

May 30, 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

Subject: Outcome of Board Meeting Pursuant to Regulation 30 and Regulation 33 read with Para A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 held on Monday, 30 May 2022 at Registered address of the Company.

Dear Sir,

With reference to Regulation 30 and Regulation 33 read with Para A of Schedule III of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we hereby inform you that the Board of Directors of the Company at its Meeting held today, approved the following matters:

- Audited Financial Results (Standalone and Consolidated) of the Company for the half year and year ended 31st March, 2022.
- Auditor's Report on the Audited Financial Results (Standalone and Consolidated) for the year ended 31st March, 2022.

Pursuant to Regulation 33(3) (d) of SEBI (LODR) Regulations 2015, we hereby declare that the Statutory Auditors of the Company have issued Auditor Report with unmodified opinion on Standalone & Consolidated Audited Financial Results for the half year and year ended on 31st March, 2022 and the same was approved at the Board Meeting held today i.e. 30th May, 2022.

The Board Meeting commenced at 2:00 PM concluded at 05:30 PM.

This information is for your information & record.
Yours faithfully

For Pavna Industries Limited


Charu Singh
Company Secretary & Compliance Officer
M.No. A 48257



**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

STATEMENT OF AUDITED STANDALONE ASSETS AND LIABILITIES

(As per Schedule III of the Companies Act, 2013 and Non Ind AS)

FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. In Lakh)

SI No	PARTICULARS	STANDALONE	
		As at 31st March, 2022	As at 31st March, 2021
I	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
a	Share Capital	609.04	609.04
b	Reserves & Surplus	4,592.90	3,952.04
c	Money received against share warrants	-	-
	Sub-total - Shareholders' funds	5,201.94	4,561.08
2	Share application money pending allotment	-	-
3	Non-Current Liabilities		
a	Long-term Borrowings	1,678.88	1,821.68
b	Deferred Tax Liabilities (Net)	198.57	114.55
c	Other long-term liabilities	-	-
d	Long-term provisions	133.85	98.88
	Sub-total - Non-current liabilities	2,011.30	2,035.10
4	Current Liabilities		
a)	Short-term Borrowings	5,768.17	2,413.10
b)	Trade Payables	3,770.38	2,492.80
c)	Other Current Liabilities	70.05	581.18
d)	Short-Term Provisions	199.65	448.34
	Sub-total - Current liabilities	9,808.25	5,935.42
	TOTAL - EQUITY AND LIABILITIES	17,021.49	12,531.61
II	ASSETS		
1	Non-Current Assets		
a	Fixed assets (Tangible Assets)	4,819.06	4,641.21
b	Non-current investments	1,219.03	964.03
c	Deferred tax assets (net)	-	-
d	Long-term loans and advances	-	375.38
e	Other non-current assets	344.39	-
	Sub-total - Non-current assets	6,382.47	5,980.61
2	Current Assets		
a	Current investments	-	-
b	Inventories	5,725.40	2,925.49
c	Trade receivables	4,081.93	2,794.61
d	Cash and cash equivalents	24.06	27.78
e	Short-term loans and advances	807.64	759.58
f	Other Current Assets	-	43.54
	Sub-total - Current assets	10,639.02	6,550.99
	Total -Assets	17,021.49	12,531.61



Statement of Standalone Audited Results (As per Schedule III of the Companies Act, 2013 and Non- Ind AS)

For the Half year ended on 31st March, 2022

(Rs. In Lakh) (Except Earning Per Share)

Sr NO	PARTICULARS	STANDALONE				
		Half Year Ended			Year Ended	
		31/03/2022	30/09/2021	31/03/2021	31/03/2022	31/03/2021
		Audited	Audited	Audited	Audited	Audited
	Income					
i	Revenue from Operations (Net)	14,720.70	10,233.58	11,954.88	24,954.28	17,121.70
ii	Other Income	11.15	10.74	9.60	21.89	14.41
iii	Total income (i+ii)	14,731.85	10,244.32	11,964.48	24,976.17	17,136.11
iv	Expenses:					
	(a) Cost of materials consumed	11,915.21	7,458.74	8,532.37	19,373.95	12,070.78
	(b) Purchase of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,238.41)	(584.16)	(522.89)	(1,822.57)	(721.36)
	(d) Employee benefits Expenses	1,218.98	1,087.80	1,128.81	2,306.77	1,724.92
	(e) Finance Cost	311.04	312.68	235.63	623.72	445.10
	(f) Depreciation & amortisation expense	277.73	258.88	201.32	536.61	355.52
	(g) Other Expenses	1,698.61	1,329.85	1,693.36	3,028.46	2,519.59
	Total Expenses (a to g)	14,183.16	9,863.79	11,268.60	24,046.94	16,394.56
		-	-	-	-	-
v	Profit / (Loss) before exceptional and extraordinary items and Tax (iii-iv)	548.69	380.54	695.88	929.23	741.55
vi	Exceptional Items	-	-	-	-	-
vii	Profit / (Loss) before extraordinary items and tax (v-vi)	548.69	380.54	695.88	929.23	741.55
viii	Extraordinary items (net of tax)					
	Less: Profit/(Loss) on sale of Fixed Asset	-	58.45	-	58.45	34.24
	Less: Profit/(Loss) on sale of Investment	-	-	-	-	-
	Less: Currency Fluctuation	-	-	-	-	-
ix	Profit / (Loss) before tax (vii-viii)	548.69	438.99	695.88	987.68	775.80
x	Tax Expense					
	Current Tax	141.85	120.96	165.44	262.80	165.44
	Deferred Tax	(12.11)	96.13	27.96	84.03	80.74
xi	Net Profit / (Loss) for the period (ix + x)	418.95	221.90	502.48	640.85	529.62
xii	Paid-up equity share capital	609.04	609.04	609.04	609.04	609.04
	Face Value of Shares (Rs)	10	10	10	10	10
xiii	Earnings Per Share (before extraordinary items)					
	Basic	6.88	3.64	8.25	10.52	8.70
	Diluted	6.88	3.64	8.25	10.52	8.70

Notes

1	The above Financial Results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at the meeting held on 30th May, 2022
2	The Audited Standalone Financial Result have been prepared in accordance with the Accounting Standards as notified under section 133 of the Companies Act, 2013 read with relevant rules made thereunder and other accounting principles generally accepted in India as amended from time to time.
3	In accordance with Regulation 33 of SEBI (LODR) Regulation 2015, the above Audited Standalone Financial Results of the Company are posted on Company's website (www.pavnagroup.com) and on the website of NSE Limited (https://www.nscindia.com) where the Company's shares are listed.
4	The figures for the half year ended 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year.
5	The Company operates in a single segment only i.e. Manufacturing of Auto Mobile Parts for two and three wheelers.
6	Figures for the previous period/Year have been re-grouped/reworked/re-arranged whenever necessary, to make them comparable.



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

(Rs. in Lakh)

Particulars	Financial Year Ended	
	31.03.2022	31.03.2021
A 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
Operating Profit Before Working Capital Adjustment	2,088.78	1,540.57
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)	(307.06)
Trade and other Receivables	(1,287.32)	(871.67)
Long Term Loans & Advances	31.00	(273.66)
Short Term Loans & Advances	(4.52)	(409.73)
Other Current Assets	-	36.49
Inventories	(2,799.91)	(1,113.83)
Cash Flow Generated from Operations	(1,114.49)	(493.06)
Taxes Paid	262.80	165.44
Net Cash flow from Operating activities (A)	(1,377.30)	(658.49)
B. 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
Sale of Shares	0.78	1,488.96
Interest Received	(255.00)	1.00
Net Cash Flow from Investing Activites (B)	(910.21)	702.64
C Cash Flow From Financing Activities		
Proceeds from/ (Repayment of) Borrowing	2,907.54	397.18
Finance cost	(623.72)	(445.10)
Net Cash Flow From Financing Activities (C)	2,283.82	(47.92)
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	31.03.2022	31.03.2021
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

[Signature]


NOTES

- 1 The above Financial Results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at the meeting held on 30th May, 2022
- 2 The Audited Standalone Financial Result have been prepared in accordance with the Accounting Standards as notified under section 133 of the Companies Act, 2013 read with relevant rules made thereunder and other accounting principles generally accepted in India as amended from time to time.
- 3 In accordance with Regulation 33 of SEBI (LODR) Regulation 2015, the above Audited Consolidate Financial Results of the Company are posted on Company's website (www.pavnagroup.com) and on the website of NSE Limited (<https://www.nseindia.com>) where the Company's shares are listed.
- 4 The figures for the half year ended 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year.
- 5 The Company operates in a single segment only i.e. Manufacturing of Auto Mobile Parts for two and three wheelers.

FOR AND ON BEHALF OF PAVNA INDUSTRIES LIMITED


SWAPNIL JAIN
MANAGING DIRECTOR
DIN 1542555





Independent Auditor's 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.

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

For DAS MAHESHWARI &
COMPANY
Chartered Accountants
FRN:0007259C

GHANSHYAM DAS MAHESHWARI
(Partner)
Membership No. 076273

STATEMENT OF AUDITED CONSOLIDATE ASSETS AND LIABILITIES			
(As per Schedule III of the Companies Act, 2013 and Non Ind AS)			
FOR THE YEAR ENDED 31ST MARCH, 2022			
		(Rs. In Lakh)	
		CONSOLIDATE	
SI No	PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
1	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
a	Share Capital	609.04	609.04
b	Reserves & Surplus	4,906.69	4,180.81
	Sub-total - Shareholders' funds	5,515.73	4,789.85
2	Minority Interest	1,200.47	905.92
3	Non-Current Liabilities		
a	Long-term Borrowings	4,456.57	2,185.89
b	Deferred Tax Liabilities (Net)	200.23	112.91
c	Other long-term liabilities	25.00	55.00
d	Long-term provisions	219.97	177.41
	Sub-total - Non-current liabilities	4,901.77	2,531.21
3	Current Liabilities		
a)	Short-term Borrowings	7,570.41	3,311.69
b)	Trade Payables	4,191.27	3,331.29
c)	Other Current Liabilities	305.40	769.17
d)	Short-Term Provisions	450.04	596.24
	Sub-total - Current liabilities	12,517.11	8,008.39
	TOTAL - EQUITY AND LIABILITIES	24,135.08	16,235.35
II	ASSETS		
1	Non-Current Assets		
a	Fixed assets		
i	Tangible Assets	7,675.79	5,235.56
ii	Intangible Assets	25.00	25.00
b	Long-term loans and advances	1,187.17	1,187.64
c	Other non-current assets	6.64	7.16
	Sub-total - Non-current assets	8,894.59	6,455.37
2	Current Assets		
a	Inventories	9,180.89	4,635.25
b	Trade receivables	5,012.28	3,845.61
d	Cash and cash equivalents	68.22	64.04
e	Short-term loans and advances	902.68	1,141.99
f	Other Current Assets	76.42	93.09
	Sub-total - Current assets	15,240.49	9,779.98
	Total -Assets	24,135.08	16,235.35

Statement of Consolidate Audited Results (As per Schedule III of the Companies Act, 2013 and Non- Ind AS)

For the Half year ended on 31st March, 2022

(Rs. In Lakh) (Except Earning Per Share)

PARTICULARS	CONSOLIDATE				
	Half Year Ended			Year Ended	
	31/03/2022	30/09/2021	31/03/2021	31/03/2022	31/03/2021
	Audited	Audited	Audited	Audited	Audited
Income					
i Revenue from Operations (Net)	19,231.30	14,341.65	15,137.95	33,572.95	21,940.72
ii Other Income	30.10	33.46	13.86	63.56	19.09
iii Total income (i+ii)	19,261.40	14,375.11	15,151.81	33,636.51	21,959.81
iv Expenses:					
(a) Cost of materials consumed	13,984.22	9,722.04	10,682.83	23,706.26	15,166.85
(b) Changes in inventories	(1,551.53)	(562.62)	(969.66)	(2,114.15)	(1,289.47)
(c) Employee benefits Expenses	1,970.20	1,655.26	1,517.69	3,625.46	2,352.78
(e) Finance Cost	468.56	457.63	286.56	926.19	536.77
(f) Depreciation & amortisation expense	479.38	440.79	234.45	920.17	404.00
(g) Other Expenses	2,962.69	2,269.45	2,513.91	5,232.14	3,723.85
Total Expenses (a to g)	18,313.51	13,982.56	14,265.79	32,296.07	20,894.79
v Profit / (Loss) before exceptional and extraordinary items and Tax (iii-iv)	947.88	392.56	886.02	1,340.44	1,065.02
vi Extraordinary items (net of tax)					
Less Profit/(Loss) on sale of Fixed Asset	-	58.45	-	58.45	-
Less Profit/(Loss) on sale of Investment	-	-	-	-	-
Less Currency Fluctuation	-	-	-	-	-
Less Bonus	-	-	(6.00)	-	(6.00)
vii Profit / (Loss) before tax (vii-viii)	947.88	451.01	880.02	1,398.90	1,059.02
viii Tax Expense					
Current Tax	179.46	180.45	213.95	359.91	252.40
Deferred Tax	(33.56)	108.08	28.11	74.51	85.88
ix Net Profit / (Loss) for the period (ix + x)	801.99	162.49	637.96	964.47	720.75
Net Profit Attributable to Minority	260.03	(107.95)	54.70	152.09	97.61
Net Profit transferred to Reserves	541.95	270.43	583.25	812.39	623.13
Basic					
Diluted					

Notes

- The above Financial Results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at the meeting held on 30th May, 2022
- The Audited Standalone Financial Result have been prepared in accordance with the Accounting Standards as notified under section 133 of the Companies Act, 2013 read with relevant rules made thereunder and other accounting principles generally accepted in India as amended from time to time.
- In accordance with Regulation 33 of SEBI (LODR) Regulation 2015, the above Audited Consolidate Financial Results of the Company are posted on Company's website (www.pavnagroup.com) and on the website of NSE Limited (<https://www.nseindia.com>) where the Company's shares are listed
- The figures for the half year ended 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year.
- The Company operates in a single segment only i.e. Manufacturing of Auto Mobile Parts for two and three wheelers.



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

(Rs. in Lakh)

Sr no	Particulars	Financial Year Ended	
		31.03.2022	31.03.2021
A	Cash Flow From Operating Activities		
	Net Profit Before Tax	1,398.90	1,059.02
	Adjustments for :		
	Depreciation/Amortisation	920.17	404.00
	Loss/Profit on sale of asset	(58.45)	-
	Loss on sale of shares	-	-
	Prior Period	-	-
	Interest Received	(1.85)	(1.77)
	Finance cost	926.19	536.77
	FBI Write off		0.80
	Operating Profit Before Working Capital Adjustment	3,184.96	1,998.83
	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)
B.	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)
C	Cash Flow From Financing Activities		
	Issue of Capital	0	90.24
	Security Premium	0	1398.72
	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	31.03.2022	31.03.2021
	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



NOTES

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- 5 The Company operates in a single segment only i.e. Manufactuirng of Auto Mobile Parts for two and three wheelers.

FOR AND ON BEHALF OF PAVNA INDUSTRIES LIMITED



SWAPNIL JAIN
MANAGING DIRECTOR
DIN 1542555

