



Independent Auditor's Report

To the Members of **PAVNA AUTO ENGINEERING PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of "PAVNA AUTO ENGINEERING PRIVATE LIMITED" ("the Company"), which comprise the balance sheet as at **30th September 2022**, and the statement of Profit and Loss and statement of cash flows for the period ended on **30th September '2022**, 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 **30th September, 2022**, its profit and its cash flows for the period 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 there under, 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 the matters described below to be the key audit matters to be communicated in our report.

Reporting of Key Audit Matters as per SA 701, are not applicable on the company as it is an unlisted company.

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 30th September, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 30th September, 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 other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the 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 misstatement.

v. No dividend have been declared or paid during the year by the company.

For ARUN VARSHNEY AND
ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 0005560C




CA. ANKUR VARSHNEY
(PARTNER)
Membership No. 433293

Place:-ALIGARH
Date: 12.11.2022
UDIN:22433293BCXORI1496

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 there under.
- (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 not been sanctioned during any point of time of the period, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.



- (iii) During the year the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) In respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.
- (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 30th of September, 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) Based on our examination, the provision of section 135 are not applicable on the company. Hence this clause is not applicable on the company.
- (xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

Place:-ALIGARH
Date: 11.11.2022
UDIN:22433293BCXORI1496



For ARUN VARSHNEY AND
ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 0005560C

CA. ANKUR VARSHNEY
(PARTNER)
Membership No. 433293

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 AUTO ENGINEERING PRIVATE LIMITED**" ("the Company") as of **September 30, 2022** in conjunction with our audit of the financial statements of the Company for the period 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 authorisations 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 September 30, 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: 12.11.2022
UDIN:22433293BCXORI1496



For ARUN VARSHNEY AND
ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 0005560C

CA. ANKUR VARSHNEY
(PARTNER)
Membership No. 433293

PARTICULARS	NOTES No.	AS AT SEPTEMBER 30, 2022		AS AT MARCH 31, 2022	
A) EQUITY AND LIABILITIES					
1) Shareholders' Funds					
a) Share Capital	3	60,90,000		60,90,000	
b) Reserves & Surplus	4	16,97,08,458	17,57,98,458	16,74,32,706	17,35,22,706
2) Non-Current Liabilities					
a) Long-term Provision	6	38,97,782		39,11,782	
b) Deferred Tax Liabilities (Net)	5	3,19,620		1,01,931	
b) Long-term Borrowings	7	53,24,942	95,42,344	99,72,976	1,39,86,689
3) Current Liabilities					
a) Short-term Borrowings	8	5,74,56,907		5,34,00,542	
b) Trade Payables	9	5,04,56,470		4,75,92,547	
c) Other Current Liabilities	10	34,91,779		17,12,916	
d) Short-Term Provisions	11	1,33,64,894	12,47,70,049	1,70,77,291	11,97,83,296
		TOTAL	31,01,10,851	TOTAL	30,72,92,691
B) ASSETS					
1) Non-Current Assets					
a) Fixed Assets					
(i) Tangible Assets	12	3,22,28,151		3,46,95,846	
b) Deferred Tax Assets (Net)	5				
c) Long -term Loan & Advances	13	6,04,05,250	9,26,33,401	6,04,05,250	9,51,01,096
2) Current Assets					
a) Inventories	14	11,08,50,000		12,24,36,000	
b) Trade Receivables	15	9,30,43,151		7,10,26,825	
c) Cash & Cash Equivalents	16	21,26,471		22,65,686	
e) Short-term Loans & Advances	18	1,14,57,828	21,74,77,450	1,64,63,084	21,21,91,595
		TOTAL	31,01,10,851	TOTAL	30,72,92,691

AUDITORS' REPORT

As per our audit report of even date attached.

FOR ARUN VARSHNEY & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA. ANKUR VARSHNEY)
PARTNER
M.No. 433293PLACE : ALIGARH
DATED: 12.11.2022
UDIN: 22433293BCXORI1496

FOR & ON BEHALF OF THE BOARD OF DIRECTORS


(SWAPNIL JAIN) (PRIYA JAIN)
DIN: 01542555 DIN: 03355623
DIRECTOR DIRECTOR

PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
CIN : U50300UP1994PTC016358
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 30TH SEPTEMBER 2022

PARTICULARS	NOTES No.	YEAR ENDED	YEAR ENDED
		SEPTEMBER 30, 2022	MARCH 31, 2022
		Amount (Rs.)	Amount (Rs.)
A) REVENUE FROM OPERATIONS	19	21,92,96,607	46,87,33,370
B) OTHER INCOME	20	58,849	1,06,121
C) TOTAL REVENUE {(A)+(B)}		21,93,55,456	46,88,39,491
D) EXPENSES :-			
1) Cost of Materials Consumed	21	15,27,30,030	33,33,28,643
2) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	46,34,400	(2,69,39,400)
3) Employee Benefits Expense	23	2,81,33,939	5,60,01,715
4) Finance Costs	24	25,60,125	63,55,191
5) Depreciation & Amortisation Expense	25	24,67,696	51,84,840
6) Other Expenses	26	2,54,95,013	6,99,66,534
TOTAL EXPENSES		21,60,21,202	44,38,97,523
E) PROFIT BEFORE TAX {(C)-(D)}		33,34,253	2,49,41,968
F) TAX EXPENSES	27		
1) Current Tax		8,40,813	63,21,778
2) Deferred Tax		2,17,689	2,54,278
G) PROFIT FOR THE YEAR {(E)-(F)}		22,75,751	1,83,65,912

AUDITORS' REPORT

As per our audit report of even date attached.

**FOR ARUN VARSHNEY & ASSOCIATES
CHARTERED ACCOUNTANTS**



**(CA. ANKUR VARSHNEY)
PARTNER
M.No. 433293**



FOR & ON BEHALF OF THE BOARD OF DIRECTORS



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



**(PRIYA JAIN)
DIN: 03355623
DIRECTOR**

**PLACE : ALIGARH
DATED: 12.11.2022
UDIN: 22433293BCXORI1496**

PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 30TH SEPTEMBER 2022

PARTICULARS	YEAR ENDED	YEAR ENDED
	SEPTEMBER 30, 2022	MARCH 31, 2022
Net Profit Before Tax	33,34,253	2,49,41,968
Adjustments for :		
Depreciation/Amortisation	24,67,696	51,84,840
Finance cost	25,60,125	63,55,191
Operating Profit Before Working Capital Adjustment	83,62,075	3,64,81,999
Adjustment for Changes in Working Capital		
Trade and other payable	28,63,923	25,90,086
Long-term provisions	(14,000)	9,56,782
Short-term provisions	(37,12,397)	1,00,98,588
Other Current Liabilities	17,78,863	(1,28,091)
Trade and other Recievables	(2,20,16,326)	3,76,34,768
Long Term Loans & Advances	-	-
Short Term Loans & Advances	50,05,256	27,68,529
Non-Current Investment	-	-
Inventories	1,15,86,000	(6,73,51,000)
Cash Flow Generated from Operations	38,53,393	2,30,51,661
Taxes Paid	8,40,813	63,21,778
Net Cash flow from Operating activities (A)	30,12,580	1,67,29,883
Cash Flow From Investing Activities		
(Purchase)/Sale of Fixed Assets	-	(16,90,500)
Sale of Shares	-	-
Net Cash Flow from Investing Activites (B)	-	(16,90,500)
Cash Flow From Financing Activities		
Proceeds from/ (Repayment of) Borrowing	(5,91,670)	(85,03,300)
Finance cost	(25,60,125)	(63,55,191)
Net Cash Flow From Financing Activities (C)	(31,51,795)	(1,48,58,491)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(1,39,215)	1,80,892
Cash & Cash equivalent at the beginning of the year	22,65,686	20,84,794
Cash & Cash Equivalent at the end of the year	21,26,471	22,65,686
Cash and cash equivalents comprises of :		
PARTICULARS	YEAR ENDED	YEAR ENDED
	SEPTEMBER 30, 2021	MARCH 31, 2021
Cash-in-Hand	6,31,781	4,80,665
Balance with Banks	2,58,334	6,07,513
Balance in FD	12,36,357	11,77,508
Total	21,26,471	22,65,686

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

AUDITORS' REPORT

As per our audit report of even date attached.

FOR ARUN VARSHNEY & ASSOCIATES
CHARTERED ACCOUNTANTS



(CA. ANKUR VARSHNEY)
PARTNER
M.No. 433293




(SWAPNIL JAIN)
DIN: 01542555
DIRECTOR



(PRIYA JAIN)
DIN: 03355623
DIRECTOR

PLACE : ALIGARH
DATED: 12.11.2022
UDIN: 22433293BCXORI1496

PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

NOTES

1. Forming part of the financial statement for the Period ended September 30th, 2022

1. Corporate Information

Pavna Auto engineering Pvt. Ltd. ('the Company'), having its registered office at Pala Sahibabad Road, Aligarh, India, was incorporated on April 19, 1994. The Company is engaged in business of manufacturing of Fuel Cock Assemble, Die Cast components 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 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
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 capitalized 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

There is no foreign currency transaction during the period.



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 weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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



2. Notes on Financial Statements

1. Notes on Financial Statements

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	September 2022	
	September 2022	March 2022
Mr. Swapnil Jain	---	---
Mrs. Priya Jain	90,00,000.00	1,44,00,000

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 half yearend 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	September 2022	
	September 2022	March 2022
Audit Fees	15,000	30,000
Tax Audit Fees	5,500	11,000
G.S.T. (At the time of payment)	---	---
Total	20,500	41,000

i. Related Party disclosure:

The transactions with related parties are disclosed in Note No. 30.

j. Deferred Tax Liabilities have been increased by Rs. 2,17,689.00 during the period 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 30.09.2022 (Rs.)	As at 31.03.2022(Rs.)
A) Deferred Tax Liability		
Depreciation	3,30,191.00	3,21,268.00
Others		
Total(A)		
B) Deferred Tax Assets		
Depreciation		
Others	10,571.00	2,19,338.00
Total(B)		
Net Deferred Tax liabilities/(assets)	3,19,620.00	1,01,930.00

k. % of imported & indigenous raw material & consumables

	SEPT-2022		2021-22	
	%	Amount	%	Amount
Imported	0.00	0.00	0.00	0.00
Indigenous	100.00	10,04,406.16	100.00	19,18,998.00

l. Value of Imports

Raw Material

NIL

NIL

Finished Goods

NIL

NIL

m. Expenditure in Foreign Currency

NIL

NIL

n. Earning in Foreign Exchange

NIL

NIL



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
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NOTES

Forming part of the financial statement for the year ended on 30th September 2022

3. SHARE CAPITAL

PARTICULARS	AS ENDED SEPTEMBER 30, 2022		AS ENDED MARCH 31, 2022	
Authorised				
Equity Shares of Rs. 100/- each (Previous year Rs. 100/- each)	65,000	65,00,000	65,000	65,00,000
Issued, subscribed and paid up				
Equity Shares of Rs. 100/- each Fully paid Rs 100/-each	60,900	60,90,000	60,900	60,90,000
TOTAL	60,900	60,90,000	60,900	60,90,000

a) Reconciliation of number of Equity Shares and amount outstanding

PARTICULARS	AS ENDED SEPTEMBER 30, 2022		AS ENDED MARCH 31, 2022	
				Amount (Rs.)
Shares outstanding at the beginning of year	60900	60,90,000	60900	60,90,000
Shares issued by way of Fresh Issue, Bonus ESOP, Conversion, Buy Back, Other.	0	-	0	-
Shares outstanding at the ending of year	60900	60,90,000	60900	60,90,000

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

PARTICULARS	AS ENDED SEPTEMBER 30, 2022		AS ENDED MARCH 31, 2022	
	No. of Share	% of Holding	No. of Share	% of Holding
Shri Swapnil Jain	26,959	44.32	26,959	44.32
Pavna Industries Ltd.	30,901	50.74	30,901	50.74



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

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NOTES

Forming part of the financial statement for the year ended on 30th September 2022

4. RESERVES AND SURPLUS

PARTICULARS	AS ENDED	AS ENDED
	SEPTEMBER 30, 2022	MARCH 31, 2022
	Amount (Rs.)	Amount (Rs.)
a) General Reserve		
Balance outstanding at the beginning of year	6,50,000	6,25,000
Add : Transferred from Surplus in Statement of Profit and Loss	-	25,000
Balance outstanding at the ending of year	<u>6,50,000</u>	<u>6,50,000</u>
b) Securities Premium		
Balance outstanding at the beginning of year	6,53,84,400	6,53,84,400
Add : Share Premium on Fresh Capital Issued	-	-
Balance outstanding at the ending of year	<u>6,53,84,400</u>	<u>6,53,84,400</u>
c) Surplus in Statement of Profit and Loss		
Balance outstanding at the beginning of year	10,13,98,307	8,30,57,394
Add : Net Profit for the year	22,75,751	1,83,65,912
	<u>10,36,74,058</u>	<u>10,14,23,306</u>
Less: Transferred to General Reserve	-	25,000
Self Assessment Tax	-	-
Balance outstanding at the ending of year	<u>10,36,74,058</u>	<u>10,13,98,306</u>
TOTAL	<u>16,97,08,458</u>	<u>16,74,32,706</u>

5. DEFERRED TAX LIABILITIES (NET)

PARTICULARS	AS ENDED	AS ENDED
	SEPTEMBER 30, 2022	MARCH 31, 2022
a) Deferred Tax Liabilities		
On difference between book balance and tax balance of fixed assets	3,19,620	1,01,931
b) Deferred Tax Assets		
DEFERRED TAX ASSETS (NET)	<u>(3,19,620)</u>	<u>(1,01,931)</u>
Amount of Deffered Tax Assets Created		
Amount of Deffered Tax Assets Reversed	2,17,689	2,54,278
Amount Transferred to Statement of P&L (As Per AS-22)	<u>(2,17,689)</u>	<u>(2,54,278)</u>



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
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NOTES

Forming part of the financial statement for the year ended on 30th September 2022

6. LONG TERM PROVISIONS

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
a) Provision for employee benefits		
Provision for Gratuity	38,97,782	39,11,782
	38,97,782	39,11,782

7. LONG TERM BORROWINGS

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
a) Secured Loan		
from Bank		
COVID TERM LOAN	14,72,228	23,55,560
CAR LOAN	38,52,714	76,17,416
	53,24,942	99,72,976

8. SHORT TERM BORROWINGS

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
a) Loans repayable on demand		
from Bank		
Secured Cash Credit Limit	4,82,98,147	4,45,11,388
from Other Financial institution		
Secured		
b) Current maturities of Long term Borrowings	73,92,096	71,22,490
1 (AXIS Bank, Aligarh- Secured by Hypothecation of Car and personal guarantee of Directors)		
2 From Bank		
COVID TERM LOAN	17,66,664	17,66,664
	5,74,56,907	5,34,00,542

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

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
For Goods & Services	5,04,56,470	4,75,92,547
TOTAL	5,04,56,470	4,75,92,547

additional information

- i) Trade Payables are subject to confirmation & Confirmation.



PAYNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 30th September 2022

10. OTHER CURRENT LIABILITIES

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
a) Advance from Customers	4,88,137	3,00,000
b) Other Payables		
Statutory Remittances		
Statutory Dues Payable	30,03,642	14,12,916
	<u>34,91,779</u>	<u>17,12,916</u>

11. SHORT TERM PROVISIONS

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
a) Provision for employee benefits		
Provision for Bonus	70,22,581	48,20,122
Provision for Gratuity	54,81,000	54,25,000
b) Provision for Others		
Provision for Current Tax (Net)	8,40,813	67,98,344
Provision for Audit fees	20,500	33,825
TOTAL	<u>1,33,64,894</u>	<u>1,70,77,291</u>



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

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NOTES

Forming part of the financial statement for the year ended on 30th September 2022

12. TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION/ AMORTISATION			NET BLOCK		
	AS AT MARCH 31, 2022	ADDITIONS	AS AT SEPT 30, 2022	AS AT MARCH 31, 2022	FOR THE PERIOD	AS AT SEPT 30, 2022	AS AT SEPT 30, 2022	AS AT MARCH 31, 2022	AS AT MARCH 31, 2022
Plant and Equipment	2,93,21,930		2,93,21,930	1,70,46,503	9,34,609	1,79,81,112	1,13,40,819	1,22,75,427	
-Owned									
Furniture and Fixtures	16,67,264		16,67,264	15,76,432	1,661	15,78,093	89,171	90,832	
-Owned									
Vehicles	2,87,89,577		2,87,89,577	67,76,158	15,08,283	82,84,442	2,05,05,136	2,20,13,419	
-Owned									
Computer	29,06,681		29,06,681	27,27,527	15,782	27,43,310	1,63,372	1,79,154	
-Owned									
Office Equipment	13,33,991		13,33,991	11,96,977	7,361	12,04,339	1,29,652	1,37,014	
-Owned									
TOTAL	6,40,19,444	-	6,40,19,444	2,93,23,599	24,67,696	3,17,91,295	3,22,28,151	3,46,95,845	
PREVIOUS YEAR	6,23,28,944	16,90,500	6,40,19,444	2,41,38,758	51,84,840	2,93,23,598	3,46,95,846	3,81,90,186	

additional information

i) Depreciation has been charged as per the provisions of the Companies Act, 2013.



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

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NOTES

Forming part of the financial statement for the year ended on 30th September 2022

13. LONG TERM LOAN & ADVANCES

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Security Deposit	6,03,89,000	6,03,89,000
b) Telephone security	16,250	16,250
	6,04,05,250	6,04,05,250

14. INVENTORIES

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Raw Meterials	6,20,76,000	6,85,64,160
b) Work-In-Progress	4,43,40,000	4,89,74,400
c) Store and Spares	44,34,000	48,97,440
TOTAL	11,08,50,000	12,24,36,000

additional information

- i) Detailed Inventories of Work in Progress
RAW MATERIAL OF ZINC ,ALUMUNIUM AND PLASTIC AND OTHER CONSUMABLE AT
DIFFERENT STAGE OF ITS PROCESSING TO FINAL PRODUCT
- ii) Valuation of Stocks
FIFO METHOD LOWERE OF COST OR NRV

15. TRADE RECEIVABLES

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Doubtful	1,33,87,870	2,48,34,035
b) Other Trade Receivables		
Unsecured, Considered Good	7,96,55,281	4,61,92,790
TOTAL	9,30,43,151	7,10,26,825

additional information

- i) Trade Receivables (Unsecured, considered good) are subject to confirmation & reconciliation.



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
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NOTES

Forming part of the financial statement for the year ended on 30th September 2022

16. CASH AND CASH EQUIVALENTS

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Cash on Hand	6,31,781	4,80,665
b) Balance with Banks in Current Accounts	2,58,334	6,07,513
c) FDR with Banks	12,36,357	11,77,508
	21,26,471	22,65,686

additional information

i) Bank accounts have been reconciled attached to financial statement.

17. SHORT TERM LOANS AND ADVANCES

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Advance to suppliers	92,05,207	81,11,542
b) Balances with government authorities		
Unsecured, considered good		
CENVAT receivable		5,705
GST/VAT Refundable	11,205	1,74,245
Compensation Receivable		-
TDS/ TCS Recievable	2,92,578	4,37,278
Income Tax Refundable	11,53,691	7,46,030
Advance Tax	7,00,000	65,00,000
c) Prepaid Expenses	95,147	4,78,159
d) Other Advances		10,125
	1,14,57,828	1,64,63,084



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
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NOTES

Forming part of the financial statement for the year ended on 30th September 2022

18. REVENUE FROM OPERATIONS

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Sale of manufactured goods	21,92,96,607	46,87,33,370
d) REVENUE FROM OPERATIONS (NET)	21,92,96,607	46,87,33,370
i) AS-9, Revenue Recognition, has been duly followed in recognition of revenue.		

19. OTHER INCOME

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Interest Income	58,849	1,06,121
b) Miscellaneous Income	-	-
TOTAL	58,849	1,06,121

20. COST OF MATERIALS CONSUMED

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Opening Stock	6,85,64,160	2,91,95,000
b) Add : Purchases (including Freights)	14,62,41,870	37,26,97,803
c) Less: Closing Stock	21,48,06,030	40,18,92,803
Cost of Materials Consumed	6,20,76,000	6,85,64,160
<i>additional information</i>	15,27,30,030	33,33,28,643
i) Material Consumed comprises Zinc,Aluminum,Plastic and Rubber Material etc.		



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
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NOTES

Forming part of the financial statement for the year ended on 30th September 2022

21. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Work in Progress		
Inventories at the beginning of the year	4,89,74,400	2,20,35,000
Inventories at the end of the year	4,43,40,000	4,89,74,400
	46,34,400	(2,69,39,400)
<i>additional information</i>		
i) Work in Progress includes Semi Finished Goods/Components lying at assembly shop.		

22. EMPLOYEE BENEFIT EXPENSES

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Directors Remuneration	90,00,000	1,44,00,000
b) Salaries and Wages	1,39,57,430	3,04,58,751
c) Contributions to Provident and Other Funds	14,31,485	28,63,741
d) Staff Welfare Expenses	15,00,565	25,87,604
e) Bonus	22,02,459	48,20,122
f) Gratuity	42,000	8,71,497
TOTAL	2,81,33,939	5,60,01,715
<i>additional information</i>		
i) Net of Recoveries		

23. FINANCE COSTS

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Interest on:		
Borrowings		
Secured Loans	20,43,728	31,84,978
Car Loan	4,95,474	12,81,616
Unsecured Loans	-	2,28,082
Other Loans	3,000	11,37,138
b) Other Borrowing Cost	17,923	5,23,377
	25,60,125	63,55,191

24. DEPRECIATION AND AMORTISATION EXP.

PARTICULARS	AS ENDED SEPT 30, 2022	AS ENDED MARCH 31, 2022
a) Depreciation	24,67,696	51,84,840
	24,67,696	51,84,840



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
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NOTES

Forming part of the financial statement for the year ended on 30th September 2022

25. OTHER EXPENSES

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
		Amount (Rs.)
a) Consumption of Stores, Spares, Packing and Tools	10,04,406	19,18,998
b) Subcontracting /Diecasting Charges	1,46,39,790	4,84,60,088
c) Power and fuel Expenses	1,92,515	4,13,762
d) Rent including lease Rentals	15,56,500	34,57,440
e) Repairs and maintenance - Machinery	86,944	1,51,900
f) Repairs and maintenance - Others	77,200	83,021
g) Insurance	6,64,638	7,35,512
h) Telephone/software/Postage & Courier Expenses/ Books & Periodicals	95,715	1,63,483
i) Electricity Expenses		7,007
j) Travelling and conveyance	9,91,947	2,03,157
k) Printing and stationery	40,954	1,95,425
l) Freight and forwarding	17,21,895	44,14,781
m) GST/Sales Tax/ Service Tax Expenses	1,74,941	23,08,030
n) Warranty Claim/Line Rejection Claim	(58,570)	2,48,054
o) Marketing Expenses	3,23,200	6,92,700
p) Trade Mark Royalty	5,48,242	11,71,833
q) Sales Promotion Expenses	13,99,082	4,19,648
r) Miscellaneous Expenses/Interest on late payments	3,184	28,677
s) Office Expenses	1,24,228	55,865
u) Vehicale Running & Maintenance Expenses	12,17,610	10,77,450
v) Membership Fees		20,000
x) Non Competative Fees		20,00,000
y) Legal and Professional Expenses	6,70,083	16,67,578
z) ISO Expenses		31,125
za) Round Off	9	-
zb) Payments to Auditors	20,500	41,000
TOTAL	2,54,95,013	6,99,66,534
<i>additional information</i>		
i) Consumption of Stores, Spares, Packing and Tools		
Opening Stock	48,97,440	38,55,000
Add: Consumption of stores and spare parts	1,43,228	10,75,035
Consumption of loose tools	27,838	1,01,108
Consumption of packing materials	3,69,900	17,85,295
	54,38,406	68,16,438
Less: Closing Stock	44,34,000	48,97,440
Net Consumption of Stores, Spares, Packing and Tools	10,04,406	19,18,998
ii) Payments to Auditor		
As Auditor- Statutory Audit	15,000	30,000
For Taxation Matters	5,500	11,000
	20,500	41,000

26. TAX EXPENSES

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
a) Current Tax	8,40,813	63,21,778
b) Deferred Tax	2,17,689	2,54,278
TOTAL	10,58,502	65,76,056



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 30th September 2022

27. EARNING PER SHARE

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
a) Net Profit after Tax	22,75,751	1,83,65,912
b) Weighted Average no. of equity shares outstanding during the year		
for Basic EPS (Nos.)	60,900	60,900
for Diluted EPS (Nos.)	60,900	60,900
c) Earning Per Share		
Basic (in Rs.)	37.37	301.57
Diluted (in Rs.)	37.37	301.57
d) Nominal Value Per Share (in Rs.)	100.00	100.00

28. EMPLOYER'S CONTRIBUTION

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
a) Employer's Contribution to P.F.	-	17,32,242
b) Employer's Contribution to E.S.I.	-	8,60,138

29. IMPORTED AND INDIGENOUS MATERIALS CONSUMED

PARTICULARS	AS ENDED SEPTEMBER 30, 2022	AS ENDED MARCH 31, 2022
b) Stores and Spares		
Imported (in Rs.)		
Indigenous(in Rs.)	1004406	1918998



PAYNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 30th September 2022

30. RELATED PARTY DISCLOSURES

NAME OF PERSON	RELATION	NATURE OF PAYMENT	AS ENDED.	AS ENDED
			SEPTEMBER 30, 2022	MARCH 31, 2022
Mr. Pawan Jain	Director	Building Rent	-	5,48,000
Mrs. Asha Jain	Wife of Director	Building Rent	5,16,000	4,84,000
Mrs. Asha Jain	Wife of Director	Machine Rent	42,000	84,000
Mrs. Priya Jain	Managing Director	Remuneration	90,00,000	1,44,00,000
Mrs. Asha Jain	Wife of Director	Trade Mark Royalty	5,48,242	11,71,833
Mr. Pawan Jain	Managing Director	Loan taken	-	40,00,000
Mr. Pawan Jain	Managing Director	Repayment of Loan taken	-	40,00,000
Mr. Pawan Jain	Managing Director	Interest (Net)	-	1,22,425
Mrs. Priya Jain	Director	Loan taken	-	2,10,00,000
Mrs. Priya Jain	Director	Repayment of Loan taken	-	2,10,00,000
Mrs. Priya Jain	Director	Interest (Net)	-	82,849
Swapnil Switches Pvt Ltd	Sister Concern	Sale	-	15,403
Swapnil Switches Pvt Ltd	Sister Concern	Purchase	-	160
Pavna Industries Ltd	Sister Concern	Sale	2,34,17,004	1,01,61,147
Pavna Industries Ltd	Sister Concern	Purchase	13,24,32,706	8,30,25,136
Pavna Marketing Ltd	Sister Concern	Sale	82,707	1,32,89,563
Pavna Marketing Ltd	Sister Concern	Purchase	2,39,111	8,47,369
Pavna Goyam Auto Pvt Ltd	Sister Concern	Rent	4,42,800	12,36,600
Outstanding Balances				
Pavna Marketing Pvt Ltd	Sister Concern	Debtors	-	8,88,967
Pavna Marketing Pvt Ltd	Sister Concern	Creditors	3,963	-
Pavna Industries Limited	Sister Concern	Debtors	2,00,34,291	3,07,815
Pavna Industries Limited	Sister Concern	Creditors	3,67,12,278	30,43,401
Pavna Goyam Auto Pvt Ltd	Sister Concern	Creditors	79,704	79,704
Mrs. Asha Jain	Wife of Director	Creditors	92,880	92,880

AUDITORS' REPORT


As per our audit report of even date attached.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

FOR ARUN VARSHNEY & ASSOCIATES
 CHARTERED ACCOUNTANTS



(CA. ANKUR VARSHNEY)
 PARTNER
 M.No. 433293



 (SWAPNIL JAIN)
 DIN: 01542555
 DIRECTOR


 (PRIYA JAIN)
 DIN: 03355623
 DIRECTOR

PLACE : ALIGARH
 DATED: 12.11.2022
 UDIN: 22433293BCXORII1496