

**Independent Auditor's 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 its 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 its 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.

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

For DAS MAHESHWARI & COMPANY  
Chartered Accountants  
FRN: 0007259C  
  
GHANSHYAM DAS MAHESHWARI  
(Partner)  
Membership No. 076273

**Annexure 'A'**

**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	Clause number of the CARO report which is qualified or adverse

For DAS MAHESHWARI & COMPANY  
Chartered Accountants  
FRN: 0007259C



*[Handwritten Signature]*

GHANSHYAM DAS MAHESHWARI  
(Partner)

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

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.

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



For DAS MAHESHWARI & COMPANY  
Chartered Accountants  
FRN: 0007259C

  
GHANSHYAM DAS MAHESHWARI  
(Partner )  
Membership No. 076273

**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEM LTD)**  
**CIN: L34109UP1994PLC016359**

**1. 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.

#### **l. 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)	---	---
<b>Total</b>	<b>50,000.00</b>	<b>30,000.00</b>

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

- k. % of imported & indigenous raw material & consumables

	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.



**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**

CIN : L34109UP1994PLC016359

**BALANCE SHEET AS ON 31ST MARCH 2022**

PARTICULARS	NOTE No.	AS AT		AS AT	
		MARCH 31, 2022		MARCH 31, 2021	
		Amount (Lakhs)		Amount (Lakhs)	
<b>A) EQUITY AND LIABILITIES</b>					
1) Shareholders' Funds					
a) Share Capital	3	609.04		609.04	
b) Reserves & Surplus	4	4,592.90	<b>5,201.94</b>	3,952.04	<b>4,561.08</b>
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	<b>2,011.30</b>	98.88	<b>2,035.10</b>
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	<b>9,808.25</b>	176.07	<b>5,935.42</b>
<b>TOTAL</b>			<b>17,021.49</b>		<b>12,531.60</b>
<b>B) ASSETS</b>					
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	<b>6,382.47</b>	375.38	<b>5,980.61</b>
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	
<b>TOTAL</b>			<b>10,639.02</b>		<b>6,550.99</b>
<b>TOTAL</b>			<b>17,021.49</b>		<b>12,531.61</b>

**AUDITORS' REPORT**

As per our audit report of even date attached.

**FOR DAS MAHESHWARI & COMPANY**  
**CHARTERED ACCOUNTANTS**

(Registration No 007259C)

*Ghanshyam Das Maheshwari*



**GHANSHYAM DAS MAHESHWARI**

**PARTNER**

M.No. 076273

PLACE : ALIGARH

DATE:30.05.2022

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

*Asha Jain*

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

*Swapnil Jain*

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

*Makarand Mahajan*

MAKARAND MAHAJAN  
CFO  
PAN- ABUPM4863G

*Charu Singh*

CHARU SINGH  
CS & CO  
PAN- CVBPS6669B



**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**

**CIN : L34109UP1994PLC016359**

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

PARTICULARS		NOTE No.	YEAR ENDED MARCH 31, 2022	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)	<b>TOTAL REVENUE {(A)+(B)}</b>		<b>24,976.17</b>	<b>17,136.11</b>
D)	<b>EXPENSES</b>			
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
	<b>TOTAL EXPENSES</b>		<b>24,046.94</b>	<b>16,394.56</b>
E)	<b>PROFIT BEFORE EXTRAORDINARY ITEM{(C)-(D)}</b>		<b>929.23</b>	<b>741.55</b>
F)	<b>EXTRAORDINARY ITEMS</b>			
	Less: Profit/(Loss) on sale of Fixed Asset		58.45	34.24
	Less: Profit/(Loss) on sale of Investment		-	-
	<b>Prior Period Item</b>			
	Less: Currency Fluctuation			
E)	<b>PROFIT AFTER EXTRAORDINARY ITEM{(E)-(F)}</b>		<b>987.68</b>	<b>775.80</b>
G)	<b>TAX EXPENSES</b>	26		
1)	Current Tax		262.80	165.44
2)	Deferred Tax		84.03	80.74
H)	<b>PROFIT FOR THE YEAR {(E)-(F)}</b>		<b>640.85</b>	<b>529.62</b>
I)	<b>EARNING PER EQUITY SHARE (in Rs.)</b>	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)

*Das Maheshwari*



**GHANSHYAM DAS MAHESHWARI**  
**PARTNER**

M.No. 076273

PLACE : ALIGARH

DATE: 30.05.2022

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

*Asha Jain*

(ASHA JAIN)  
DIN: 00035024  
DIRECTOR

*Swapnil Jain*

(SWAPNIL JAIN)  
DIN: 01542555  
DIRECTOR

*Makarand Mahajan*

MAKARAND MAHAJAN  
CFO

PAN- ABUPM4863G

*Charu Singh*

CHARU SINGH  
CS & CO

PAN- CVBPS6669B

**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**

**CIN : L34109UP1994PLC016359**

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

Particulars	Financial Year Ended	Financial Year Ended
<b>Cash Flow From Operating Activities</b>		
Net Profit Before Tax	987.68	775.80
<b>Adjustments for :</b>		-
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
<b>Operating Profit Before Working Capital Adjustment</b>	<b>2,088.78</b>	<b>1,541.37</b>
<b>Adjustment for Changes in Working Capital</b>		
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)
<b>Cash Flow Generated from Operations</b>	<b>(1,114.49)</b>	<b>(540.75)</b>
Taxes Paid	262.80	165.44
<b>Net Cash flow from Operating activities (A)</b>	<b>(1,377.30)</b>	<b>(706.18)</b>
<b>Cash Flow From Investing Activities</b>		
(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)	-
<b>Net Cash Flow from Investing Activites ( B)</b>	<b>(910.21)</b>	<b>(786.32)</b>
<b>Cash Flow From Financing Activities</b>		
Issue of Share Capital	-	1,488.96
Proceeds from/ (Repayment of ) Borrowing	2,907.54	444.87
Finance cost	(623.72)	(445.10)
<b>Net Cash Flow From Financing Activities (C)</b>	<b>2,283.82</b>	<b>1,488.73</b>
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
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>24.06</b>	<b>27.78</b>





Cash and cash equivalents comprises of :		
Particulars	Year Ended March 2022	Year Ended March 3 2021
Cash-in-Hand	5.24	5.90
Balance with Banks	2.33	6.00
Balance in FD	16.49	15.88
<b>Total</b>	<b>24.06</b>	<b>27.78</b>

### AUDITORS' REPORT

As per our audit report of even date attached.

**FOR DAS MAHESHWARI & COMPANY**  
**CHARTERED ACCOUNTANTS**

(Registration No 007259C)

*Ghanshyam Das Maheshwari*



**GHANSHYAM DAS MAHESHWARI**

**PARTNER**

**M.No. 076273**

**PLACE : ALIGARH**

**DATE:30.05.2022**

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

*Asha Jain*

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

*Swapnil Jain*

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

*Makarand Mahajan*

**MAKARAND MAHAJAN**  
CFO  
PAN- ABUPM4863G

*Charu Singh*

**CHARU SINGH**  
CS & CO  
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**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**  
**CIN : L34109UP1994PLC016359**

**NOTES**

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

**3. SHARE CAPITAL**

PARTICULARS	AS AT MARCH 31, 2022		AS AT MARCH 31, 2021	
			Number	Amount (Lakhs)
<b>Authorised</b>				
61,00,000 Equity Shares of Rs. 10/- each (Previous year 61,00,000 Equity Shares of Rs @ 10/-each)	6,100,000	610.00	6,100,000	610.00
<b>Issued, subscribed and paid up</b>				
60,90,400 Equity Shares of Rs.10/- each (Previous year 6090400 Equity Shares of Rs @ 10/-each Fully paid shares)	6,090,400	609.04	6,090,400	609.04
<b>TOTAL</b>		<b>609.04</b>		<b>609.04</b>

**a) Reconciliation of number of Equity Shares and amount outstanding**

PARTICULARS	AS AT MARCH 31, 2022		AS AT MARCH 31, 2021	
	Number	Amount (Rs.)	Number	Amount (Lakhs)
Shares outstanding at the beginning of year	6,090,400	609.04	2,594,000	259.40
Subdivision of shares	-	-	-	-
Bonus issue	-	-	2,594,000	259.40
Shares issued through IPO	-	-	902,400	90.24
Shares outstanding at the ending of year	<b>6,090,400</b>	<b>609.04</b>	<b>6,090,400</b>	<b>609.04</b>

**b) Details of Shareholders holding more than 5% shares in the company/shares held by promoters**

PARTICULARS	AS AT MARCH 31, 2022		AS AT MARCH 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Smt. Asha Jain	2,910,980	47.80%	2,910,980	47.80%
Shri Swapnil Jain	678,080	11.13%	678,080	11.13%
P.J. Wealth Management and Consultant Private Limited	498,520	8.19%	498,520	8.19%
Smt. Palak Jain	448,000	7.36%	429,600	7.05%
Smt. Sadhna Jain	335,200	5.50%	-	-





**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**  
**CIN : L34109UP1994PLC016359**

**NOTES**

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

**4. RESERVES AND SURPLUS**

PARTICULARS	AS AT March 31, 2022	AS AT March 31, 2021 Amount (Lakhs)
<b>a) General Reserve</b>		
Balance outstanding at the beginning of year	1.12	1.12
Add : Transferred from surplus in Statement of Profit and Loss		-
<b>Balance outstanding at the end of the year</b>	<b>1.12</b>	<b>1.12</b>
<b>b) Surplus in Statement of Profit and Loss</b>		
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
<b>Balance outstanding at the end of the year</b>	<b>3,193.06</b>	<b>2,552.20</b>
<b>c) Security Premium</b>	<b>1,398.72</b>	<b>1,398.72</b>
<b>TOTAL</b>	<b>4,592.90</b>	<b>3,952.04</b>

**5. LONG-TERM BORROWINGS**

PARTICULARS	AS AT March 31, 2022	AS AT March 31, 2021 Amount (Lakhs)
<b>a) Term Loan</b>		
Secured Loans		
from Bank including Car Loan	503.94	-
from Financial Institutions	-	828.06
<b>b) Loans and advances from related parties</b>		
from Directors	202.56	0.00
from Corporate entities	972.38	993.62
<b>TOTAL</b>	<b>1,678.88</b>	<b>1,821.68</b>
<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.		



**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**

**CIN : L34109UP1994PLC016359**

**NOTES**

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

**6. DEFERRED TAX LIABILITIES (NET)**

PARTICULARS	AS AT March 31, 2022	AS AT March 31, 2021
		Amount (Lakhs)
<b>a) Deferred Tax Liabilities</b>		
On difference between book balance and tax balance of fixed assets	198.57	114.55
<b>b) Deferred Tax Assets</b>		
<b>DEFERRED TAX LIABILITIES (NET)</b>	<b>198.57</b>	<b>114.55</b>
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
	<b>133.85</b>	<b>98.88</b>

**8. SHORT TERM BORROWINGS**

PARTICULARS	AS AT March 31, 2022	AS AT March 31, 2021
		Amount (Lakhs)
<b>a) Loans repayable in Short Term</b>		
Secured		
from Bank	3,931.80	621.22
from Financial Institutions	1,500.00	1,839.57
<b>b) Current maturities to Long Term Debt</b>		
From Banks including Car Loans	336.37	257.04
From Financial Institutions		-
From Unsecured Loan		
<b>TOTAL</b>	<b>5,768.17</b>	<b>2,717.83</b>

*additional information*

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**

<b>PARTICULARS</b>	<b>AS AT March 31, 2022</b>	<b>AS AT March 31, 2021</b>
		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
<b>TOTAL</b>	<b>3,770.38</b>	<b>2,955.27</b>

*additional information*

i) Trade Payables are subject to confirmation & reconciliation.



**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**  
**CIN : L34109UP1994PLC016359**

**NOTES**

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

**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
		-
<b>TOTAL</b>	<b>70.05</b>	<b>86.24</b>

**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
<b>TOTAL</b>	<b>199.65</b>	<b>176.07</b>





**PAYNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAYNA ZADI SECURITY SYSTEMS LIMITED)**  
**CIN : L34109UP1994PLC016359**

**NOTES**

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

**12. PROPERTY, PLANT & EQUIPMENT**

PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTISATION			NET BLOCK	
	AS AT MARCH 31, 2021	ADDITIONS	DISPOSAL	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021	DEDUCTIONS FOR THE PERIOD	AS AT MARCH 31, 2022	AS AT MARCH 31, 2021
<b>TANGIBLE ASSETS</b>								Amount (Lakhs)
Land	348.05	-	51.55	296.50	-	-	296.50	348.05
-Owned Building	-	48.26	-	1,112.23	243.59	20.91	847.73	820.39
-Owned Plant & Machinery	1,063.97	-	-	6,019.02	2,181.13	455.56	3,382.33	3,179.07
-Owned Furniture and Fixtures	5,361.24	657.79	-	111.11	41.32	6.66	47.93	62.83
-Owned Vehicles	104.15	6.96	-	277.54	86.34	26.12	112.46	175.19
-Owned Office Equipment	261.53	16.01	-	55.39	25.93	3.45	29.39	25.13
-Owned Computer	51.07	4.32	-	176.10	113.94	23.89	137.83	29.49
-Owned	143.44	32.66	-	8,047.88	2,692.24	536.61	3,228.85	4,819.04
<b>TOTAL</b>	<b>7,333.44</b>	<b>765.99</b>	<b>51.55</b>	<b>8,047.88</b>	<b>2,692.24</b>	<b>536.61</b>	<b>3,228.85</b>	<b>4,819.04</b>
<b>PREVIOUS YEAR</b>	<b>6,694.16</b>	<b>781.61</b>	<b>142.33</b>	<b>7,333.44</b>	<b>2,337.33</b>	<b>355.52</b>	<b>2,692.24</b>	<b>4,641.21</b>
						<b>0.61</b>		<b>4,356.83</b>



**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**

**CIN : L34109UP1994PLC016359**

**NOTES**

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

**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
<b>TOTAL</b>	<b>1,219.03</b>	<b>964.03</b>

**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
<b>TOTAL</b>	<b>344.39</b>	<b>375.38</b>

**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
<b>TOTAL</b>	<b>5,725.41</b>	<b>2,925.49</b>

*additional information*

- i) Detailed Inventories of Work in Progress  
 RAW MATERIAL OF ZINC ,ALUMINIUM , 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





**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**  
**CIN : L34109UP1994PLC016359**

**NOTES**

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

**16. TRADE RECEIVABLES**

PARTICULARS	AS AT March 31, 2022	AS AT March 31, 2021 Amount (Lakhs)
a) Trade receivables		
<b>Undisputed Trade receivables – considered good</b>		
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
<b>TOTAL</b>	<b>4,081.93</b>	<b>2,794.61</b>
<i>additional information</i>		
i) Trade Receivables (Unsecured, considered good) are subject to confirmation & reconciliation.		



**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**

**CIN : L34109UP1994PLC016359**

**NOTES**

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

**17. CASH AND BANK BALANCES**

PARTICULARS	AS AT March 31, 2022	AS AT March 31, 2021
		Amount (Lakhs)
Cash and Cash Equivalents		
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
<b>TOTAL</b>	<b>24.06</b>	<b>27.78</b>

*additional information*

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 Subsidiery	150.00	0.00
e) Prepaid Expense	16.29	15.22
<b>TOTAL</b>	<b>807.64</b>	<b>803.12</b>





**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**  
**CIN : L34109UP1994PLC016359**

**NOTES**

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

**19. REVENUE FROM OPERATIONS**

PARTICULARS	AS AT March 31, 2022	AS AT March 31, 2021
a) Sale of manufactured goods (Gross)	24,954.28	Amount (Lakhs) 17,121.70
b) REVENUE FROM OPERATIONS (NET)	<b>24,954.28</b>	<b>17,121.70</b>
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
a) Other Non Operating Income		Amount (Lakhs)
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	-
<b>TOTAL</b>	<b>21.89</b>	<b>14.41</b>

**21. COST OF MATERIALS CONSUMED**

PARTICULARS	AS AT March 31, 2022	AS AT March 31, 2021
a) Opening Stock	862.79	Amount (Lakhs) 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
<b>Cost of Materials Consumed</b>	<b>19,373.95</b>	<b>12,070.78</b>

*additional information*

i) Material Consumed comprises Zinc, Aluminum, Brass Sheet, CRC Sheet, Iron, Plastic Material etc.



**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**

**CIN : L34109UP1994PLC016359**

**NOTES**

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

<b>22. CHANGES IN INVENTORIES OF WORK-IN-PROCESS</b>		
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
<b>TOTAL</b>	<b>(1,822.57)</b>	<b>(721.36)</b>
<i>additional information</i>		
i) Work in Progress includes Semi Finished Goods/Components lying at assembly shop.		

<b>23. EMPLOYEE BENEFIT EXPENSES</b>		
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
<b>TOTAL</b>	<b>2,306.77</b>	<b>1,724.92</b>
<i>additional information</i>		
i) Net of Recoveries		

<b>24. FINANCE COSTS</b>		
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
<b>TOTAL</b>	<b>623.72</b>	<b>445.10</b>





**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**

**CIN : L34109UP1994PLC016359**

**NOTES**

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

**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	-
<b>TOTAL</b>	<b>3,028.46</b>	<b>2,519.59</b>
<b>*additional information</b>		
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
<b>Net Consumption of Stores, Spares, Packing and Tools</b>	<b>326.82</b>	<b>297.90</b>

**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**  
**CIN : L34109UP1994PLC016359**

**NOTES**

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

**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
<b>TOTAL</b>	<b>346.83</b>	<b>246.18</b>

**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





**PAVNA INDUSTRIES LIMITED, ALIGARH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**  
**CIN : L34109UP1994PLC016359**

**NOTES**

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

**30. RELATED PARTY DISCLOSURES**

S.N.	NAME OF PERSON	RELATION	NATURE OF PAYMENT	AS ENDED March 31, 2022	AS ENDED March 31, 2021
<b>Loan taken during the year</b>					
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
<b>Loan Repaid during the year</b>					
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
<b>Interest on Loans (Net of TDS)</b>					
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
<b>Remuneration</b>					
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
<b>Salary &amp; Other Expense</b>					
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
<b>Sales &amp; Purchase</b>					
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	-



**PAVNA INDUSTRIES LIMITED, ALIGARIH**  
**(FORMERLY KNOWN AS PAVNA ZADI SECURITY SYSTEMS LIMITED)**  
**CIN : L34109UP1994PLC016359**

**NOTES**

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

<b>Investment of Shares- Sales/ Purchase</b>				-	-
1	PAVNA AUTO ENGINEERING PVT. LTD.	SISTER CONCERN	Share Purchase	-	184.74
2	PAVNA GOYAM AUTO PVT. LTD.	SISTER CONCERN	Share Purchase	255.00	-
<b>Security Deposits</b>				-	-
1	SHRI PAWAN JAIN	DIRECTOR	Security Deposit	-	300.00
<b>Short Term Loans &amp; Advances</b>				-	-
1	PAVNA GOYAM AUTO PVT. LTD.	SISTER CONCERN	Advances	150.00	-
<b>Outstanding Balances</b>				-	-
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)

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

**PLACE : ALIGARIH**  
**DATE: 30.05.2022**



FOR & ON BEHALF OF THE BOARD OF DIRECTORS

*Asha Jain*  
 (ASHA JAIN)  
 DIN: 00035024  
 DIRECTOR

*Makarand Mahajan*  
 MAKARAND MAHAJAN  
 CFO  
 PAN- ABUPM4863G

*Swapnil Jain*  
 (SWAPNIL JAIN)  
 DIN: 01542555  
 DIRECTOR

*Charu Singh*  
 CHARU SINGH  
 CS & CO  
 PAN- CVBPS6669B



31. The accounting ratios required under Schedule III of the companies act,2013 given as follows:

S.NO	Ratio	Numerator/ Denominator	For the year ended 31 March 2022	For the year ended 31 March 2021	% Variance	Reason for variance(Mandatorily required if variance exceeds 25%)
1	Current ratio	Total current assets/ Total current liabilities	1.08	1.10	-1.72%	
2	Debt-equity ratio	Total Debt/ Shareholder's equity	1.43	1.00	43.84%	In FY-2020-2021, Long Term Debts had been repaid out of proceeds raised from the issue of shares capital via IPO. In FY-2021-2022, Borrowings has also been increased from the Bank for meeting out the funds requirements.
3	Debt service coverage ratio	Net profit after tax (excluding Other Comprehensive Income)+ Depreciation & amortizations -Interest on loans+Loss on sale of PPE	3.07	3.00	2.61%	
4	Return on equity ratio	Total amount of interest, lease payments & principle repayments of loan payable or paid during the period Net profit after tax*100/ Shareholder's equity	12.32	11.61	6.10%	
5	Inventory turnover ratio	Cost of goods sold/ (Opening inventory+closing inventory)/2	4.48	5.10	-12.11%	
6	Trade receivables turnover ratio	Total Net Revenue/ Average Account Receivables (Opening+Closing)/2	7.26	7.26	-0.01%	
7	Trade payables turnover ratio	Total Purchases/ Average Account Payables (Opening+Closing)/2	6.00	5.14	16.71%	
8	Net Capital turnover ratio	Total Net Revenue from operations/ Working capital (Current Assets-Current liabilities)	30.04	27.81	7.99%	
9	Net Profit ratio	Net Profit after tax*100/ Net Revenue from operations	2.57	3.09	-16.98%	
10	Return on capital employed	Earning Before interest and Tax/ Capital Employed (Tangible Net worth+ Total Debt- Deferred tax liability)	0.12	0.13	-6.13%	
11	Return on Investment	Net Operating Income(EBIT)/ Net Profit/ Average Operating Assets (Current Assets)/Total cost of Investment	0.24	0.20	22.63%	



### 32. Other Information

- (i) Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 01-April-19 domestic companies have the option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New Tax Rate') subject to certain conditions. The Company had adopted new scheme from previous year.
- (ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iii) The Company did not have any transactions with Companies struck off.
- (iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) The Company has not traded or invested in Crypto currency or Virtual Currency during the respective financial years / period.
- (vi) The Company has not advanced or loaned or invested funds to any other persons(s) or entities(s), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company has not received any fund from any persons(s) or entities(s), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (ix) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (x) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.
- (xi) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017
- (xii) In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. Consequent to this, Government of India declared a national lockdown on 25 March 2020, which has impacted the business activities of the Company. The Company has assessed the impact that may result from this pandemic on its liquidity position, carrying amounts of other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has considered internal and external information available till the date of approval these financial statements and has assessed its situation.
- In that context and based on the current estimates, the Company believes that COVID 19 is not likely to have any material impact on its financial statements, liquidity or ability to service its debt or other obligations. However, the overall economic environment, being uncertain due to COVID 19, may affect the underlying assumptions and estimates in future, which may differ from those considered as at the date of approval of these financial statements. The Company would closely monitor such developments in future economic conditions and consider their impact on the financial statements of the relevant periods.

33. Previous year figures have been re-grouped/re-classified wherever considered necessary, so as to confirm with those of current year.

### AUDITORS' REPORT

As per our audit report of even date attached.

FOR DAS MAHESHWARI & COMPANY  
CHARTERED ACCOUNTANTS

(Registration No. 0072590)

*(Signature)*

GHANSHYAM DAS MAHESHWARI

PARTNER

M.No. 076273

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

*(Signature)*

(ASHA JAIN)

DIN: 00635024

DIRECTOR

*(Signature)*

(SWAPNIL JAIN)

DIN: 01542555

DIRECTOR



PLACE : ALIGARI

DATE: 30.05.2022