communication across businesses. The results of the risk assessment are presented to the senior management. The Senior Management reviews business risk areas covering operational, financial, strategic and regulatory risks.

VIGIL MECHANISM

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. No person has been denied access to the Chairperson of the Audit Committee. The policy of vigil mechanism is available on the Company's website.

**AUDIT
STATUTORY AUDIT**

Pursuant to section 139 of the Companies Act, 2013 and Rule 4(2) of the Companies (Audit and Auditors) Rules, 2014, M/s

Rajeev Kumar & Company, Aligarh (Firm's Regn No. 000633C), is appointed as the Statutory Auditors of the Company at Annual General Meeting held on 27th September, 2022 to hold office for 5 years until conclusion of AGM to be held on year 2027-28. The Auditors have represented that they are not disqualified and continue to be eligible to act as the Auditor of the Company.

During this year M/s. Das Maheshwari & Co., Chartered Accountants has been the Statutory Auditors of Pavna Industries Limited since 2020. As per the section 139 of Companies Act, 2013, the Company appointed M/s. Das Maheshwari & Co., Chartered Accountants for five financial years in the annual general meeting of financial year 2019-20 held on August 13, 2020. But the Peer Review Certificate of the Statutory Auditor was expired which is essential for the appointment in listed Companies.

Hence, Das Maheshwari & Co., Chartered Accountants retires as the Statutory Auditors of the company at the conclusion of the 28th Annual General Meeting.

The Statutory Auditors' Report for the financial year ended 31st March, 2022 forming part of the Annual Report, contains an emphasis of matter on Financials of the Company.

The Auditor of the Company have not reported any fraud or any qualification as specified under the second proviso of Section 143 (12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Director appointed **M/s D. Sagar & Associates**, (CP No. - 11547), a Company Secretaries in Practice in Aurangabad to conduct the Secretarial Audit of the Company for year ended March 31, 2022. The Report of the Secretarial Audit is annexed herewith as **Annexure IV**.

The said Secretarial Audit Report contains qualifications, reservations, adverse remarks or disclaimers. The management's response is as follows on each qualification:

01. Qualification- the company is not able to identify the MSME vendors and outstanding dues of MSME vendors more than 45 days. Accordingly, the Company has not filed Form MSME-1 with respect to the outstanding payments due to the MSME vendors.

Response- the management explained that they have sent emails to the vendors but have not received any confirmation from them about their MSME registration.

02. Qualification- A non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 (Listing Regulations) has been observed during the reporting period and therefore a monetary penalty of Rs. 50,000 (Rupees Fifty Thousand only) (additional GST) has been imposed on the company vide letter NSE/LIST-SOP/COMB/FINES/0821 dated 14th December, 2021.

Response- the Company uploaded Financial Statement for the half year ended September 30, 2021 on 25th November, 2021 instead of 14th November, 2021 on Stock Exchange due to the non-availability of required quorum. As Mr. Pawan Jain, Director of the Company was in a critical medical conditions and the other directors were not present and quorum was not present for the meeting.

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

No significant or material orders were passed by the any Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, secretarial auditors and external agencies and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021-22.

Pursuant to the requirements under Section 134(5) read with Section 134(3)(c) of the Act with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis; and
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the customers, supply chain partners, employees, Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities and all the various stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the continued co-operation and support received from the Joint Venture partners / Associates.

For and on behalf of the Board of Directors
PAVNA INDUSTRIES LIMITED
(Formerly known as Pavna Zadi Security Systems Limited)

SD/-

Mr. SWAPNIL JAIN
MANAGING DIRECTOR
(DIN: 01542555)

Place: Aligarh
Date: 01/09/2022

ANNEXURE – I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

A brief outline of the Company's CSR policy

The Company is not only committed to being a good citizen, but also to being a good neighbor in the communities we call home. We contribute as a company to various charitable trusts and we seek to participate in ways that touch people's lives in these communities. The Company aims to create educated, healthy, sustainable and culturally vibrant communities. We also support employees' commitment to our communities through various programs including our volunteerism initiatives.

The Company's philosophy of discharging its social responsibility goes beyond donations and sponsoring charity events, where it engages with the society to maximize the overall impact on the livelihood and welfare of people. The Company engages in various dynamic initiatives which vary with the needs of the society and the environment.

CSR policy of Pavna group placed on the Company's website
https://www.pavnagroup.com/investor/policies/CSR_Policy.pdf

Overview of projects program proposed to be undertaken

The Company donated funds for promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and differently abled and livelihood enhancement projects.

Composition of CSR Committee:

The CSR Committee comprises of Mr. Swapnil Jain (Managing Director) as Chairman of the Committee, Mr. Noazer Firoze Aibara (Independent Director) and Mrs. Priya Jain (Executive Director) as members of the committee.

Average Net Profit of the Company for last three financial years: Rs. 768.27 Lakh

Prescribed CSR Expenditure (2% of Average Net Profit): Rs. 15.36 Lakh

Details of CSR Spend during the financial year:

- a. Total amount spent during the year- Rs. 7.49 Lakh
- b. Amount unspent, if any: 7.86 Lakh

a. Manner in which the amount spent during the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Project - Local Area - Specify the state and district where projects or programs was Undertaken	Amount outlay (Project wise)	Amount Spent on project Sub-Head- 1) Direct expenditure 2) Overhead	Cumulative expenditure upto the reporting period	Amount Spent: Direct through implementing agency
1	Promoting Education	Promoting education, including special education especially among children, women, elderly and differently abled projects	New Delhi,	Rs. 7.49 lakh	Over head-Rs. 5.00 lakh	Rs. 5.00 Lakh	through implementing agency (Tamana NGO)*
			State- Uttar Pradesh District- Aligarh		Over head-Rs. 2.49 lakh	Rs. 2.49 Lakh	through implementing agency (Aadinath kund kund kahan digambar jain Trust)*
			Total	Rs. 7.49 Lakh	Rs. 7.49 Lakh	Rs. 7.49 Lakh	

Tamana is a non-profit voluntary organization registered in early March 1984 in India, for developmentally disabled and minimal brain damaged children. The organization's work is recognized by Ministry of Social Justice and Empowerment, Govt. of India, Department of Social Welfare; Govt. of NCT Delhi.

* Adinath Kund Kund Digamber Jain Trust situated in Aligarh, promoting Education & Literacy, Health & Family Welfare.

In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report-

- Due to Covid Company is not able to spend the total amount in the Financial Year.

Responsibility Statement

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

The CSR Committee ensures that the projects and programmers, recommended by it to the Board, are as per the CSR Policy and Schedule VII to the Companies Act, 2013.

The CSR Committee reviews update on the progress of the activities with respect to each programmer and/ or project approved, from time to time and suggests measures for effective implementation thereof.

The statement of expenses incurred for each activity is reviewed in detail vis-à-vis the budget.

For and on behalf of the Board of Directors
PAVNA INDUSTRIES LIMITED
(Formerly known as Pavna Zadi Security Systems Limited)

SD/-

Mr. SWAPNIL JAIN
MANAGING DIRECTOR
(DIN: 01542555)

Place: Aligarh
Date: 01/09/2022



ANNEXURE II

REPORT ON CORPORATE GOVERNANCE

COMPANY 'S PHILOSOPHY ON CORPORATE GOVERNANCE

As a Company, the Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

The Company has adopted the Code of Conduct for its employees, including the Managing and Executive Director and other senior Managerial Personnel, which encompasses an appropriate mechanism to report any concern pertaining to non-adherence to the said Code. In addition, the Company has adopted a Code of Conduct for its Non-executive Directors which includes a Code of Conduct for Independent Directors, as specified under Schedule IV of the Act and of the SEBI Listing Regulations, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Also the Company has Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (Insider Trading Code), pursuant to the provisions of Regulations 8 and 9 under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company is in full compliance with the requirements of Corporate Governance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('SEBI Listing Regulations').

BOARD OF DIRECTORS

The Board currently comprises of 6 Directors, out of which 2 Directors (33.33%) are Independent Directors.

SL.	DIN	NAME OF DIRECTOR	DESIGNATION
01	00035024	Mrs. Asha Jain	Chairman and Whole Time Director
02	01542555	Mr. Swapnil Jain	Managing Director
03	08759817	Mr. Naozer Firoze Aibara	Independent Director
04	08940098	Mr. Achyutanand Mishra	Independent Director
05	03355623	Mrs. Priya Jain	Executive Director
06	00035084	Mr. Pawan Jain	Non- Executive Director (till 02-12-2021)
07	03008142	Mr. Sanjay Kumar Jain	Non- Executive Director (w.e.f. 31-12-2021)

The IDs have further stated that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective, independent, judgment and without any external influence. The Company has received confirmation from all the existing IDs of their registration on the Independent Directors Database maintained by the Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Directors have made necessary disclosures regarding their Directorships as required under Section 184 of the Act and on the Committee positions held by them in other companies. None of the Directors on the Company's Board hold the office of Director in more than 20 companies, with not more than 10 public Companies. None of the IDs serve as IDs in more than 7 listed entities and in case they are whole-time Directors/managing Directors in any listed entity, then they do not serve as IDs in more than 3 listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees. All Non-Independent Non-executive Directors ('NINEDs') are liable to retire by rotation.

MEETINGS OF THE BOARD

During the year under review, 6 Board Meetings were held on dates as per table-

01	Wednesday, June 30, 2021	02	Friday, July 9, 2021	03	Friday, September 3, 2021
04	Thursday, November 25, 2021	05	Friday, December 31, 2021	06	Monday, February 28, 2022

The following table, illustrates the composition of the Board, Director's attendance at Board Meetings held during the financial year under review and at the last AGM, number of Directorships held in other companies, total number of committee positions held, their shareholding in the Company's shares names of other entities in which Directorship is held, including category of Directorships, as at March 31, 2022:

Name of Director	No. of Board Meetings attended in the year	Attendance at the last AGM	Holding in Company's Shares	Directorships in other Listed Entities
Mrs. Asha Jain	05	No	2910980	-
Mr. Swapnil Jain	06	Yes	678080	-
Mr. Naozer Firoze Aibara	03	Yes	-	-
Mr. Achyutanand Mishra	02	Yes	-	-
Mrs. Priya Jain	06	Yes	202000	-
Mr. Pawan Jain	02	No	200	-
Mr. Sanjay Kumar Jain	01	NA	-	-

COMMITTEES OF THE BOARD

The Board has four (4) Committees i.e. Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee constitution of which is given below:

A. AUDIT COMMITTEE

Date of Meeting	Name of Director and Designation in Committee		
	Naozer Firoze Aibara Independent Director Chairman	Achyutanand Mishra Independent Director Member	Swapnil Jain Managing Director Member
30/06/2021	Yes	Yes	Yes
03/09/2021	Yes	No	Yes
25/11/2021	Yes	Yes	Yes
31/12/2021	No	Yes	Yes
	3	3	4

The role of the audit committee shall include the following:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), if any, the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the listed entity with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussion with internal auditors of any significant findings and follow up there on;
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) To review the functioning of the whistle blower mechanism;
- s) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

t) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

B. NOMINATION & REMUNERATION COMMITTEE

Date of Meeting	Name of Director and Designation in Committee		
		Achyutanand Mishra Independent Director Chairman	Naozer Firoze Aibara Independent Director Member
30/06/2021	Yes	Yes	-
31/12/2021	Yes	Yes	-
	2	2	0

*Mr. Pawan Jain was member of the Committee but due to his sad demise on 02nd December, 2021 Mr. Sanjay Kumar Jain was appointed on 31st December, 2021 in his place as a member of the said Committee.

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non-Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Date of Meeting	Name of Director and Designation in Committee		
	Swapnil Jain (Managing Director) Chairman	Naozer Firoze Aibara (Independent Director) Member	Priya Jain (Executive Director) Member
30/06/2021	Yes	Yes	Yes
25/11/2021	Yes	Yes	Yes
	2	2	2

CSR Committee is as under :

1. Formulating and recommending to the Board, CSR Policy and the activities to be undertaken by the Company.
2. Recommending amount of expenditure to be incurred on activities undertaken.
3. To constitute Management Committee for implementation and execution of CSR initiatives/ activities.
4. Reviewing performance of the Company in the areas of CSR.
5. Monitoring CSR Policy from time to time.

D. STAKEHOLDERS RELATIONSHIP COMMITTEE

Date of Meeting	Name of Director and Designation in Committee		
	Pawan Jain (Non- Executive Director) Chairman	Swapnil Jain (Managing Director) Member	Priya Jain (Executive Director) Member
30/06/2021	-	Yes	Yes
31/12/2021	NA	Yes	Yes
	0	2	2

** Mr. sanjay Kumar Jain was appointed in the Stakeholder Relationship Committee w.e.f. 31-12-2021 in place of Mr.Pawan Jain

The Stakeholder Relationships Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Investor Grievance Committee include the following:

- 01 Redressed of shareholders'/investors' complaints;
- 02 Non-receipt of declared dividends, balance sheets of the Company; and
- 03 Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- 04 Review measures taken for effective exercise of voting rights by Shareholders.
- 05 Review adherences to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 06 Review movements in shareholding and ownership structures of the Company.

GENERAL MEETINGS

Type of Meeting	Date of Meeting	Place of Meeting	Number of present Members
Annual General Meeting	Thursday, 29 th September, 2021	Vimlanchal, Hari Nagar, Aligarh 202001 UP	10

For and on behalf of the Board of Directors
PAVNA INDUSTRIES LIMITED
(Formerly known as Pavna Zadi Security Systems Limited)

SD/-

Mr. SWAPNIL JAIN
MANAGING DIRECTOR
(DIN: 01542555)

Place: Aligarh
Date: 01/09/2022

PAVNA

ANNEXURE III
DETAILS OF REMUNERATION OF DIRECTORS, KMPS AND EMPLOYEES AND COMPARATIVES

[Pursuant to Section 197 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- a. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2021-22:**

Sl	Name of Directors	Designation	Ratio of remuneration to median remuneration	% increase in the Remuneration*
01	Mr. Swapnil Jain	Managing Director	30.08	17.13%
02	Mrs. Asha Jain	Chairperson- WTD	-	-
03	Mrs. Priya Jain	Executive Director	-	-
04	Mr. Pawan Jain	Non- Executive Director	-	-
05	Mr. Sanjay Kumar Jain	Non- Executive Director	-	-
06	Mr. Achyutanand Mishra	Independent Director	-	-
07	Mr. Noazer Aibara	Independent Director	-	-
08	Mr. Makarand Mahajan	Chief Financial Officer	2.67	-
09	Mrs. Divyani Koshta	Company Secretary & CO	1.18	-
10	Mrs. Charu Singh	Company Secretary	0.38	-

01 Mrs. Asha Jain is Whole Time Director and not getting remuneration.

02 Mrs. Priya Jain is Executive Director and not getting remuneration

03 Mr. Pawan Jain is Non- Executive Director and not getting any remuneration or commission.

(Till 02-12-2021)

04 Mr. Sanjay Kumar Jain is Non- Executive Director w.e.f. 31-12-2021 and not getting any remuneration or commission.

05 Mr. Achyutanand Mishra being Independent Director, he is not eligible for remuneration. He is getting sitting fee for attending meeting.

06 Mr. Noazer Aibara being Independent Director, he is not eligible for remuneration. He is getting sitting fee for attending meeting.

- b. **The number of permanent employees on the rolls of the Company as at March 31, 2022: 739**

- c. **Average percentile increase already made in the salaries of employees including the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

During the year increment has been taken placed.

Name of Director/KMP	Remuneration of Director/KMP in F.Y. 2020-21	Remuneration of Director/KMP in F.Y. 2021-22	% increase in F.Y. 2021-22	Ratio(times) of the remuneration of each director to the median remuneration of the employees
Swapnil Jain	11,482,500.00	14,400,000.00	25.41%	30.08
Priya Jain	682,500.00	-	0.00%	-
Asha Jain	630,000.00	-	0.00%	-
Makarand Mahajan CFO-(KMP)	956,609.00	1,277,313.00	33.53%	2.67
Vijay Sharma- VP-(KMP)	1,367,584.00	2,000,000.00	46.24%	4.18

*Date of appointment of Mr. Makarand Mahajan is w.e.f. 01.06.2021

d. Affirmation that the remuneration is as per the remuneration policy of the Company:

The remuneration for MD/ED/KMP/rest of the employees is as per the remuneration policy of the Company

For and on behalf of the Board of Directors
PAVNA INDUSTRIES LIMITED
(Formerly known as Pavna Zadi Security Systems Limited)

SD/-

Mr. SWAPNIL JAIN
MANAGING DIRECTOR
(DIN: 01542555)

Place: Aligarh
Date: 01/09/2022

ANNEXURE IV

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31st, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
PAVNA INDUSTRIES LIMITED,
VIMLANCHALHARI NAGAR ALIGARH,
UTTAR PRADESH UP 202001 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PAVNA INDUSTRIES LIMITED** (hereinafter called ("**The Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, registers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31st, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-law framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Specific compliances with respect to the regulations were adhered to by the company during the reporting period.)
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (*No specific transactions were found during the reporting period*)
 - c) The Securities and Exchange Board of India (Listing obligations and Disclosure requirements) Regulations, 2015; (*No specific transactions were found during the reporting period*)
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable during the reporting period)

- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(No specific transactions were found during the reporting period, to which the above guidelines shall be applicable.)*
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(No specific transactions were found during the reporting period, to which the above guidelines shall be applicable.)*
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. *(Specific compliances with respect to the regulations were adhered to by the company during the reporting period.)*
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(No specific transactions were found during the reporting period, to which the above guidelines shall be applicable.)*
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. *(No specific transactions were found during the reporting period, to which the above guidelines shall be applicable.)*
- j) Other laws applicable to the Company as per the representations made by the Management.
 - (1) The Secretarial Standards issued by the Institute of Company Secretaries of India.
 - (2) The Listing Agreements entered into by the Company with NSE Limited, read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent listing of Equity shares;

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- 1) The company is not able to identify the MSME vendors and the total outstanding dues of MSME vendors are more than 45 days. Accordingly, the Company has not filed Form MSME-1 with respect to the outstanding payments due to the MSME vendors.
- 2) A non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 (Listing Regulations) has been observed during the reporting period and therefore a monetary penalty of Rs. 50,000 (Rupees Fifty Thousand only) (additional GST) has been imposed on the company vide letter NSE/LIST-SOP/COMB/FINES/0821 dated 14th December, 2021.

I further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) All the decisions of the Board as well as committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or the committees of the Board, as the case may be.
- c) I further report that there is scope to improve the systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the following mentioned events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

d) *The company has altered the Object Clause of the Memorandum of Association of the company during the reporting period.*

Above alteration has been made by the members of the company in its Annual General Meeting held by the company dated 29th September, 2021 by passing special resolution.

FOR D. SAGAR & ASSOCIATES

SD/-
CS SAGAR R.DEO
(Practicing Company Secretary)
CP No: 11547
UDIN: F009518D000882051
Peer Review NO.: 1192/2021

Place: Aurangabad
Date: 31/08/2022

Note: This report is to be read with our letter of even date which is annexed as “ANNEXURE-I” and forms an integral part of this report.



ANNEXURE-I

To,
The Members,
PAVNA INDUSTRIES LIMITED,
VIMLANCHALHARI NAGAR ALIGARH,
UTTAR PRADESH UP 202001 IN

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company and non-compliances reported shall not be conclude as complete & final.

FOR D. SAGAR & ASSOCIATES

SD/-
CS SAGAR R.DEO
(Practicing Company Secretary)
CP No: 11547
UDIN: F009518D000882051
Peer Review NO.: 1192/2021

Place: Aurangabad
Date: 31/08/2022

Form AOC -1
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries
(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl.	Particulars	Amount	Amount	Amount	Amount	Amount
01	Name of the subsidiary	Swapnil Switches Pvt. Ltd.	Pavna Auto Engineering Pvt. Ltd.	Pavna Sunworld Autotech Pvt. Ltd.	Pavna Marketing Pvt. Ltd.	Pavna Goyam Auto Pvt. Ltd.
02	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	FY 2021-22	FY 2021-22	FY 2021-22	FY 2021-22	FY 2021-22
03	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	NA	NA
04	Share capital (Rs.)	6090000	6090000	10000000	1000000	50000000
05	Reserves & surplus	41043139	167432706	(402968)	9338603	(13838546)
06	Total assets	129899927	307292691	12941993	138259843	476880196
07	Total Liabilities	129899927	307292691	12941993	138259843	476880196
08	Investments	0	0	0	0	0
09	Turnover	203303377	468733370	2579755	517668656	532094760
10	Profit before taxation	8246139	24941968	(826503)	5020595	3741041
11	Provision for taxation	2379108	6576056	(121802)	1249293	(1322975)
12	Profit after taxation	5867031	18365912	(704701)	3771302	5064016
13	Proposed Dividend	0	0	0	0	0
14	% of shareholding	50.74%	50.74%	71.50%	99.99%	51%

The following information shall be furnished:-

- Names of subsidiaries which are yet to commence operations –Nil
- Names of subsidiaries which have been liquidated or sold during the year- Nil

Form No. AOC-2
Particulars of Contracts or Arrangements with Related Parties

(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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

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

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

Name(s) of the related party	Mr. Swapnil Jain	Mr. Pawan Jain	Mrs. Asha Jain
Nature of relationship	Managing Director in the Company	Directorship in the Company	Directorship in the Company
Nature of contracts/arrangements/transaction	- Remuneration - Interest	- Building Rent - Trade Mark Royalty - Lease Rent	- Building Rent - Trade Mark Royalty
Duration of the contracts / arrangements/transactions	1 Year	1 Year	1 Year

Salient terms of the contracts or arrangements or transactions including the value, if any	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time
Date(s) of approval by the Board, if any	30-June-2021	30-June-2021	30-June-2021
Amount paid as advances, if any:	NA	NA	NA

Name(s) of the related party	Swapnil Switches Pvt. Ltd.	Pavna Auto Engineering Private Limited	Pavna Sunworld Autotech Pvt. Ltd.
Nature of relationship	Subsidiary Company	Subsidiary Company	Subsidiary Company
Nature of contracts/arrangements/transaction	- Purchase - Sale	-Purchase -Sale	-Purchase -Sale
Duration of the contracts / arrangements/transactions	1 Year	1 Year	1 Year
Salient terms of the contracts or arrangements or transactions including the value, if any	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time
Date(s) of approval by the Board, if any	30-June-2021	30-June-2021	30-June-2021
Amount paid as advances, if any:	NA	NA	NA

Name(s) of the related party	Pavna Marketing Pvt. Ltd.	PJ Wealth Management & Consultant Pvt. Ltd.	Pavna Goyam Auto Private Limited
Nature of relationship	Subsidiary Company	Group Company	Subsidiary Company
Nature of contracts/ arrangements /transaction	- Purchase - Sale	Loan Taken	- Purchase Sale
Duration of the contracts / arrangements/transactions	1 Year	1 Year	1 Year
Salient terms of the contracts or arrangements or transactions including the value, if any	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time
Date(s) of approval by the Board, if any	30-June-2021	30-June-2021	09-July-2021
Amount paid as advances, if any:	NA	NA	NA

INDEPENDENT AUDITORS' REPORT

To the Members of **PAVNA INDUSTRIES LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of PAVNA INDUSTRIES LIMITED (“the Company”), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information other than the financial statements and auditors’ report thereon

The Company’s board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board’s Report including Annexures to Board’s Report but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including

the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude

that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be

influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid 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 the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
 - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the Note-30 of notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the Note-30 of notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. No dividend have been declared or paid during the year by the company.

For DAS MAHESHWARI & COMPANY
Chartered Accountants
FRN: 0007259C

SD/-
GHANSHYAM DAS MAHESHWARI
(Partner)
Membership No. 076273

Place:-ALIGARH
Date: 30/05/2022
UDIN:22076273AJWQFR9268

The Annexure referred to in paragraph 1 of Our Report on “Other Legal and Regulatory Requirements”.

We report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) The company is maintaining proper records showing full particulars of intangible assets;
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) (a) During the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity:
 - (A) the aggregate amount during the year with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates is Rs.1,50,00,000.00/- and balance outstanding at the balance sheet date is Rs.1,50,00,000.00/-;
 - (B) the aggregate amount during the year with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates is Rs.Nil- and balance outstanding at the balance sheet date is Rs.Nil.
- (b) According to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest.

However the company is not charging any interest on an advance of Rs.1,50,00,000.00 given to its subsidiary company.

- (c) There is no stipulation of schedule of repayment of principal and payment of interest and therefore we are unable to comment on the regularity of repayment of principal & payment of interest.
- (d) Since the term of arrangement do not stipulate any repayment schedule we are unable to comment whether the amount is overdue or not.
- (e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment:
- Aggregate amount of loans or advances of above nature given during the year is Rs.1,50,00,000.00.
 - Percentage thereof to the total loans granted is 100%.
 - Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is Rs. 1,50,00,000.00.
- (iv) In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with except non charging of interest on the loan.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013.
- (vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (vii) (a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.
- (viii) According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;
- (c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) In our opinion and according to the information and explanations given by the management, funds

raised on short term basis have not been utilised for long term purposes.

- (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- (xii) The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- (xiv)(a) According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business;
- (b) the reports of the Internal Auditors for the period under audit were considered by us;
- (xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

- (xx)
- (a) In respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act, except in respect of following;

Financial year*	Amount unspent on CSR activities "other than Ongoing Projects"	Amount Transferred to Fund specified in Sch VII within 6 months from the end of the Financial Year	Amount Transferred after the due date (specify the date of deposit)
2020-2021	3,74,924.00		3,74,924.00
2021-2022	7,86,795.00	7,86,795.00	

(*For Current year and for the previous year/(s) for which the amount remains unspent)

- (b) In respect of ongoing project the company has transferred unspent amount to a Special Account, within a period of 30 days from the end of the financial year in compliance with Sec.135(6) of the said Act.
- (xxi) There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements except following:

Sr. No	Name	CIN	Holding Company/ subsidiary/ Associate/ Joint Venture	Case number of the CARO report which is qualified or adverse

For DAS MAHESHWARI & COMPANY
Chartered Accountants
FRN: 0007259C

Place:-ALIGARH
Date: 30/05/2022
UDIN:22076273AJWQFR9268

SD/-
GHANSHYAM DAS MAHESHWARI
(Partner)

Membership No. 076273

Report on Internal Financial Controls with reference to financial statements**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 PAVNA INDUSTRIES LIMITED (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

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 judgement, 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 March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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For DAS MAHESHWARI & COMPANY
Chartered Accountants
FRN: 0007259C

Place:-ALIGARH
Date: 30/05/2022
UDIN:22076273AJWQFR9268

SD/-
GHANSHYAM DAS MAHESHWARI
(Partner)
Membership No. 076273

BALANCE SHEET AS ON 31ST MARCH 2022

PARTICULARS		NOTE No.	AS AT		AS AT	
			MARCH 31, 2022		MARCH 31, 2021	
			<u>Amount (Lakhs)</u>		<u>Amount (Lakhs)</u>	
A)						
					-	-
					-	-
	EQUITY AND LIABILITIES					
1)	Shareholders' Funds					
a)	Share Capital	3	609.04		609.04	
b)	Reserves & Surplus	4	4,592.90	5,201.94	3,952.04	4,561.08
2)	Non-Current Liabilities					
a)	Long-term Borrowings	5	1,678.88		1,821.68	
b)	Deferred Tax Liabilities (Net)	6	198.57		114.55	
c)	Long-term provisions	7	133.85	2,011.30	98.88	2,035.10
3)	Current Liabilities					
a)	Short-term Borrowings	8	5,768.17		2,717.83	
b)	Trade Payables	9	3,770.38		2,955.27	
c)	Other Current Liabilities	10	70.05		86.24	
d)	Short-Term Provisions	11	199.65	9,808.25	176.07	5,935.42
	TOTAL			17,021.49		12,531.60
B)						
	ASSETS					
1)	Non-Current Assets					
a)	Property, Plant and Equipment and Intangible Assets					
	(i) Property, Plant and Equipment	12	4,819.06		4,641.21	
b)	Non- Current Investments	13	1,219.03		964.03	
c)	Non- Current Assets	14	344.39	6,382.47	375.38	5,980.61
2)	Current Assets					
a)	Inventories	15	5,725.40		2,925.49	
b)	Trade Receivables	16	4,081.93		2,794.61	
c)	Cash & Bank Balances	17	24.06		27.78	
d)	Short-term Loans & Advances	18	807.64		803.12	
				10,639.02		6,550.99
	TOTAL			17,021.49		12,531.61

AUDITORS' REPORT**FOR & ON BEHALF OF THE BOARD OF DIRECTORS**

As per our audit report of even date attached.

FOR DAS MAHESHWARI & COMPANY, CHARTERED ACCOUNTANTS

(Registration No 007259C)

SD/-

Ghanshyam Das Maheshwari

Partner

M.No. 076273

PLACE : ALIGARH

DATE:30.05.2022

SD/-

Asha Jain

DIN: 00035024

Director

SD/-

Makarand Mahajan

CFO

PAN:ABUPM4863G

SD/-

Swapnil Jain

DIN: 01542555

Managing Director

SD/-

Charu Singh

CS&CO

PAN: CVBPS6669B

PAVNA

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

PARTICULARS		NOTE No.	YEAR ENDED MARCH 31, 2022 Amount (Lakhs)	YEAR ENDED MARCH 31, 2021 Amount (Lakhs)
A)	REVENUE FROM OPERATIONS (GROSS)	19	24,954.28	17,121.70
B)	OTHER INCOME	20	21.89	14.41
C)	TOTAL REVENUE {(A)+(B)}		24,976.17	17,136.11
D)	<u>EXPENSES</u>			
	1) Cost of materials consumed	21	19,373.95	12,070.78
	2) Changes in inventories of work-in-progress	22	(1,822.57)	(721.36)
	3) Employee benefits Expenses	23	2,306.77	1,724.92
	4) Finance costs	24	623.72	445.10
	5) Depreciation & amortisation expense	12	536.61	355.52
	6) Other Expenses	25	3,028.46	2,519.59
	TOTAL EXPENSES		24,046.94	16,394.56
E)	PROFIT BEFORE EXTRAORDINARY ITEM{(C)-(D)}		929.23	741.55
F)	<u>EXTRAORDINARY ITEMS</u>			
	Less: Profit/(Loss) on sale of Fixed Asset		58.45	34.24
	Less: Profit/(Loss) on sale of Investment		-	-
	Prior Period Item			
	Less: Currency Fluctuation			
E)	PROFIT AFTER EXTRAORDINARY ITEM{(E)-(F)}		987.68	775.80
G)	<u>TAX EXPENSES</u>	26		
	1) Current Tax		262.80	165.44
	2) Deferred Tax		84.03	80.74
H)	PROFIT FOR THE YEAR {(E)-(F)}		640.85	529.62
I)	<u>EARNING PER EQUITY SHARE (in Rs.)</u>	27		
	1) Basic		10.52	8.70
	2) Diluted		10.52	8.70

AUDITORS' REPORT

As per our audit report of even date attached.

FOR DAS MAHESHWARI & COMPANY

CHARTERED ACCOUNTANTS

(Registration No 007259C)

SD/-

**GHANSHYAM DAS MAHESHWARI
PARTNER**

M.No. 076273

PLACE : ALIGARH

DATE: 30.05.2022

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

SD/-
(ASHA JAIN)
DIN: 00035024

DIRECTOR

SD/-
MAKARAND MAHAJAN
CFO
PAN- ABUPM4863G

SD/-
(SWAPNIL JAIN)
DIN: 01542555

DIRECTOR

SD/-
CHARU SINGH
CS & CO
PAN- CVBPS6669B

PAVNA

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2022

Particulars	Financial Year Ended 2022	Financial Year Ended 2021
Cash Flow From Operating Activities		
Net Profit Before Tax	987.68	775.80
Adjustments for :		-
Prior period adjustment	-	-
Depreciation/Amortisation	536.61	354.91
Loss/Profit on sale of asset	(58.45)	(34.24)
Loss on sale of shares	-	-
Interest Received	(0.78)	(1.00)
Finance cost	623.72	445.10
FBT Write off	-	0.80
Operating Profit Before Working Capital Adjustment	2,088.78	1,541.37
Adjustment for Changes in Working Capital		
Trade and other payable	815.11	626.74
Long-term provisions	34.97	(25.85)
Short-term provisions	23.58	304.94
Other Current Liabilities	(16.19)	(354.75)
Trade and other Recievables	(1,287.32)	(871.67)
Long Term Loans &Advances	31.00	(273.66)
Short Term Loans & Advances	(4.52)	(410.53)
Other Current Assets	-	36.49
Inventories	(2,799.91)	(1,113.83)
Cash Flow Generated from Operations	(1,114.49)	(540.75)
Taxes Paid	262.80	165.44
Net Cash flow from Operating activities (A)	(1,377.30)	(706.18)
Cash Flow From Investing Activities		
(Purchase)/Sale of Fixed Assets	(714.44)	(639.28)
Change in Current investment		(182.28)
Loss on sale of fixed asset	58.45	34.24
Interest Received	0.78	1.00
Non Current Investment	(255.00)	-
Net Cash Flow from Investing Activites (B)	(910.21)	(786.32)
Cash Flow From Financing Activities		
Issue of Share Capital	-	1,488.96
Proceeds from/ (Repayment of) Borrowing	2,907.54	444.87
Finance cost	(623.72)	(445.10)

Net Cash Flow From Financing Activities (C)	2,283.82	1,488.73
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(3.69)	(3.78)
Cash & Cash equivalent at the beginning of the year	27.78	31.55
Cash & Cash Equivalent at the end of the year	24.06	27.78
Cash and cash equivalents comprises of:		
Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash-in-Hand	5.24	5.90
Balance with Banks	2.33	6.00
Balance in FD	16.49	15.88
Total	24.06	27.78

AUDITORS' REPORT

As per our audit report of even date attached.

FOR DAS MAHESHWARI & COMPANY
CHARTERED ACCOUNTANTS
 (Registration No 007259C)

FOR & ON BEHALF OF THE BOARD OF
 DIRECTORS

SD/-
(ASHA JAIN)
 DIN: 00035024
DIRECTOR

SD/-
(SWAPNIL JAIN)
 DIN: 01542555
DIRECTOR

GHANSHYAM DAS MAHESHWARI
PARTNER
M.No. 076273

PLACE : ALIGARH
DATE:30.05.2022

SD/-
MAKARAND
MAHAJAN
 CFO
 PAN- ABUPM4863G

SD/-
CHARU SINGH
 CS & CO
 PAN- CVBPS6669B

NOTES

Accounting Policies for the year ended March 31, 2022

1. Corporate Information

Pavna Industries Limited ('PIL' or 'the Company'), having its registered office at Vimlanchal, Gopal Puri, Aligarh, India, was incorporated on April 19, 1994. The Company is engaged in business of manufacturing of Locks, Auto Locks and Auto Parts in India.

2. Significant Accounting Policies

a. Basis of preparation of Financial Statements

The financial statements have been prepared on the basis of a going concern assumption, on historical cost convention and on accrual method of accounting in accordance with the generally accepted accounting principles in India, Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable and the provisions of the Companies Act, 2013 as adopted consistently by the Company.

b. Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, the useful lives and provision for impairment of fixed assets and intangible assets. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

c. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period associated with investing or financial cash flows.

d. Cash and Bank Balances

Cash and bank balances comprises of two sub-headings, viz., "Cash and cash equivalents" and "Other bank balances." Cash and Cash equivalents constitutes items defined in accordance with AS 3. Cash is defined to include cash on hand and demand deposits with banks. Cash Equivalents are defined as short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Other bank balances would comprise of items such as balances with banks to the extent of held as margin money or security against borrowings etc., and bank deposits with more than three months maturity.

e. Property, Plant & Equipment

Tangible Assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method, considering a salvage value of 5%. The estimated useful lives of assets are as follows:

Asset	Estimated useful life
Plant & equipment	8 years
Office equipment	10 years
Computers and Computer peripherals	3 years
Building	30 years
Car	8 years
Furniture and fixture	10 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in net profit in the Statement of Profit and Loss when incurred. Depreciation is charged from the time asset is available for use. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss.

f. Depreciation and Amortization

Depreciation on property, plant & equipment is provided on pro-rata basis for the period of use based on useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013.

g. Revenue Recognition

Revenue is recognized on mercantile basis.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head 'Other income' in the statement of profit and loss.

h. Employee Benefits

The company accounts for salaries on accrual basis. Defined Contribution plans and short term employee benefits such as salary, bonus, provident fund, etc. are charged to Profit & Loss account when the contributions are due. The present value of the obligations under defined benefit plans is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the Profit & Loss Account.

i. Foreign currency transactions

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences except those qualifying for hedge accounting are recognized in the Statement of Profit and Loss.

j. Investments

Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary

k. Inventories

Inventories are valued at lower of cost and net realisable value; whichever is lower. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales.

I. Taxes on Income

- i. Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income—tax is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.
- ii. Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed tax depreciation are recognised only when there is a virtual certainty of their realisation. Other deferred tax assets are recognised only when there is a reasonable certainty of their realization.

m. Provisions and Contingent Liabilities

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. All known liabilities till finalization of accounts are provided for except as disclosed in notes to accounts are contingent liability. Such provisions reflect best estimates based on available information.

However, a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

n. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the number of shares outstanding during the period.

o. Segment Reporting

The Company's only identifiable reportable segment is manufacturing of Auto Locks and Auto Parts and hence disclosure of Segment wise information is not applicable under Accounting Standard – 17 “Segment Information” (AS-17). There are no geographical segments to be reported.

2. Notes on Financial Statements for the year ended March 31, 2022

- a. There is no employee who is in the receipt of remuneration exceeding the limit prescribed in accordance with the provisions of Companies Act, 2013.
- b. Managerial Remuneration paid to directors is as follows:-

Particulars	Year ended March 31,	
	2022	2021
Mrs. Asha Jain		6,82,500.00
Mr. Swapnil Jain	1,44,00,000.00	1,14,82,500.00
Mrs. Priya Jain		6,30,000.00

- c. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.

- d. The company has not received any intimation from supplier regarding their status under micro, small and medium enterprises development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year-end together with interest payable as required under the said Act have not furnished.
- e. In the opinion of the management the value on realization of current assets, Loans & Advance in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- f. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
- g. The Management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

h. Payments to Auditors:

Particulars	Year ended March 31,	
	2022	2021
Audit Fees	30,000.00	22,500.00
Tax Audit Fees	20,000.00	7,500.00
G.S.T. (At the time of payment)	---	---
Total	50,000.00	30,000.00

i. Related Party disclosure:

The transactions with related parties are disclosed in Note No. 31.

- j. Deferred Tax Liabilities (Net) of **Rs. 84,02,577.00** have been created during the current year as per the provisions prescribed in AS-22 issued by The Institute of Chartered Accountants of India. Major components of Deferred tax:-

Particulars	As at 31.03.2022 (Rs.)	As at 31.03.2021(Rs.)
A) Deferred Tax Liability		-
Depreciation	2,08,44,169.00	1,22,70,760.00
Others		
Total(A)	2,08,44,169.00	1,22,70,760.00
B) Deferred Tax Assets		
Depreciation		
Others (Provision for Gratuity)	9,86,935.00	8,58,492.00
Total(B)	9,86,935.00	8,58,492.00
Net Deferred Tax liabilities/(assets)	1,98,57,234.00	1,14,54,657.00

k. % of imported & indigenous raw material & consumables

Particulars	2021-22		2020-21	
	%	Amount	%	Amount
Imported	0.10	19,30,708.00	0.36	44,64,431.74
Indigenous	99.90	200,50.48,198.00	99.64	123,24,03,165.05

l. Value of Imports:

Particulars	2021-22	2020-21
	Amount	Amount
Raw Material & Consumables	19,30,708.00	44,64,431.74
Finished Goods	NIL	NIL

m. Foreign Currency Transaction

PARTICULARS	2021-22		2020-21	
	EURO	US \$	EURO	US \$
Import in Foreign Exchange		29362.25		70005.47
Expenditure in Foreign Exchange	13,095.00		11,000.00	1240
Export in Foreign Exchange	473316.7	587504.7	220504.6	590035.9

n. Previous year figures have been regrouped and reclassified whenever necessary to confirm to the current year classification.

4. RESERVES AND SURPLUS				
PARTICULARS			AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)	
a)	General Reserve			
	Balance outstanding at the beginning of year		1.12	1.12
	Add	Transferred from surplus in Statement of Profit		
	:	and Loss		-
	Balance outstanding at the end of the year		1.12	1.12
b)	Surplus in Statement of Profit and Loss			
	Balance outstanding at the beginning of year		2,552.20	2,281.99
	Less: Bonus Issue		-	-259.40
	Add	Transferred from Statement of Profit & Loss	640.85	529.62
	:		3,193.06	2,552.20
	Balance outstanding at the end of the year		3,193.06	2,552.20
c)	Security Premium		1,398.72	1,398.72
	TOTAL		4,592.90	3,952.04

5. LONG-TERM BORROWINGS				
PARTICULARS			AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)	
a)	Term Loan			
	Secured Loans			
		from Bank including Car Loan	503.94	-
		from Financial Institutions	-	828.06
b)	Loans and advances from related parties			
		from Directors	202.56	0.00
		from Corporate entities	972.38	993.62
		TOTAL	1,678.88	1,821.68
<i>additional information</i>				
i)	Loans taken from related parties have been treated as per AS-18. Interest on such loans have been duly credited in Interest account.			

6. DEFERRED TAX LIABILITIES (NET)				
PARTICULARS			AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)	
a)	Deferred Tax Liabilities			
	On difference between book balance and tax balance			
		of fixed assets	198.57	114.55
b)	Deferred Tax Assets			
	DEFERRED TAX LIABILITIES (NET)		198.57	114.55
	NET AMOUNT CHARGED TO STATEMENT OF PROFIT			
		AND LOSS (AS PER AS-22)	84.03	80.74
7. LONG TERM PROVISIONS				
PARTICULARS			AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)	
		Provision for Gratuity	133.85	98.88
			133.85	98.88
8. SHORT TERM BORROWINGS				

PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Loans repayable in Short Term		
	Secured		
	from Bank	3,931.80	621.22
	from Financial Institutions	1,500.00	1,839.57
b)	Current maturities to Long Term Debt		
	From Banks including Car Loans	336.37	257.04
	From Financial Institutions		-
	From Unsecured Loan		
	TOTAL	5,768.17	2,717.83
<i>additional information</i>			
i)	Secured Loans by way of first charge by hypothecation on the entire stock of raw materials, work in progress, stores and spares, both present and future book debts, receivable.		
9. TRADE PAYABLES			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
	For Goods & Services		
	Less then 6 months	3,473.03	2,464.25
	6 months - 1 Year	3.63	0.00
	1-2 Year	4.42	9.94
	2-3 Year	2.52	18.45
	More then 3 Year	18.42	0.16
	For Others	268.36	462.47
	TOTAL	3,770.38	2,955.27
<i>additional information</i>			
i)	Trade Payables are subject to confirmation & reconciliation.		
10. OTHER CURRENT LIABILITIES			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Advance from Customers	20.21	10.00
b)	Capital Receipt in Advance		0.50
c)	Other Payables		

	Statutory Dues payable	49.84	75.73
	TOTAL	70.05	86.24

11. SHORT TERM PROVISIONS			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Provision for employee benefits		
	Provision for Bonus	134.83	115.38
	Provision for Gratuity	64.55	60.55
b)	Provision for Others	-	0.00
	Provison for Audit Fees	0.27	0.14
	TOTAL	199.65	176.07

13. NON-CURRENT INVESTMENT			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Shares of Swapnil Switches Pvt. Ltd.	197.76	197.76
b)	Shares of Pavna Marketing Pvt. Ltd.	10.00	10.00
c)	Shares of Pavna Sunworld Autotech Pvt. Ltd.	71.50	71.50
d)	Shares of Pavna Auto Engineering Pvt. Ltd.	684.77	684.77
e)	Shares of Pavna Goyam Auto Pvt. Ltd.	255.00	0.00
	TOTAL	1,219.03	964.03

14. OTHER NON CURRENT ASSETS			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Other (Deposits)	344.39	375.38
	TOTAL	344.39	375.38

15. INVENTORIES			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Finished Goods		-
b)	Raw Materials	1,660.37	862.79
c)	Work-in-Progress	3,721.51	1,898.94
d)	Store and Spares	343.52	163.76
	TOTAL	5,725.41	2,925.49

<i>additional information</i>	
i)	Detailed Inventories of Work in Progress Raw Material Of Zinc ,Alumunium , Brass ,Powder And Other Consumable At Different Stage Of Its Processing To Final Product.
ii)	Valuation Of Stocks Fifo Method Lower Of Cost Or Net Realizable Value

16. TRADE RECEIVABLES			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Trade receivables		
	Undisputed Trade receivables – considered good		
	Less then 6 months	4,070.72	2,790.45
	6 months - 1 Year	10.10	3.05
	1-2 Year	1.11	1.11
	TOTAL	4,081.93	2,794.61
<i>additional information</i>			
i)	Trade Receivables (Unsecured, considered good) are subject to confirmation & reconciliation.		

17. CASH AND BANK BALANCES			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
Cash and Cash Equivalent			
a)	Cash in Hand	5.24	5.90
b)	Balance with Banks in Current Accounts	2.33	6.00
Other Bank Balances			
a)	Bank FDRs	16.49	15.88
	TOTAL	24.06	27.78
<i>additional information</i>			
i)	Bank accounts have been reconciled attached to financial statement.		
18. SHORT TERM LOANS AND ADVANCES			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Advance to suppliers	455.38	681.01
b)	Balances with government authorities	199.56	71.88
c)	Advance Income Tax/TDS (Net)/ TCS (Net) Recievable	(13.59)	35.01

d)	Unsecured Loan to Subsidiary	150.00	0.00
e)	Prepaid Expense	16.29	15.22
	TOTAL	807.64	803.12

19. REVENUE FROM OPERATIONS			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Sale of manufactured goods (Gross)	24,954.28	17,121.70
b)	REVENUE FROM OPERATIONS (NET)	24,954.28	17,121.70
ii)	AS-9, Revenue Recognition, has been duly followed in recognition of revenue.		
20. OTHER INCOME			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Other Non-Operating Income		
	Miscellaneous Income	0.00	0.13
	Interest on FDR	0.78	1.00
	Export incentive	14.70	12.69
	Rent received	0.60	0.60
	Interest on I.T Refund	5.81	-
	TOTAL	21.89	14.41
21. COST OF MATERIALS CONSUMED			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Opening Stock	862.79	543.50
b)	Add : Purchases including Freight	20,171.53	12,390.07
		21,034.31	12,933.57
c)	Less: Closing Stock	1,660.37	862.79
	Cost of Materials Consumed	19,373.95	12,070.78
<i>additional information</i>			
i)	Material Consumed comprises Zinc, Aluminum, Brass Sheet, CRC Sheet, Iron, Plastic Material etc.		

22. CHANGES IN INVENTORIES OF WORK-IN-PROCESS			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Work in Process		
	Inventories at the beginning of the year	1,898.94	1,177.58
	Inventories at the end of the year	3,721.51	1,898.94
	TOTAL	(1,822.57)	(721.36)
<i>additional information</i>			
i)	Work in Progress includes Semi Finished Goods/Components lying at assembly shop.		
23. EMPLOYEE BENEFIT EXPENSES			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Directors Remuneration	144.00	127.95
b)	Salaries and Wages	1,648.59	1,187.42
c)	Contributions to provident and other funds	115.89	92.09
d)	Staff Welfare Expenses	228.23	176.74
e)	Bonus	130.84	111.39
f)	Gratuity	39.21	29.34
	TOTAL	2,306.77	1,724.92
<i>additional information</i>			
i)	Net of Recoveries		
24. FINANCE COSTS			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Interest on:		
	Borrowings/ Others	130.49	213.96
	Secured Loans	263.07	43.96
	Unsecured Loans	163.53	163.08
	Car Loan	2.85	6.90
b)	Other Borrowing Cost	63.78	17.21
	TOTAL	623.72	445.10

25. OTHER EXPENSES

PARTICULARS	AS AT March 31, 2022	AS AT March 31, 2021
		Amount (Lakhs)
a) Consumption of Stores, Spares, Packing and Tools*	326.82	297.90
b) Communication expense	6.95	5.27
c) Diecasting/ job work charges	960.24	648.78
d) CSR Activity	7.50	10.00
e) Electricity expense	18.13	10.60
f) Export promotion expense	0.83	0.56
g) Freight & forwarding expense	222.42	166.20
h) Insurance	19.34	15.60
i) Interest on late payments	1.79	0.39
j) ISO TS certification expense	3.21	2.41
k) Legal & Professional	45.77	66.33
l) Membership expense	2.01	2.09
m) Miscellaneous Expenses/Balance Write off	2.09	0.03
n) Non competitive fee	125.00	125.00
o) Office expense	23.44	14.92
p) Power and fuel expense	712.77	572.17
q) Printing & stationery expense	13.47	12.41
r) R & D expense	1.20	1.00
s) Rebate & Discount	1.70	5.82
t) IPO Exp	1.55	43.20
u) Rent (including lease rentals)	66.87	94.98
v) Repairs & maintenance- machinery	83.51	74.18
w) Repairs & maintenance- others	111.34	83.94
x) Sales Promotion expense	22.04	30.95
y) Sales tax/ GST/ROC	0.56	0.52
z) Security expense	64.33	70.90
za) Software Expenses	13.95	9.79
zb) Trade Mark royalty	62.39	85.61
zc) Travelling & conveyance expense	24.02	11.72
zd) Vehicle running & maintenance expense	74.22	21.10
ze) Foreign Currency Fluctuation	2.69	8.06
zf) Bad Debts	3.80	4.30
zg) FBT Provision w/off	-	0.80
zh) Warranty claim/ Line rejection expense	0.64	21.77
zi) Payments to Auditors	0.50	0.30
zj) Market Representative Expenses	1.39	-
TOTAL	3,028.46	2,519.59

**additional information*

i)	Consumption of Stores, Spares, Packing and Tools		
	Opening Stock	163.76	90.58
Add:	Consumption of stores and spare parts	255.53	191.08
	Consumption of loose tools	65.66	72.68
	Consumption of packing materials	131.37	87.96
	Polishing and Plating Material	54.02	19.36
		670.34	461.66
Less:	Closing Stock	343.52	163.76
	Net Consumption of Stores, Spares, Packing and Tools	326.82	297.90

26. TAX EXPENSES			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Current Tax	262.80	165.44
b)	Deferred Tax	84.03	80.74
	TOTAL	346.83	246.18

27. EARNING PER SHARE			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Net Profit after Tax	640.85	529.62
b)	Weighted Average no. of equity shares outstanding		
	during the year (In Lakhs)		
	for Basic EPS (Nos.)	60.90	60.90
	for Diluted EPS (Nos.)	60.90	60.90
c)	Earning Per Share		
	Basic (in Rs.)	10.52	8.70
	Diluted (in Rs.)	10.52	8.70
d)	Nominal Value Per Share (in Rs.)	10.00	10.00

28. EMPLOYER'S CONTRIBUTION			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Employer's Contribution to P.F.	88.89	69.48
a)	Employer's Contribution to E.S.I.	27.01	22.61

29. IMPORTED AND INDIGENOUS MATERIALS CONSUMED			
PARTICULARS		AS AT March 31, 2022	AS AT March 31, 2021
			Amount (Lakhs)
a)	Raw Materials		
	Imported (in kg.)	-	0.22
	Indigenous (in kg.)	25.85	18.96

b)	Stores, Spares, Packing and Tools		
	Imported (in Rs.)	7.06	8.78
	Indigenous (in Rs.)	319.76	289.11

30. RELATED PARTY DISCLOSURES

S.N.	NAME OF PERSON	RELATION	NATURE OF PAYMENT	AS ENDED March 31, 2022	AS ENDED March 31, 2021
	Loan taken during the year				Amount (Lakhs)
1	SMT. ASHA JAIN	DIRECTOR	Loan taken	711.00	231.09
2	SMT. PRIYA JAIN	DIRECTOR	Loan taken	-	112.86
3	SHRI SWAPNIL JAIN	MANAGING DIRECTOR	Loan taken	100.00	24.00
4	PJ WEALTH MANAGEMENT & CONSULTANTS P. LTD.	SISTER CONCERN	Loan taken	442.28	1,095.23
	Loan Repaid during the year			-	-
1	SMT. ASHA JAIN	DIRECTOR	Repayment of Loan taken	511.00	485.59
2	SHRI PAWAN JAIN	DIRECTOR	Repayment of Loan taken	-	408.57
3	SMT. PRIYA JAIN	DIRECTOR	Repayment of Loan taken	-	115.67
4	SHRI SWAPNIL JAIN	MANAGING DIRECTOR	Repayment of Loan taken	100.00	229.46
5	PJ WEALTH MANAGEMENT & CONSULTANTS P. LTD.	SISTER CONCERN	Repayment of Loan taken	470.89	715.48
	Interest on Loans (Net of TDS)			-	-
1	SMT. ASHA JAIN	DIRECTOR	Interest(Net)	26.91	19.72
2	SHRI PAWAN JAIN	DIRECTOR	Interest(Net)	-	33.46
3	SHRI SWAPNIL JAIN	MANAGING DIRECTOR	Interest(Net)	4.32	14.97
4	PJ WEALTH MANAGEMENT & CONSULTANTS P. LTD.	SISTER CONCERN	Interest(Net)	115.95	79.88
	Remuneration			-	-
1	SMT. ASHA JAIN	DIRECTOR	Remuneration	-	6.83
2	SHRI SWAPNIL JAIN	MANAGING DIRECTOR	Remuneration	144.00	114.83

3	SMT. PRIYA JAIN	DIRECTOR	Remuneration	-	6.30
	Salary & Other Expense			-	-
1	SHRI PAWAN JAIN	DIRECTOR	PROFESSIONAL CHARGES	-	3.00
2	SMT. ASHA JAIN	DIRECTOR	Building Rent	5.64	4.20
3	SHRI PAWAN JAIN	DIRECTOR	Building Rent	2.88	4.32
4	SHRI PAWAN JAIN	DIRECTOR	Lease Rent	-	0.10
5	SMT. ASHA JAIN	DIRECTOR	Lease Rent	0.10	-
6	SHRI PAWAN JAIN	DIRECTOR	Trade Mark Royalty	-	42.80
7	SMT. ASHA JAIN	DIRECTOR	Trade Mark Royalty	62.39	42.80
	Sales & Purchase			-	-
1	SWAPNIL SWITCHES PVT. LTD.	SISTER CONCERN	Purchase	178.92	73.53
2	PAVNA AUTO ENGINEERING PVT. LTD.	SISTER CONCERN	Purchase	101.61	58.83
3	SWAPNIL SWITCHES PVT. LTD.	SISTER CONCERN	Sale	659.36	518.42
4	PAVNA AUTO ENGINEERING PVT. LTD.	SISTER CONCERN	Sale	830.25	266.34
5	PAVNA SUN WORLD AUTOTECH PVT LTD	SISTER CONCERN	Sale	5.69	0.96
6	PAVNA SUN WORLD AUTOTECH PVT LTD	SISTER CONCERN	Tool Sale	-	42.41
7	PAVNA AUTO ENGINEERING PVT. LTD.	SISTER CONCERN	Tool Sale	-	133.55
8	PAVNA SUN WORLD AUTOTECH PVT LTD	SISTER CONCERN	Purchase	1.13	-
9	PAVNA MARKETING PVT LTD	SISTER CONCERN	Sale	1,308.36	2,176.04
10	PAVNA MARKETING PVT LTD	SISTER CONCERN	Purchase	134.45	150.64
11	PAVNA GOYAM AUTO PVT LTD	SISTER CONCERN	Purchase	3,842.45	-
12	PAVNA GOYAM AUTO PVT LTD	SISTER CONCERN	Sale	0.78	-
	Investment of Shares- Sales/ Purchase			-	-
1	PAVNA AUTO ENGINEERING PVT. LTD.	SISTER CONCERN	Share Purchase	-	184.74
2	PAVNA GOYAM AUTO PVT. LTD.	SISTER CONCERN	Share Purchase	255.00	-
	Security Deposits			-	-

1	SHRI PAWAN JAIN	DIRECTOR	Security Deposit	-	300.00
	Short Term Loans & Advances				
1	PAVNA GOYAM AUTO PVT. LTD.	SISTER CONCERN	Advances	150.00	-
Outstanding Balances				-	-
1	SMT. ASHA JAIN	DIRECTOR	Loan	202.56	-
2	PJ WEALTH MANAGEMENT & CONSULTANTS P. LTD.	SISTER CONCERN	Loan	972.38	993.62
3	SWAPNIL SWITCHES PVT. LTD.	SISTER CONCERN	Debtors	303.79	-
4	PAVNA MARKETING PVT LTD	SISTER CONCERN	Debtors	121.67	77.04
5	PAVNA SUN WORLD AUTOTECH PVT LTD	SISTER CONCERN	Debtors	3.93	-
6	PAVNA AUTO ENGINEERING PVT. LTD.	SISTER CONCERN	Debtors	30.43	65.67
7	PAVNA AUTO ENGINEERING PVT. LTD.	SISTER CONCERN	Creditors	3.07	20.08
8	SHRI PAWAN JAIN	DIRECTOR	Creditors	-	0.40
9	SMT. ASHA JAIN	DIRECTOR	Creditors	2.30	0.69
	PAVNA GOYAM AUTO PVT. LTD.	SISTER CONCERN	Creditors	1,287.72	-
10	SWAPNIL SWITCHES PVT. LTD.	SISTER CONCERN	Creditors	-	89.84

AUDITORS' REPORT

As per our audit report of even date attached.

**FOR DAS MAHESHWARI & COMPANY
CHARTERED ACCOUNTANTS**

(Registration No 007259C)

SD/-
**GHANSHYAM DAS MAHESHWARI
PARTNER
M.No. 076273**

**PLACE : ALIGARH
DATE:30.05.2022**

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

SD/-
**(ASHA JAIN)
DIN: 00035024
DIRECTOR**

SD/-
**(SWAPNIL JAIN)
DIN: 01542555
DIRECTOR**

SD/-
**MAKARAND MAHAJAN
CFO
PAN- ABUPM4863G**

SD/-
**CHARU SINGH
CS & CO
PAN- CVBPS6669B**

INDEPENDENT AUDITORS' REPORT

To the Members of **PAVNA INDUSTRIES LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of PAVNA INDUSTRIES LIMITED (hereinafter referred to as the 'Holding Company') **and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities**, which comprise the consolidated Balance Sheet as at 31st March 2022, and the consolidated statement of Profit and Loss, and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Company as at 31st March 2022, of consolidated profit/loss and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including

its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

- (a) We did not audit the financial statements / financial information of Five subsidiaries, namely, a) Pavna Marketing Private Limited (PMPL), b) Pavna Sunworld Autotech Private Limited (PSAPL), c) Swapnil Switches Private Limited (SSPL), d) Pavna Auto Engineers Private Limited (PAEPL) and e) Pavna Goyam Auto Pvt Ltd, whose financial statements / financial information reflect total assets of Rs.7113.60 Lakhs as at 31st March 2022, total revenues of Rs.8,618.67 Lakhs and net cash flows amounting to Rs.7.87 Lakhs for the year ended on that date, as considered in the consolidated financial statements, whose financial statements / financial information **have not been audited by us**. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2022 taken on record by the Board of Directors of **the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India** is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. There were no pending litigations which would impact the consolidated financial position of the Group, its associates and jointly controlled entities.
 - b. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India
 - d. (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the Note-29 of notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the Note-29 of notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- e. No dividend have been declared or paid during the year by the company.

For DAS MAHESHWARI & COMPANY
 Chartered Accountants
 FRN: 0007259C
 SD/-
 GHANSHYAM DAS MAHESHWARI
 (Partner)
 M.No. 076273

Place: Aligarh
 Date: 30/05/2022
 UDIN: 22076273AJWQNN3292

Report on Internal Financial Controls with reference to financial statements**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 PAVNA INDUSTRIES LIMITED as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Company, its subsidiary companies, its associates and joint ventures, which are companies incorporated in India, as of that date. for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). 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 the respective 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 internal financial controls over financial reporting of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 and the audit evidence obtained by auditors of the subsidiary companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India.

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

4. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
5. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
6. 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, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to Five subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For DAS MAHESHWARI & COMPANY
Chartered Accountants
FRN: 0007259C

Place:-ALIGARH
Date: 30/05/2022
UDIN:22076273AJWQNN3292

SD/-
GHANSHYAM DAS MAHESHWARI
(Partner)
Membership No. 076273

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2022

			(Rs. In lakhs)	
	Particulars	Note No	Financial Year Ended	
			2022	2021
EQUITY AND LIABILITIES				
1. Shareholder's funds				
	a) Share Capital	2	609.04	609.04
	b) Reserves and surplus	3	4,906.69	4,180.81
	Total Shareholder's Fund(1)		5,515.73	4,789.85
2. Minority Interest				
			1,200.47	905.92
3. Non-current liabilities				
	a) Long term borrowings	4	4,456.57	2,185.89
	b) Deferred Tax Liabilities (Net)	5	200.23	112.91
	c) Other Long Term Liabilities	6	25.00	55.00
	d) Long-term provisions	7	219.97	177.41
	Total(3)		4,901.77	2,531.20
4. Current liabilities				
	a) Short Term Borrowings	8	7,570.41	3,669.51
	b) Trade payables	9	4,191.27	3,869.76
	c) Other Current Liabilities	10	305.40	145.14
	d) Short-term provisions	11	450.04	323.96
	Total(4)		12,517.11	8,008.37
	TOTAL - 1+2+3+4		24,135.08	16,235.35
ASSETS				
1. Non - Current Assets				
a) Fixed Assets				
	i.) Tangible assets	12	7,675.79	5,235.56
	ii.) Intangible assets	12	25.00	25.00
	b) Long Term Loans and Advances	13	1,187.17	1,187.64
	c) Other Non-current assets	14	6.64	7.16
	Total(1)		8,894.59	6,455.37
2. Current Assets				
	a) Inventories	15	9,180.89	4,635.25
	b) Trade Receivables	16	5,012.28	3,845.61
	c) Cash and Bank Balances	17	68.22	64.04
	d) Short-term loans and advances	18	902.68	1,135.47
	e) Other Current Assets	19	76.42	99.60
	Total(2)		15,240.49	9,779.98
	TOTAL		24,135.08	16,235.35

Notes forming part of consolidated Financial Statements	
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AUDITORS' REPORT

As per our separate report of even date attached.

For DAS MAHESHWARI & COMPANY**Chartered Accountants**

(Registration No.: 007259C)

SD/-

GHANSHYAM DAS MAHESHWARI**PARTNER****M. No. 076273****PLACE: ALIGARH****Date: 30.05.2022****FOR & ON BEHALF OF THE BOARD OF DIRECTORS**

SD/-

ASHA JAIN
DIN: 00035024
DIRECTOR

SD/-

SWAPNIL JAIN
DIN: 01542555
DIRECTOR

SD/-

Makarand Mahajan
CFO
PAN- ABUPM4863G

SD/-

CHARU SINGH
CS & CO
PAN-
CVBPS6669B**PAVNA**

Consolidated Statement of Profit and Loss

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR 31st MARCH 2022			
			(Rs. In lakhs)
Particulars	Note No	Financial Year Ended March 31, 2022	Financial Year Ended March 31, 2021
REVENUE:			
Revenue from Operations	20	33,572.95	21,940.72
Other Income	21	63.56	19.09
Total revenue		33,636.51	21,959.81
EXPENSES:			
Cost of Materials consumed	22	23,706.26	15,166.85
Change in inventories	23	(2,114.15)	(1,289.47)
Employee Benefit Expenses	24	3,625.46	2,352.78
Financial Cost	25	926.19	536.77
Depreciation & Amortisation cost	26	920.17	404.00
Other Expenses	27	5,232.14	3,723.85
Total expenses		32,296.07	20,894.79
Profit before exceptional and extraordinary items and tax		1,340.44	1,065.02
Less: Extraordinary items			
Profit on sale of Fixed Asset		58.45	-
Loss on sale of Investment		-	-
Prior Period Item			
Currency Fluctuation		-	-
Bonus		-	6.00
Net Profit / (Loss) before Tax		1,398.90	1,059.02
Less: Tax Expenses			
(a) Current Tax		359.91	252.40
(b) Deferred Tax		74.51	85.88
Total		434.42	338.27
Net Profit / (Loss) after tax		964.47	720.75
Net Profit Attributable to Minority		152.09	97.40
Net Profit transferred to Reserves		812.39	623.35
EARNING PER EQUITY SHARE (in Rs.)	28		
Basic			
Diluted			
Notes forming part of consolidated Financial Statements			

AUDITORS' REPORT

As per our separate report of even date attached.

For DAS MAHESHWARI & COMPANY

Chartered Accountants

(Registration No.: 007259C)

SD/-

GHANSHYAM DAS MAHESHWARI

PARTNER

M. No. 076273

PLACE: ALIGARH

Date: 30.05.2022

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

SD/-

(ASHA JAIN)

DIN: 00035024

DIRECTOR

SD/-

Makarand Mahajan

CFO

PAN- ABUPM4863G

SD/-

(SWAPNIL JAIN)

DIN: 01542555

DIRECTOR

SD/-

CHARU SINGH

CS & CO

PAN-

CVBPS6669B

PAVNA

CONSOLIDATED CASH FLOW STATEMENT AS AT 31st MARCH 2022			
CASHFLOW STATEMENT		(Rs. In lakhs)	
Particulars	Financial Year Ended		
	2022	2021	
Cash Flow From Operating Activities			
Net Profit Before Tax	1,398.90	1,059.02	
Adjustments for :			
Depreciation/Amortisation	920.17	404.00	
Profit on sale of Fixed Asset	-58.45	-	
Loss on sale of shares	-	-	
Prior period	-	-	
Interest Received	-1.85	-1.77	
Finance cost	926.19	536.77	
FBT Write off		0.80	
Operating Profit Before Working Capital Adjustment	3,184.96	1,998.82	
Adjustment for Changes in Working Capital			
Trade and other payable	321.51	992.99	
Long-term provisions	42.56	-77.26	
Short-term provisions	126.08	388.71	
Other Long term Liabilities	-30.00	-	
Other Current Liabilities	160.25	-276.15	
Trade and other Recievables	-1,166.67	-886.84	
Long Term Loans & Advances	0.47	-381.86	
Short Term Loans & Advances	232.79	-445.56	
Other Non Current Assets	0.52	-5.07	
Other Current Assets	23.19	19.48	
Inventories	-4,545.64	-1,846.03	
Cash Flow Generated from Operations	(1,649.98)	(518.76)	
Taxes Paid	359.91	261.16	
Net Cash flow from Operating activities (A)	(2,009.88)	(779.92)	
Cash Flow From Investing Activities			
(Purchase)/Sale of Fixed Assets	-3,291.63	-1,138.45	
Purchase of Technical know how	-	-	
(purchase)/ Sale of Investment		-	
Profit on sale of Fixed Asset	58.45	-	
Loss on sale of shares	-	-	
Interest Received	1.85	1.77	
Net Cash Flow from Investing Activites (B)	(3,231.33)	(1,136.68)	
Cash Flow From Financing Activities			
Issue of Capital	-	90.24	
Securities Premium	-	1,398.72	

Proceeds from/ (Repayment of) Borrowing	6,171.58	882.12
Finance cost	-926.19	(536.77)
Net Cash Flow From Financing Activities (C)	5,245.39	1,834.31
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	4.18	(82.29)
Cash & Cash equivalent at the beginning of the year	64.04	146.33
Cash & Cash Equivalent at the end of the year	68.22	64.04
Cash and cash equivalents comprises of :		
Particulars	Financial Year Ended	
	2022	2021
Cash-in-Hand	23.70	20.79
Balance with Banks	16.25	16.20
Balance in FD	28.26	27.06
Total	68.22	64.04

AUDITORS' REPORT

As per our separate report of even date attached.

For DAS MAHESHWARI & COMPANY
Chartered Accountants

(Registration No.: 007259C)

SD/-

GHANSHYAM DAS MAHESHWARI
PARTNER
M. No. 076273
PLACE: ALIGARH
DATED: 30/05/2022
FOR & ON BEHALF OF THE BOARD OF DIRECTORS

SD/-

(ASHA JAIN)
 DIN: 00035024
DIRECTOR

SD/-

(SWAPNIL JAIN)
 DIN: 01542555
DIRECTOR

SD/-

Makarand Mahajan
 CFO
 PAN- ABUPM4863G

SD/-

CHARU SINGH
 CS & CO
 PAN- CVBPS6669B

NOTES

Forming part of the consolidated financial statement for the year ended March 31, 2022

3. Corporate Information

The Group consists of 6 units i.e. Pavna Industries Limited (Holding Company) and its 5 subsidiaries Companies namely

- (1) Pavna Marketing Private Limited (PMPL)
- (2) Pavna Sunworld Autotech Private Limited (PSAPL)
- (3) Swapnil Switches Private Limited (SSPL)
- (4) Pavna Auto Engineers Private Limited (PAEPL)
- (5) Pavna Goyam Auto Private Ltd. (PGAPL)

The Group has been recently re-organized (i.e in Q4 of FY 2019-20) such that all its key manufacturing activities are consolidated into a single corporate Holding Company.

4. Significant Accounting Policies**b. Basis of Consolidation**

The Company consolidate entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (“the Group”). Control exists when the Parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- a) the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- b) potential voting rights held by the Company, other vote holders or other parties;
- c) rights arising from other contractual arrangements; and
- d) any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Profit or Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Whenever necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Details of subsidiary company considered in the consolidated accounts:

Particulars	Extent of Ownership / Control as on March 31, 2022
Pavna Marketing Private Limited	100.00%
Pavna Sunworld Autotech Private Limited	74.00%
Pavna Auto Engineering Private Limited	50.74%
Swapnil Switches Private Limited	50.74%
Pavna Goyam Auto Pvt Ltd	51.00%

Basis of preparation of Consolidated Financial Statements

The Consolidated Financial Statements of the Company for the year ended March 31, 2022 have been prepared using the historical audited general purpose financial statements of the Company as at Financial year ended March 31, 2021 which was prepared under generally accepted accounting principles in India (Indian GAAP) and originally approved by the Board of Directors of the Company at that relevant time.

The financial statements have been prepared on the basis of a going concern assumption, on historical cost convention and on accrual method of accounting in accordance with the generally accepted accounting principles in India, Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable and the provisions of the Companies Act, 2013 as adopted consistently by the Company.

Accounting policies adopted in the preparation of consolidated accounts:

The consolidated accounts related to Pavna Industries Limited (Holding Company) and its subsidiaries namely (1) Pavna Marketing Private Limited (PMPL), (2) Pavna Sunworld Autotech Private Limited (PSAPL), (3) Swapnil Switches Private Limited (SSPL) and (4) Pavna Auto Engineers Private Limited (PAEPL) (5) Pavna Goyam Auto Pvt Ltd. (hereinafter collectively referred as "Subsidiary Companies"), have been prepared in accordance with AS - 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

The Consolidated Financial Statements have been prepared based on line-by-line consolidation by adding together the book values of each & every item like Assets, Liabilities, Income and Expenses as per the accounts of the Holding Company and its Subsidiary Company and intra group balances/ intra group transactions have been eliminated.

The difference between the cost of Investment in the subsidiaries over the Net Assets at the time of acquisition of shares in the Subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be. The Consolidated Financial Statements have been prepared using uniform policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the holding company's individual accounts.

Current events and actions, actual results could differ from these estimates.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b. Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, the useful lives and provision for impairment of fixed assets and intangible assets. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

p. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period associated with investing or financial cash flows.

q. Cash and Bank Balances

Cash and bank balances comprises of two sub-headings, viz., “Cash and cash equivalents” and “Other bank balances.” Cash and Cash equivalents constitutes items defined in accordance with AS 3. Cash is defined to include cash on hand and demand deposits with banks. Cash Equivalents are defined as short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Other bank balances would comprise of items such as balances with banks to the extent of held as margin money or security against borrowings etc., and bank deposits with more than three months maturity.

r. Property, Plant & Equipment

Tangible Assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method, considering a salvage value of 5%. The estimated useful lives of assets are as follows:

Asset	Estimated useful life
Plant & equipment	8 years
Office equipment	10 years
Computers and Computer peripherals	3 years
Building	30 years
Car	8 years
Furniture and fixture	10 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in net profit in the Statement of Profit and Loss when incurred. Depreciation is charged from the time asset is available for use. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss.

Intangible Assets

Technical knowhow

Amounts paid towards technical know-how fees for specifically identified projects/products being development expenditure incurred towards product design is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product commencing from the month of commencement of commercial production.

s. Depreciation and Amortization

Depreciation on property, plant & equipment is provided on pro-rata basis for the period of use based on useful lives of respective assets as prescribed in the Schedule II of the Companies Act, 2013.

t. Revenue Recognition

Revenue is recognized on mercantile basis.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head 'Other income' in the statement of profit and loss.

u. Employee Benefits

The company accounts for salaries on accrual basis. Defined Contribution plans and short term employee benefits such as salary, bonus, provident fund, etc. are charged to Profit & Loss account when the contributions are due. The present value of the obligations under defined benefit plans is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the Profit & Loss Account.

v. Foreign currency transactions

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences except those qualifying for hedge accounting are recognized in the Statement of Profit and Loss.

w. Investments

Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

x. Inventories

Inventories are valued at lower of cost and net realisable value; whichever is lower. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales.

y. Taxes on Income

- iii. Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognised as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.
- iv. Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantively enacted as on the balance sheet date. Deferred tax assets on unabsorbed tax losses and unabsorbed tax depreciation are recognised only when there is a virtual certainty of their realisation. Other deferred tax assets are recognised only when there is a reasonable certainty of their realization.

z. Provisions and Contingent Liabilities

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. All known liabilities till finalization of accounts are provided for except as disclosed in notes to accounts are contingent liability. Such provisions reflect best estimates based on available information.

However, a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

aa. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

bb. Segment Reporting

The Group is primarily engaged in the business of manufacture of auto components for two wheeler, four wheelers and commercial vehicle industry, which are governed by the same set of risks and returns but subject to the geographical industry trends and hence the Group's business activities fall within a single primary business segment. Hence disclosure of Segment wise information is not applicable under Accounting Standard – 17 “Segment Information” (AS-17). Geographical segment is not material and hence not reported.

5. Notes on Financial Statements

- o. There is no employee who is in the receipt of remuneration exceeding the limit prescribed in accordance with the provisions of Companies Act, 2013.
- p. Managerial Remuneration paid to directors is disclosed in Note No. 29 amounting to Lakhs. 353.40
- q. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
- r. The company has not received any intimation from supplier regarding their status under micro, small and medium enterprises development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year-end together with interest payable as required under the said Act have not furnished.
- s. In the opinion of the management the value on realization of current assets, Loans & Advance in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- t. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
- u. The Management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
- v. Payments to Auditors:

Particulars	Year ended March 31, 2022
Audit Fees	1.86
Tax Audit Fees	0.31
G.S.T. (At the time of payment)	
Total	2.17

w. Related Party disclosure:

The transactions with related parties are disclosed in Note No. 29

- x. Deferred Tax Liability of Lakhs 74.51.00 have been created during the current year as per the provisions prescribed in AS-22 issued by The Institute of Chartered Accountants of India. Major components of Deferred tax:-

Particulars	As at 31.03.2022 (Lakhs.)
A) Deferred Tax Liability	112.91
Depreciation	88.07
Others	-
Total(A)	200.98
B) (Deferred Tax Assets)	
Depreciation	-
Gratuity	-13.56
Total(B)	
Net Deferred Tax liabilities/(assets)	200.32

y. Information Regarding Foreign Exchange

	<u>21-22</u>
Imports in Foreign Exchange	19.31
Expenditure in Foreign Exchange	11.42
Exports in Foreign Exchange	842.99

Note 2
SHARE CAPITAL

Particulars	Financial Year Ended	
	2022	2021
SHARE CAPITAL		
Authorised Share Capital :		
61,00,000 Equity Shares of Rs. 10/- each	610.00	610.00
	610.00	610.00
Issued Subscribed and Paid Up Equity Share Capital :		
25,94,000 Equity Shares of Rs.10/- each (Fully paid shares)		609.04
60,90,400 Equity Shares of Rs.10/- each (Fully paid shares)	609.04	
Total	609.04	609.04

Reconciliation of number of shares outstanding :

Particulars	Financial Year Ended	
	2022	2021
Equity Shares		
At the beginning of the period	6,090,400	2,594,000
Subdivision of shares	-	-
Bonus Issue	-	2,594,000
Shares issued through IPO	-	902,400
Outstanding at the end of the period	6,090,400	6,090,400

Pursuant to EGM held on March 16, 2021, our Company has split the Equity Shares of Face Value of Rs 100/- each to Equity Shares of face value of Rs 10/- each.

Name of Equity Shareholders holding more than 5% equity shares

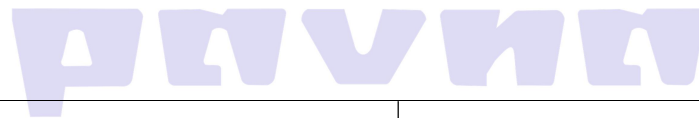
Name of Shareholder	As at March 31,		As at March 31,	
	2022		2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ms Asha Jain	2,910,980	47.80%	2,910,980	47.80%
Mr Swapnil Jain	678,080	11.13%	678,080	11.13%
P.J. Wealth Management and Consultant Private Limited	498,250	8.18%	498,250	8.18%
Smt. Palak Jain	448,000	7.36%	429,600	7.05%
Smt. Sadhna Jain	335,200	5.50%	-	0.00%
Kavish Kalra	302,400	4.97%	-	0.00%
Total	5,172,910	84.94%	4,516,910	74.16%

Note 3
RESERVES AND SURPLUS

Particulars	Financial Year Ended	
	2022	2021
Securities Premium		
Opening Balance	1,398.72	-
Add/(less): Received during the period	-	1,398.72
Add/(less): As a result of consolidation	-	-
Total (a)	1,398.72	1,398.72
General Reserve		
Opening Balance	1.25	1.12
Add/(less): As a result of consolidation	0.13	0.13
Total (b)	1.37	1.25
Surplus		
Balance as at the beginning of the year	2,666.26	2,302.32
Add / (Less): Changes during the year		
Less: Bonus issue	-	259.40
Add: Profit After Tax	640.85	495.38
Add/(less): As a result of consolidation	171.54	127.97
Add/(less): Provision for gratuity	-	-
Balance as at the end of the year (c)	3,478.65	2,666.26
Capital Reserve		
Opening Balance	114.58	114.58
Add/(less): As a result of consolidation	-86.64	-
Total (d)	27.94	114.58

Total	4,906.69	4,180.81
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Note 4 LONG TERM BORROWINGS		
Particulars	Financial Year Ended	
	2022	2021
Secured Loans		
From Banks	1,984.61	249.38
From Financial Institutions	146.51	942.90
Unsecured Loans		
Loan from Directors	1,183.07	-
Loan from Related Parties	20.00	-
Loan from Corporate entities	1,122.38	993.62
Total	4,456.57	2,185.89
Current Maturity to Long term debt	-	-



Note 5		
DEFERRED TAX LIABILITIES		
Particulars	Financial Year Ended	
	2022	2021
Deferred tax liabilities/(assets) arising on account of timing difference in:		
Opening Balance	112.91	27.02
Depreciation	100.88	100.28
Gratuity	-13.56	14.40
Closing Balance	200.23	112.90
Note 6		
OTHER LONG TERM LIABILITIES		
Particulars	Financial Year Ended	
	2022	2021
Dealership Deposit	25.00	55.00
Total	25.00	55.00

Note 7
LONG TERM PROVISIONS

Particulars	Financial Year Ended	
	2022	2021
Provision for gratuity	219.97	177.41
Provision for gratuity for earlier years	-	-
Total	219.97	177.41

Note 8
SHORT TERM BORROWINGS

Particulars	Financial Year Ended	
	2022	2021
Secured Loans		
From Banks	6,070.41	1,629.94
From Financial Institutions	1,500.00	2,039.57
Total	7,570.41	3,669.51

Note 9
TRADE PAYABLE

Particulars	Financial Year Ended	
	2022	2021
Unsecured, considered goods		
Dues to Micro, Small and Medium Enterprises	-	-
Dues to creditors other than Micro, Small and Medium Enterprises	4,191.27	3,869.76
Total	4,191.27	3,869.76

Note 10
OTHER CURRENT LIABILITIES

Particulars	Financial Year Ended	
	2022	2021
Current Maturities to Long Term Debt		
From Banks	-	-
From Financial Institutions	-	-
Advance from customers	120.76	24.83
Capital Advance	-	16.26
Other Payables		
Trade mark royalty	-	-
Salary payable	1.76	0.54
Statutory Dues payable	182.66	103.30

Other Expenses payable	0.21	0.22
Total	305.40	145.14

Note 11		
SHORT TERM PROVISIONS		
Particulars	Financial Year Ended	
	2022	2021
Provision for Employee Benefit expenses	264.12	205.16
Provision for audit fees	2.10	0.38
Provision for expense	-	-
Provisions for Income Tax	107.00	39.18
Provision for gratuity	76.82	79.25
Provision for gratuity for earlier years	-	-
Total	450.04	323.97

Note 12		
FIXED ASSETS		
Particulars	Financial Year Ended	
	2022	2021
TANGIBLE ASSETS		
Land		
Opening Balance	348.05	348.05
Addition during the year	18.77	-
Closing Balance	366.82	348.05
Building		
Opening Balance	1,079.06	990.69
Addition during the year	387.45	88.37
Depreciation during the year	49.27	17.45
Accumulated Depreciation	331.59	249.11
Closing Balance	1,134.92	829.95
Plant and Machinery		
Opening Balance	5,784.70	5,127.63
Addition during the year	2,927.87	799.40
Sale during the year	-	142.33
Depreciation during the year	733.54	337.55
Less: Disposal- depreciation	-	0.61
Accumulated Depreciation	3,308.78	2,420.77
Closing Balance	5,403.80	3,363.94
Furniture & Fixture		
Opening Balance	124.70	112.80
Addition during the year	6.96	11.90

Sale during the year	-	-
Depreciation during the year	7.07	4.68
Accumulated Depreciation	67.21	60.14
Closing Balance	64.45	64.56
Vehicles		
Opening Balance	711.22	360.18
Addition during the year	45.77	351.04
Sale during the year	-	-
Depreciation during the year	78.35	33.48
Less: Disposal- depreciation	-	-
Accumulated Depreciation	223.58	145.22
Closing Balance	533.41	565.99
Office Equipment		
Opening Balance	68.56	61.35
Addition during the year	132.60	7.22
Sale during the year	-	-
Depreciation during the year	21.55	3.13
Accumulated Depreciation	73.98	38.42
Closing Balance	127.19	30.15
Computer		
Opening Balance	187.29	165.64
Addition during the year	42.68	21.64
Sale during the year	-	-
Depreciation during the year	28.08	5.42
Accumulated Depreciation	184.79	154.36
Closing Balance	45.17	32.93
INTANGIBLE ASSETS		
Technical know how	25.00	25.00
Net addition	3,562.71	1,138.45
Total Tangible Asstes	11,865.69	8,303.58
Depreciation- Tangible Asstes	917.87	401.70
Amortisation	-	2.30
Total Depreciation Charged during the year	917.87	404.00
Total accumulated Depreciation on Tangible Assets	4,189.92	3,068.02
WDV Tangible Asset (Net)	7,675.77	5,235.56
WDV Intangible Asset	25.00	25.00

Note 13		
LONG TERM LOANS AND ADVANCES		
Particulars	Financial Year Ended	
	2022	2021

Advance for Purchase/Other	20.80	-
Desposits	1,166.26	1,187.54
FDR	0.11	0.10
Total	1,187.17	1,187.64

Note 14		
OTHER NON CURRENT ASSETS		
Particulars	Financial Year Ended	
	2022	2021
Preliminary Expense	6.64	7.16
Total	6.64	7.16
Note 15		
INVENTORIES		
Particulars	Financial Year Ended	
	2022	2021
Raw Materials*	3,472.57	1,238.74
Work in progress	5,294.23	3,180.09
Store & spares	414.09	216.42
Finished goods-trading	-	-
Total	9,180.89	4,635.25

*raw materials include zinc, aluminium, brass, powder

Note 16		
TRADE RECEIVABLES		
Particulars	Financial Year Ended	
	2022	2021
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Doubtful	146.67	11.79
Trade receivables outstanding for a period of less than six months from the date they were due for payment		
Unsecured, considered good	4,865.61	3,833.82
Total	5,012.28	3,845.61

Note 17		
CASH & BANK BALANCES		
Particulars	Financial Year Ended	
	2022	2021
<u>Cash and Cash Equivalents</u>	-	
Cash-in-Hand	23.70	20.79
Balance with Banks	16.25	16.20
<u>Other Bank Balances</u>	-	-
Balance in FD	28.26	27.06
Total	68.22	64.04

Note 18		
SHORT TERM LOANS & ADVANCES		
Particulars	Financial Year Ended	
	2022	2021
Advance to suppliers	586.48	946.76
Balance with Government Authorities	285.36	172.62
Advance to employees	0.48	0.69
Pavna Industries Ltd MSEB Bill	16.83	-
Compensation receivable	-	-
Auto Expo expense	5.32	7.10
Fixed Deposit	0.11	0.10
Deposit	8.10	8.20
Total	902.68	1,135.47

Note 19		
OTHER CURRENT ASSETS		
Particulars	Financial Year Ended	
	2022	2021
Advance money for Shares	0.14	0.12
Prepaid Expense	24.81	24.45
Advance Tax	51.48	75.03
Preliminary Expense	-	-
Total	76.42	99.60

*Prepaid insurance

Note 20		
REVENUE FROM OPERATIONS		
Particulars	Financial Year Ended	
	2022	2021
Sale of manufactured goods	33,572.95	17,401.22
Sale of traded goods	-	4,539.50
Total	33,572.95	21,940.72
Local sales		
Export Sales		
Note 21		
OTHER INCOME		
Particulars	Financial Year Ended	
	2022	2021
Sundry Creditors Write Off	13.68	-
Interest on FDR	1.85	1.77
Export incentive	14.70	12.69
Rate difference	5.81	-
Rent received	18.60	0.60
Interest on late payment	3.85	2.29
Other Income	5.07	1.74
Total	63.56	19.09
Note 22		
COST OF MATERIALS, CONSUMED		
Particulars	Financial Year Ended	
	2022	2021
<u>Opening stock</u>	1,490.07	775.01
Add: Purchase	25,352.78	15,389.80
Freight & Carriage inward	4.47	4.09
Custom duty & clearing charges	0.30	0.11
Packing materials	331.20	236.59
	27,178.83	16,405.59
Less: Closing Stock	3,472.57	1,238.74

Net Cost of Materials consumed**	23,706.26	15,166.85
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Note 23		
CHANGE IN INVENTORIES		
Particulars	Financial Year Ended	
	2022	2021
Work in Progress		
Inventories at the beginning of the year	3,180.09	1,890.62
Less : Inventories at the end of the year	5,294.24	3,180.09
Total	(2,114.15)	(1,289.47)

Note 24		
EMPLOYEE BENEFIT EXPENSES		
Particulars	Financial Year Ended	
	2022	2021
Director Remuneration	353.40	306.53
Salaries and wages	2,530.70	1,512.40
Contribution to PF & Others	174.88	120.87
Staff welfare expenses	312.83	219.78
Bonus/ ex-gratia	199.22	135.97
Gratuity	53.91	57.22
Leave Encashment	0.52	-
Total	3,625.46	2,352.78

Note 25		
FINANCIAL COST		
Particulars	Financial Year Ended	
	2022	2021
Interest on:		
Borrowing	243.58	250.75
Secured Loan	399.78	66.89
Unsecured loan	168.77	165.62
Car Loan/ Other	15.77	28.88
Dealership Deposit	0.05	2.20

Interest on TDS	-	-
Bank commission and charges	17.75	1.21
Other Borrowing cost	80.49	21.23
Total	926.19	536.77

Note 26		
DEPRECIATION AND AMORTISATION		
Particulars	Financial Year Ended	
	2022	2021
Depreciation	917.87	401.70
Amortisation	2.30	2.30
Total	920.17	404.00

Note 27		
OTHER EXPENSES		
Particulars	Financial Year Ended	
	2022	2021
Consumption of Stores, Spares, Packing and Tools	354.74	329.65
Bad Debts	3.80	4.30
Business Promotion Expense	10.10	27.90
Commission paid	-	-
Communication Expense	7.50	5.85
Diecasting/ job work charges	1,039.85	754.85
Discount	205.70	94.91
CSR Activity	7.50	22.53
Electricity expense	160.49	12.91
Export expense	0.83	0.56
FBT provision w/off	-	0.80
Freight & forwarding expense	327.69	247.46
Foreign currency Fluctuation expense	2.69	8.06
GST/Sales Tax/ Service Tax Expenses	23.17	6.21
Insurance	33.40	21.58
Interest on late payments/Statutory Payments	2.26	

		0.39
IPO Expense	1.55	43.20
ISO TS certification expense	3.52	3.57
Legal & Professional	82.28	117.27
Legal/ ROC	22.49	27.66
Marketing expense	10.62	7.31
Membership Fees	2.47	2.09
Miscellaneous expense	2.45	0.31
Non competitive fee	150.00	150.00
Office expense	34.44	20.32
Power and fuel Expenses	746.90	597.23
Printing & stationery expense	23.22	19.13
CNC and Powder Coating Expenses	345.41	-
R&D expense	1.20	1.00
Rebate & Discount	1.70	7.39
Rent including lease rentals	81.10	139.39
Rent- Machine rent	1.68	1.68
Repairs and maintenance – Machinery	126.72	77.70
Repairs and maintenance - Others	119.19	89.38
Repairs & maintenance- Building	1.15	2.19
Sales Promotion expense	184.20	179.53
Sales tax/ service tax expense/ GST	0.56	0.52
Security expense	74.23	73.54
Software Expenses	14.70	9.79
Subcontracting /Diecasting Charges	484.60	423.20
Telephone/software/Postage & Courier Expenses	2.63	0.99
Trade Mark royalty	79.19	97.74
Travelling & conveyance	67.15	29.45
Factory Expenses	9.39	-

Vehicle running & maintenance expense	97.95	32.17
Warranty claim/ Line rejection expense	3.94	30.94
Payment to Auditors	2.17	1.22
Labour Charges	0.32	-
Gas Expenses	239.74	-
Loading and Unloading Charges	1.19	-
Material Testing Exp	0.15	-
Profession Tax	0.03	-
Pollution Control Expenses	2.60	-
Rates and Taxes	0.20	-
Transportation Charges	28.98	-
Water Charges	0.41	-
Total	5,232.14	3,723.85

Consumption of stores, spares, packing & tools	Financial Year Ended	
	Particulars	
	2022	2021
Opening stock	216.42	123.81
Add:		
Consumption of stores & spare parts	271.18	207.22
Consumption of loose tools	70.97	84.55
Consumption of packing materials	156.24	111.13
Polishing & plating materials	54.02	19.36
sub total	768.83	546.06
Less:		
Closing stock	414.09	216.42
Net consumption*	354.74	329.65

Note 28
EARNINGS PER SHARE (EPS)

Particulars	Financial Year Ended	
	2022	2021
Net Profit after Tax	812.39	623.35
Weighted Average no. of equity shares outstanding during the year	6,090,400	6,090,400
Earning Per Share*		

Basic and Diluted (in Rs.)	13.34	10.23
Nominal Value Per Share (in Rs.)	10.00	10.00

29. RELATED PARTY DISCLOSURES					
S.N.	NAME OF PERSON	RELATION	NATURE OF PAYMENT	AS ENDED MARCH 31, 2022	AS ENDED MARCH 31, 2021
					Amount (Lakhs)
	<u>PIL</u>				
	LOANS				
	Opening Balance				
1	SMT. ASHA JAIN	DIRECTOR	Opening- Loan	-	234.77
2	SHRI SWAPNIL JAIN	DIRECTOR	Opening- Loan	-	190.49
3	SHRI PAWAN JAIN	DIRECTOR	Opening- Loan	-	375.11
4	PJ WEALTH MANAGEMENT & CONSULTANTS P. LTD.	SISTER CONCERN	Opening- Loan	993.62	533.99
	Loan taken during the year				
1	SMT. ASHA JAIN	DIRECTOR	Loan taken	711.00	231.09
2	SMT. PRIYA JAIN	DIRECTOR	Loan taken	-	112.86
3	SHRI SWAPNIL JAIN	DIRECTOR	Loan taken	100.00	24.00
4	PJ WEALTH MANAGEMENT & CONSULTANTS P. LTD.	SISTER CONCERN	Loan taken	442.28	1,095.23
	Loan Repaid during the year				
1	SMT. ASHA JAIN	DIRECTOR	Repayment of Loan taken	511.00	485.59
2	SHRI PAWAN JAIN	DIRECTOR	Repayment of Loan taken	-	408.57
3	SMT. PRIYA JAIN	DIRECTOR	Repayment of Loan taken	-	115.67
4	SHRI SWAPNIL JAIN	DIRECTOR	Repayment of Loan taken	100.00	229.46
5	PJ WEALTH MANAGEMENT & CONSULTANTS P. LTD.	SISTER CONCERN	Repayment of Loan taken	470.89	715.48
	Interest on Loans (Net of TDS)				
1	SMT. ASHA JAIN	DIRECTOR	Interest(Net)	26.91	19.72
2	SHRI PAWAN JAIN	DIRECTOR	Interest(Net)	-	33.46
3	SMT. PRIYA JAIN	WIFE OF DIRECTOR	Interest(Net)	-	-
4	SHRI SWAPNIL JAIN	DIRECTOR	Interest(Net)	4.32	14.97

5	PJ WEALTH MANAGEMENT & CONSULTANTS P. LTD.	SISTER CONCERN	Interest(Net)	115.95	79.88
Outstanding Balances					
1	SMT. ASHA JAIN	DIRECTOR	o/s Loan	202.56	-
2	SHRI PAWAN JAIN	DIRECTOR	o/s Loan	-	-
3	SHRI SWAPNIL JAIN	DIRECTOR	o/s Loan	-	-
4	PJ WEALTH MANAGEMENT & CONSULTANTS P. LTD.	SISTER CONCERN	o/s Loan	972.38	993.62
Remuneration					
1	SMT. ASHA JAIN	DIRECTOR	Remuneration	-	6.83
2	SHRI PAWAN JAIN	DIRECTOR	Remuneration	-	-
3	SHRI SWAPNIL JAIN	DIRECTOR	Remuneration	144.00	114.83
4	SMT. PRIYA JAIN	DIRECTOR	Remuneration	-	6.30
Salary & Other Expense					
5	SHRI PAWAN JAIN	DIRECTOR	Professional Fees	-	3.00
6	SMT. ASHA JAIN	DIRECTOR	Building Rent	5.64	4.20
7	SHRI PAWAN JAIN	DIRECTOR	Building Rent	2.88	4.32
8	SHRI PAWAN JAIN	DIRECTOR	Lease Rent	-	0.10
9	SHRI PAWAN JAIN	DIRECTOR	Trade Mark Royalty	-	42.80
10	SMT. ASHA JAIN	DIRECTOR	Trade Mark Royalty	62.39	42.80
12	SMT. ASHA JAIN	DIRECTOR	Lease Rent	0.10	-
Security Deposits					
1	SHRI PAWAN JAIN	DIRECTOR	Security Deposit	-	300.00
Short Term Loans & Advances					
1	PAVNA GOYAM AUTO PVT. LTD.	SISTER CONCERN	Security Deposit	150.00	-
Outstanding Balances					
	SHRI PAWAN JAIN	DIRECTOR	Creditors	-	0.40
	SMT. ASHA JAIN	DIRECTOR	Creditors	2.30	0.69
PAEPL					
Remuneration					
	Mr. Swapnil Jain	Director	Remuneration	-	8.93
	Mrs. Priya Jain	Director	Remuneration	144.00	114.83

	Other Expenses				
	Mr. Pawan Jain	Managing Director	Consultancy	-	5.00
	Mr. Pawan Jain	Managing Director	Building Rent	5.48	8.22
	Mr. Pawan Jain	Managing Director	Machine Rent	-	0.84
	Mrs. Asha Jain	Wife of Managing Director	Building Rent	4.84	2.10
	Mr. Pawan Jain	Managing Director	Trade Mark Royalty	-	8.30
	M/s Die Cast Solution	Partnership Firm (Director is Partner)	Die Casting Charges	-	7.30
	Mrs. Asha Jain	Wife of Director	Machine Rent	0.84	-
	Mrs. Asha Jain	Wife of Director	Trade Mark Royalty	11.72	-
	Security Deposit				
	Mr. Swapnil Jain	Director	Security Deposit	-	25.00
	Mrs. Asha Jain	Wife of Managing Director	Security Deposit	-	25.00
	Mr. Pawan Jain	Managing Director	Security Deposit	-	50.00
	LOANS				
	Mr. Pawan Jain	Managing Director	Loan taken	40.00	NIL
	Mr. Pawan Jain	Managing Director	Repayment of Loan taken	40.00	NIL
	Mr. Pawan Jain	Managing Director	Interest(Net)	1.22	-
	Mr. Swapnil Jain	Director	Loan taken	-	24.00
	Mr. Swapnil Jain	Director	Interest(Net)	-	0.14
	Mr. Swapnil Jain	Director	Repayment of Loan taken	-	24.14
	Mrs. Priya Jain	Director	Loan taken	210.00	128.00
	Mrs. Priya Jain	Director	Interest(Net)	0.83	0.18
	Mrs. Priya Jain	Director	Repayment of Loan taken	210.00	128.18
	PJ Wealth Management & Consultants P. Ltd.	Sister Concern	Loan taken	-	70.00
	PJ Wealth Management & Consultants P. Ltd.	Sister Concern	Interest(Net)	-	0.02
	PJ Wealth Management & Consultants P. Ltd.	Sister Concern	Repayment of Loan taken	-	70.02
	SSPL				

	Remuneration				
	Mrs. Asha Jain	Director	Remuneration	54.00	43.13
	Mr. Ajay Maheshwari	Director	Remuneration	11.40	9.61
	Mrs. Priya Jain	Director	Remuneration	-	2.10
	Salary & Other Expense			-	-
	Mr. Swapnil Jain	Son of Director	Salary	-	3.15
	Mr. Pawan Jain	Director	Building Rent	2.80	4.20
	Mr. Pawan Jain	Director	Consultancy	-	1.00
	Mrs. Asha Jain	Director	Building Rent	5.60	4.20
	Mr. Pawan Jain	Director	Trade Mark Royalty	-	3.83
	Mrs. Asha Jain	Director	Trade Mark Royalty	5.08	-
-	<u>Outstanding Balances</u>				
	SHRI PAWAN JAIN	DIRECTOR	Creditors	-	0.39
	Mrs. Asha Jain	DIRECTOR	Creditors	0.76	-
	<u>PMPL</u>				
	<u>LOANS</u>				
	Swapnil Jain	Director	Loan taken	-	7.00
	Swapnil Jain	Director	Interest (net)	-	0.63
	Swapnil Jain	Director	Loan Repayment	-	7.63
	Other Expenses			-	-
	Pawan Jain	Father of Director	Building Rent	2.00	3.00
	Asha Jain	Mother of Director	Building Rent	1.00	-
-	<u>Outstanding Balances</u>				
	SHRI PAWAN JAIN	DIRECTOR	Creditors	-	0.28
	<u>PGAPL</u>				
	Loan taken during the year				
1	Pavna Industries Ltd	SISTER CONCERN	Loan taken	150.00	-
2	Niti Phulpagar	DIRECTOR	Loan taken	35.00	47.00
3	Lokesh Phulpagar	DIRECTOR	Loan taken	98.30	45.36
4	Gautam Premchand Phulpagar	RELATED PARTY	Loan taken	40.00	-

5	Pankaj Phulpagar	DIRECTOR	Loan taken	732.00	511.00
	Loan Repaid during the year				
1	Pavna Industries Ltd	SISTER CONCERN	Repayment of Loan taken	-	-
2	Niti Phulpagar	DIRECTOR	Repayment of Loan taken	20.00	-
3	Lokesh Phulpagar	DIRECTOR	Repayment of Loan taken	60.99	6.80
4	Gautam Premchand Phulpagar	RELATED PARTY	Repayment of Loan taken	20.00	-
5	Pankaj Phulpagar	DIRECTOR	Repayment of Loan taken	322.00	516.00
	Outstanding Balances				-
1	Pavna Industries Ltd	SISTER CONCERN	Loan	150.00	-
2	Niti Phulpagar	DIRECTOR	Loan	349.61	334.61
3	Lokesh Phulpagar	DIRECTOR	Loan	128.76	91.44
4	Gautam Premchand Phulpagar	RELATED PARTY	Loan	20.00	-
5	Pankaj Phulpagar	DIRECTOR	Loan	652.14	242.14

Intercompany Transactions

On consolidation, following transactions and balances with the subsidiary companies namely (1) Pavna Marketing Private Limited (PMPL), (2) Pavna Sunworld Autotech Private Limited (PSAPL), (3) Swapnil Switches Private Limited (SSPL) and (4) Pavna Auto Engineers Private Limited (PAEPL) have been eliminated:

S.N.	PARTICULARS			AS ENDED MARCH 31, 2022	AS ENDED MARCH 31, 2021
1	Purchase & Sales				
	PIL & PAEPL			830.25	58.83
	PIL & SSPL			659.36	73.53
	PIL & PMPL			1,308.36	150.64
	PIL & PSAPL			5.69	-
	PIL & PGPL			0.78	-
	PAEPL & PIL			101.61	266.34
	PAEPL & SSPL			0.15	-
	PAEPL & PMPL			132.90	15.43
	SSPL & PAEPL			0.00	0.84
	SSPL & PIL			178.92	518.46

	SSPL & PMPL			1,381.92	2.10
	PSAPL & PMPL			21.94	0.08
	PSAPL & PIL			1.13	0.96
	PMPL & PAEPL			8.47	486.95
	PMPL & PIL			134.45	2,176.04
	PMPL & SSPL			4.39	1,009.89
	PMPL & PSAPL			-	10.46
	PGPL & PIL			3,842.45	-
	PGAPL & PAEPL			12.37	-
2	Creditors & Debtors			-	-
	PIL & PAEPL			30.43	20.08
	PIL & SSPL			303.79	89.84
	PIL & PMPL			121.67	-
	PIL & PSAPL			3.93	-
	PAEPL & PIL			3.07	65.67
	PAEPL & SSPL			-	-
	PAEPL & PMPL			8.89	-
	SSPL & PMPL			366.47	-
	SSPL & PAEPL			-	0.33
	PSAPL & PMPL			8.01	-
	PMPL & PSAPL			-	9.83
	PMPL & PAEPL			-	282.14
	PMPL & SSPL			-	107.03
	PMPL & PIL			-	77.04
	PGAPL & PIL			1,287.72	-
	PGAPL & PAEPL			0.80	-
3	Tool Sale and Purchase			-	-

	PIL & PSAPL			-	42.41
	PIL & PAEPL			-	133.55
4	Investment				
	Investment by PIL in PAEPL			-	184.74
	PAVNA GOYAM AUTO PVT. LTD.	SISTER CONCERN	Share Purchase	255.00	-
5	RENT				-
	PGAPL & PIL	SISTER CONCERN	DG RENT	1.20	-
	PGAPL & PIL	SISTER CONCERN	RENT	25.85	-
	PGAPL & PAEPL	SISTER CONCERN	RENT	11.17	-

**FOR DAS MAHESHWARI & COMPANY
CHARTERED ACCOUNTANTS
(Registration No 007259C)**

FOR & ON BEHALF OF THE BOARD OF DIRECTOR

SD/-

SD/-

SD/-

**GHANSHYAM DAS MAHESHWARI
PARTNER
M.No. 076273**

**(ASHA JAIN)
DIN: 00035024
WHOLE TIME DIRECTOR**

**(SWAPNIL JAIN)
DIN: 01542555
MANAGING
DIRECTOR**

**PLACE : ALIGARH
DATE: 30.05.2022**

**SD/-
MAKARAND MAHAJAN
CFO
PAN- ABUPM4863G**

**SD/-
CHARU SINGH
CS & CO
PAN- CVBPS6669B**

NOTICE

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

NOTICE IS HEREBY GIVEN THAT THE 28th ANNUAL GENERAL MEETING OF THE MEMBERS OF PAVNA INDUSTRIES LIMITED (FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED) TO BE HELD AT PAVNA INTERNATIONAL SCHOOL, ALIGARH-AGRA HIGHWAY, NEAR MANGALAYATAN MANDIR, ALIGARH-202001 UP IN ON SEPTEMBER 27, 2022 TUESDAY AT 01:00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheet as at March 31, 2022 and the Profit and Loss Account for the year ended on that date together with the Schedules thereon, along with the Reports of the Directors and Auditors thereon.
2. To reappoint Mrs. Asha Jain (DIN: 00035024), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 , Mrs. Asha Jain (DIN: 00035024) who retires by rotation and being eligible offers himself for reappointment, be and is hereby re-appointed as a director of the company.

SPECIAL BUSINESS :

3. To appoint **M/s. Rajeev Kumar & Co., Chartered Accountants**, Aligarh as Statutory Auditors of the Company to hold office for a period of 5 (Five) consecutive financial years, from the conclusion of the 28th Annual General Meeting of the Company until the conclusion of the 33rd Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 139(8) and other applicable provisions if any of the Companies Act, 2013, as amended from time to time or any other law for the time being in force, (including any statutory modification(s) or amendment thereto or reenactment thereof), and pursuant to recommendation by the Board of Directors, **M/s. Rajeev Kumar & Co., Chartered Accountants**, (FRN No: 000633C), be and are/is hereby appointed as Statutory Auditors of the Company for the financial year 2022-23 to fill the casual vacancy caused to the resignation of M/s. Das Maheshwari & Co., Chartered Accountants ((Firm Registration No 007259C), Chartered Accountants.”

“RESOLVED FURTHER THAT M/s. Rajeev Kumar & Co., Chartered Accountants, (FRN: 000633C), shall hold office of auditors from the conclusion of this Annual general meeting till the conclusion of 33rd Annual General Meeting of the Company to be held in the year 2027-28 at a remuneration as may be fixed by the Board of Directors in consultation with the said Auditors.”

“RESOLVED FURTHER THAT Mr. Swapnil Jain (Managing Director) or Mrs. Charu Singh (Company Secretary), be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to the said resolution and file Form ADT-1 for appointment of M/s. Rajeev Kumar & Co., Chartered Accountants, (FRN/Membership No: 000633C) with the Registrar of Companies.”

4. Regularization of Additional Non-Executive Director, Mr. Sanjay Jain (DIN: 03008142) as Non-Executive Director of the company.

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

“**RESOLVED THAT** pursuant to the provisions of section 149, 152, 160 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof from time to time, read with Articles of Association and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and subject to the approval of the shareholders in the ensuing annual general meeting, Mr. Sanjay Jain (DIN: 03008142), who was appointed as an Additional Director of the Company with effect from 31, December, 2021 by the Board of Directors pursuant to section 161 of the Act and as recommended by the Nomination and Remuneration Committee and who holds office upto the date of the ensuing Annual General Meeting of the Company and who is eligible for appointment and has consented to act as Director of the Company, be and is hereby appointed as a Non Executive Director of the Company.”

5. Approval of Remuneration of Managing Director, Mr. Swapnil Jain(DIN: 01542555)

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of section 196, 197, 198 and other applicable of Companies Act, 2013 (including any statutory modification from time to time or any re-enactment thereof for the time being in force) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Schedule V of Companies Act, 2013, Articles of Association and Memorandum of Association, the consent of the Board be and is hereby accorded subject to the approval of the members for payment of total remuneration to Mr. Swapnil Jain, Managing Director of the Company a sum of upto Rs. 5 Crores (Rupees Five Crores) per annum with effect from April 1, 2022.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions including authority, from time to time, to determine the amount of salary as also the type and amount of perquisites, and other benefits payable to Mr. Swapnil Jain, in such manner as may be agreed to between the Company and Mr. Swapnil Jain within the overall limits approved by the Board and to the extent the Board may consider appropriate.

RESOLVED FURTHER THAT where in any financial year during the tenure of the said Managing Director, the Company has no profits or inadequate profits, the remuneration to be paid shall be approved by the Board based on the recommendation of Nomination and Remuneration Committee not exceeding Rs. 5 Crore (Rupees Five Crores) per annum.

RESOLVED FURTHER THAT any of the Directors of the Company be and is/are hereby authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.”

6. Approval of Related party Transactions

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the consent of the Audit Committee vide resolutions passed in their respective meetings, the approval of the Company be and is hereby accorded to the Related Party Transactions as entered by the company during Financial Year 2021-22 as per details set out under item no. 6 of the Statement annexed to this Notice.

RESOLVED FURTHER THAT Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof) be and are hereby authorized to perform and execute all such deeds, matters and things including delegation of authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto”.

Registered Office:

By Order of the Board of Directors

“Vimalanchal”, Hari Nagar, Aligarh 202001 UP IN
 Tel: +91 0571 2410010
 Email: cs@pavnagroup.com
 Website: www.pavnagroup.com
 CIN: L34109UP1994PLC016359
 Aligarh, September 01, 2022

SD/-
 Charu Singh
 Company Secretary
 M. No. ACS 48257

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument of Proxy in order to be effective and valid, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form MGT -11 is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 members provided shareholding of those members in aggregate should not be more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) is also annexed.
4. Members are requested to bring their attendance slip along with copy of the report and accounts to Annual General Meeting. Duplicate attendance slips shall not be issued.
5. Relevant documents referred to in the accompanying Notice & Explanatory Statement would be available for inspection by the members at the Registered Office of the Company on all working days, except Saturday / Sunday & Public Holidays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
6. Members are requested to notify immediately any changes, if any, in their registered addresses at an early date to the Registrar and Share Transfer Agent, quoting their folio numbers/client ID/ DP ID in all correspondence, so as to enable the Company to address any future communication at their correct address.
7. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details/NECS/ mandates, nominations, power of attorney, change of address/ name, Permanent Account Number (‘PAN’) details, etc. to their Depository Participant only and not to the Company’s RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company’s records which will help the Company and its RTA provide efficient and better service to the members.
8. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting Venue.
9. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days prior to the Annual General Meeting so that the requested information can be made available at the time of the meeting.

10. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
11. No gifts shall be provided to members before, during or after the AGM.
12. Rule 11 of the Companies (accounts) Rules, 2014 permits circulation of Annual Report through electronic means to such of the shareholders whose e-mail addresses are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the Company or with the depositories. To support “Green Initiative in Corporate Governance” Electronic copy of the Annual Report is being sent to all the members who’s Email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.

13. Members are requested to address all correspondence pertaining to their securities mentioning Client ID or DP ID numbers, as applicable, including any change of address, if any, to the Registrar and Transfer Agent of the Company viz.:

LINK INTIME INDIA PRIVATE LIMITED

C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli
(West), Mumbai, Maharashtra, India, 400083

Tel: +91 22 4918 6200

Email: pavna.ipo@linkintime.co.in,

Website: www.linkintime.co.in

Investor Grievance Email: pavna.ipo@linkintime.co.in

14. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository participants. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
15. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports & other communications through electronic mode to those members whose email IDs are registered with the Company. As per provisions of Section 20 of the Companies Act, 2013 read with Rules made there under, a document may be served on any member by sending it to him/her by post or by registered post or by speed post or by courier or by delivering at his/her office/home address or by such electronic mode as may be prescribed including by facsimile telecommunication or to electronic mail address, which the member has provided to the Company from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he/she shall pay such fees as may be determined by the Company in its Annual General Meeting. For members who have not registered their email address with the Company, the service of documents will be affected by other modes of services as provided in Section 20 of the Companies Act, 2013 read with the relevant Rules there under. Printed copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of voting along with Attendance Slip and Proxy Form is being sent to all members in the permitted mode.
16. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2021 will also be available on the Company’s website www.pavnagroup.com for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company’s designated email id: mail to:cs@pavnagroup.com

17. VOTING SYSTEM:

- Pursuant to the provisions of section 108 of the Companies Act, 2013, rules 20 and 21 of the Companies (Management & Administration) Rules 2014 and sub Reg. (1) & (2) of Reg. 44 of SEBI (LODR) Regulations, 2015, the Company is not required to provide mandatorily to its members the electronic facility to exercise their right to vote at the AGM. Therefore, in terms the provisions of section 108 of the Companies Act, 2013, at any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded under section 109 or the voting is carried out electronically, be decided on a show of hands. A declaration by the Chairman of the meeting of the passing of a resolution or otherwise by show of hands under sub-section (1) and an entry to that effect in the books containing the minutes of the meeting of the Company shall be conclusive evidence of the fact of passing of such resolution or otherwise.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 24th September, 2022 at 09:00 A.M. and ends on 26th September, 2022 at 05: 00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20th September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th September, 2022.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode
In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the

	<p>icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nitin@servamail.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Himali Singh at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@pavnagroup.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@pavnagroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The instructions for members for e-voting on the day of the AGM are as under:

- Shareholders who have voted through Remote E-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Every Member entitled to vote on a Resolution and present in person shall, on a show of hands, have only one vote irrespective of the number of shares held by him.
- A Proxy cannot vote on a show of hands.

- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, within two working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
- The Results on above resolutions shall be declared within two working days of the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the Resolutions.
- The Results of voting declared along with Scrutinizer's Report(s) will be displayed on the website of the Company (www.pavnagroup.com) and on Service Provider's website (<https://evoting.nsdl.com>) and the same shall also be simultaneously communicated to the National Stock Exchange of India Limited (NSE).

Registered Office:

By Order of the Board of Directors

“Vimlanchal”, Hari Nagar, Aligarh 202001 UP IN
 Tel: +91 0571 2410010
 Email: cs@pavnagroup.com
 Website: www.pavnagroup.com
 CIN: L34109UP1994PLC016359
 Aligarh, September 01, 2022

SD/-
 Charu Singh
 Company Secretary
 M. No. ACS 48257



Additional Information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mrs. Asha Jain, is the Chairman cum Executive Director of the Company. She is graduate. She is a house wife.

Name of Director	Asha Jain
Age	71 years
Date of First Appointment	19/04/1994
Directorship in Other Companies	5
No. of Equity Shares held in the Company	47.80%
DIN	00035024
Experience	She is a housewife.

Name of Director	Sanjay Jain
Age	58 years
Date of First Appointment	31-Dec-2021
Directorship in Other Companies	Nil
No. of Equity Shares held in the Company	Nil
DIN	03008142
Profile	Mr. Sanjay Jain is Post Graduate. He is a businessman having around 40 years of experience in the business of Clothes and Bag accessories.



ANNEXURE TO NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 110 OF COMPANIES ACT 2013****Item No. 3**

M/s. Das Maheshwari & Co., Chartered Accountants has been the Statutory Auditors of Pavna Industries Limited since 2020. As per the section 139 of Companies Act, 2013, the Company appointed M/s. Das Maheshwari & Co., Chartered Accountants for five financial years in the annual general meeting of financial year 2019-20 held on August 13, 2020. But the Peer Review Certificate of the Statutory Auditor was expired which is essential for the appointment in listed Companies .

Hence, Das Maheshwari & Co., Chartered Accountants retires as the Statutory Auditors of the company at the conclusion of the 28th Annual General Meeting.

Accordingly, as per the requirements of the Act and based on the recommendations of the Audit Committee, the board of directors of the company in the board meeting held on 01 September, 2022 proposed to appoint M/s M/s. Rajeev Kumar & Co., Chartered Accountants, Aligarh (Firm Registration No.: 000633C) as the Statutory Auditors of the company for a period of five years commencing from the conclusion of 28th AGM till the conclusion of the 33rd AGM. M/s. M/s. Rajeev Kumar & Co., Chartered Accountants, Aligarh (Firm Registration No.: 000633C), 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. 4 & 5 of the notice.

The Board recommends the resolution set forth in item No.3 of the notice for approval of the members.

Special Business:**Item No.4**

Regularization of Mr. Sanjay Jain (DIN: 03008142) as Non-Executive Director of the company.

Mr. Sanjay Jain was first inducted to the Board at the Board Meeting held on 31st December 2021 and in the same meeting he was appointed as the Additional Non Executive Director. In terms of Section 161(1) of the Companies Act, 2013. Mr. Sanjay Jain can hold office only up to the date of the ensuing Annual General Meeting. The Board is of the opinion that the appointment and presence of Mr. Sanjay Jain on the Board will be desirable, beneficial and in the best interest of the Company. The Board recommends the resolution set out in item no. 3 of the accompanying Notice for approval and adoption of the Members. A copy of the Board Resolution issued to Mr. Sanjay Jain, Non Executive Director will be available for inspection between 11.00 a.m. to 01.00 p.m. on all working days (Monday to Friday) at the Registered Office of the Company. None of the Directors of the Company except Mr. Sanjay Jain, is concerned or interested in the proposed resolution

Special Business:**Item No. 5**

Remuneration of Managing Director, Mr. Swapnil Jain (DIN: 01542555) of the Company.

As per Section 197(1) of the Companies Act, 2013, provides flexibility to the Company to pay in excess of 11% of Net profit as managerial remuneration, subject to the approval of shareholders. Accordingly the approval of the Shareholders is being sought in terms of the provisions of section 197 of the Companies Act, 2013 and rules made thereunder and other applicable provisions for payment of Managerial Remuneration to Mr. Swapnil Jain in excess

of the limit computed under section 197 and 198 of the Companies Act, 2013. Pursuant to the provisions of section 196, 197, 198 and other applicable of Companies Act, 2013 (including any statutory modification from time to time or any re-enactment thereof for the time being in force) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Schedule V of Companies Act, 2013, Articles of Association and Memorandum of Association, the consent of the Board be and is hereby accorded subject to the approval of the members for payment of total remuneration to Mr. Swapnil Jain, Managing Director of the Company a sum of upto Rs. 5 Crores (Rupees Five Crores) per annum with effect from April 1, 2022.

None of other Directors, Key Managerial Personnel or their relatives are, in anyway concerned or interested in the resolution set out at Item No 4

Special Business:

Item No.6

Approval of Related Party Transactions.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all Related Party Transactions shall require approval of the Audit Committee and all Material Related Party Transactions require approval of the shareholders through Special Resolution. A transaction with a related party shall be considered material, if the, transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. Section 188 of the Companies Act, 2013 deals with Related Party Transactions and Sub section (1) of Section 188 of the Companies Act, 2013 provides that nothing in this sub section shall apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis.

Therefore, the Board recommends the resolution set out at Item No. 6 as an Special resolution to the shareholders for their approval.

None of other Directors, Key Managerial Personnel or their relatives are, in anyway concerned or interested in the resolution set out at Item No 6

Sr. No	Name Of Party	Relation with Company	Type of Transaction	Permissible Amount
1.	Asha Jain	Director	Building Rent	10 Lakh
			TM Royalty	100 Lakh
			Lease Rent	1 Lakh
2.	Swapnil Jain	Managing Director	Remuneration	5 Cr
3.	Swapnil Switches Private Limited	Subsidiary Company	Purchase	10 Cr.
			Sale	10 Cr.
4.	Pavna Auto Engineering Private Limited	Subsidiary Company	Purchase	10 Cr.
			Sale	10 Cr.
5.	Pavna Sunworld Autotech Private Limited	Subsidiary Company	Purchase	5 Cr.
			Sale	5 Cr.
6.	Pavna Marketing Private Limited	Subsidiary Company	Purchase	10 Cr.
			Sale	10 Cr.
7.	PJ Wealth Management & Consultant Pvt. Ltd.	Group Company	Loan Taken	15 cr.
8.	Pavna Goyam Auto Private Limited	Subsidiary Company	Purchase	20Cr
			Sale	1 Cr

ATTENDANCE SLIP

 28TH ANNUAL GENERAL MEETING ON TUESDAY, 27TH SEPTEMBER, 2022

Client ID	
Name of Shareholder	
Address	
No. of Shares	

I hereby record my presence at the 28th Annual General Meeting of the Company at Pavna International School, Agra-Aligarh Highway near Mangalayatan Mandir, Aligarh-202001, UP on Tuesday, 27th September, 2022 at 1.00 P.M.

Shareholder / Proxy name in block letters

Signature of the Shareholder or Proxy

Email Address:

Note:

- A) Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.
- B) Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies Management and Administration Rules, 2014]

PAVNA INDUSTRIES LIMITED
CIN: L34109UP1994PLC016359
VIMLANCHAL, HARI NAGAR
ALIGARH 202001 UP IN

Name of the Member(s)	
Registered address	
E-mail Id	
DP. Id	
Client Id	

I/We being a member / members of shares of the above named company, hereby appoint:

1. Name:
 Address:
 E-mail Id:
 Signature:....., or failing him

2. Name:
 Address:
 E-mail Id:
 Signature:....., or failing him

3. Name:
 Address:
 E-mail Id:
 Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual general meeting of the company, to be held on the Tuesday of September 27, 2022 At 01:00 p.m. at Pavna International School, Aligarh and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No	Description.	No. of shares held	FOR	AGAINST
1	To receive, consider and adopt the Standalone and consolidated Audited Balance Sheet as at March 31, 2022 and the Profit and Loss Account for the year ended on that date together with the Schedules thereon, along with the Reports of the Directors and Auditors thereon.			
2	To reappoint Mrs. Asha Jain (DIN: 00035024), who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.			
3	To Appoint Statutory Auditor M/s Rajeev Kumar & Co. Chartered Accountants.			
4	To regularize Mr. Sanjay Kumar Jain (DIN: 03008142) as a Non Executive Director			
5	Approval of Remuneration of Managing Director, Mr. Swapnil Jain (DIN: 01542555).			
6	Approval of Related Party Transactions.			

Signed this day of..... 2022

Signature of shareholder



Signature of Proxy holder(s)

Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.