



ARUN VARSHNEY & ASSOCIATES

CHARTERED ACCOUNTANTS

12 - 13, 1st FLOOR, VIKRAM ARCADE,
RAILWAY ROAD, ALIGARH-202001

Phone: 0571-2512556, Mob: 9412175533, 7455022921,22

Email: ca.arun@gmail.com

**AUDITED FINANCIAL
STATEMENTS**

OF

**PAVNA AUTO ENGINEERING PVT LTD
PALA SAHIBABAD ROAD
ALIGARH, 202001**

FOR THE

FINANCIAL YEAR 2020-21

ASSESSMENT YEAR 2021-22



ARUN VARSHNEY & ASSOCIATES

CHARTERED ACCOUNTANTS

Office No. 12-13, 1st Floor, Vikram Arcade, Railway Road, Aligarh-202 001
Phone: 0571-2512556, Mob.: 9412175533, 7455022921, 7455022922, 8909208415
E-mail: ca.arun@gmail.com, ca.ankurvarshney07@gmail.com

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 31st March 2021, and the statement of Profit and Loss and statement of cash flows for the Year Ended 31st March 2021, 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 2021, its profit 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 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of Key audit matters as per SA 701, Key Audit Matters are not applicable to company as it is an unlisted company.

Responsibilities of Management and Those Charged with Governance for the 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.

The 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) Since the company's turnover as per the last audited financial statements is less than Rs. 50 Crores and its borrowings from Bank and Financial Institutions at any time during the year is less than Rs. 25 Crores, the Company is Exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls vide notification dated June 13, 2017; and;
- 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.

For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 0005560C



A handwritten signature in blue ink, appearing to read "Arun Kumar", written over a horizontal line.

CA. ARUN KUMAR
(PARTNER)
Membership No. 073299

Place:-ALIGARH
Date: 25th June 2021
UDIN:
21073299AAAABS3585

Annexure 'A' to the Independent Auditor's Report

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

We report that:

- i.
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the company.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. The company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 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, 2013.
- vii.
 - a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March 2021 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 amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.



- viii. 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 dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments), however, company has taken COVID Term loan of Rs. 93.00 lakhs and a Car loan of 1,37,37,714 during the year.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The company is a private limited company. Hence the provisions of clause (xi) of the order are not applicable to the company.
- xii. The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to 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, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. Provisions of section 192 of Companies Act, 2013 have been complied with in case of non-cash transactions entered by the company with directors or persons connected with him
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place:-ALIGARH
Date: 25th June 2021
UDIN:
21073299AAAABS3585



For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 00055600

A handwritten signature in blue ink, appearing to be "Arun Kumar", written over a horizontal line.

CA. ARUN KUMAR
(PARTNER)
Membership No. 073299

Annexure 'B'

Report on Internal Financial Controls Over Financial Reporting

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 March 31st, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 March 31st, 2021, 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: 25th June 2021
UDIN:
21073299AAAABS3585



For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 0005560C

A handwritten signature in blue ink, appearing to read 'Arun Kumar', written over a faint circular stamp.

CA. ARUN KUMAR
(PARTNER)
Membership No. 073299

PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
CIN : U50300UP1994PTC016358
BALANCE SHEET AS ON 31ST MARCH 2021

PARTICULARS	NOTES No.	AS AT MARCH 31, 2021		AS AT MARCH 31, 2020	
		Amount (Rs.)		Amount (Rs.)	
A) EQUITY AND LIABILITIES					
1) Shareholders' Funds					
a) Share Capital	3	6,090,000.00		5,255,700.00	
b) Reserves & Surplus	4	<u>149,066,793.02</u>	155,156,793.02	<u>117,223,562.36</u>	122,479,262.36
2) Non-Current Liabilities					
a) Long-term Provision	6	2,955,000.00		6,643,000.00	6,643,000.00
b) Deferred Tax Liabilities (Net)	5	-			
b) Long-term Borrowings	7	<u>23,037,714.00</u>	25,992,714.00		
3) Current Liabilities					
a) Short-term Borrowings	8	42,576,817.82		34,959,843.37	
b) Trade Payables	9	41,344,573.62		28,100,031.11	
c) Other Current Liabilities	10	11,761,179.95		5,456,876.29	
d) Short-Term Provisions	11	<u>6,978,702.62</u>	102,661,274.01	<u>2,783,366.00</u>	71,300,116.77
		TOTAL	<u>283,810,781.03</u>	<u>200,422,379.13</u>	<u>200,422,379.13</u>
B) ASSETS					
1) Non-Current Assets					
a) Fixed Assets					
(i) Tangible Assets	12	38,190,185.59		5,540,276.32	
b) Deferred Tax Assets (Net)	5	152,347.00		588,314.00	
c) Long-term Loan & Advances	13	<u>60,405,250.00</u>	98,747,782.59	<u>50,405,250.00</u>	56,533,840.32
2) Current Assets					
a) Inventories	14	55,085,000.00		37,573,200.00	
b) Trade Receivables	15	108,661,592.78		95,244,448.92	
c) Cash & Cash Equivalents	16	2,084,793.47		2,697,593.51	
d) Other Current Assets	17	615,411.00		113,672.00	
e) Short-term Loans & Advances	18	<u>18,616,201.19</u>	185,062,998.44	<u>8,259,624.38</u>	143,888,538.81
		TOTAL	<u>283,810,781.03</u>	<u>200,422,379.13</u>	<u>200,422,379.13</u>

AUDITORS' REPORT

As per our audit report of even date attached.

**FOR ARUN VARSHNEY & ASSOCIATES
 CHARTERED ACCOUNTANTS**




**(CA. ARUN KUMAR)
 PARTNER
 M.No. 073299**



**PLACE : ALIGARH
 DATED: 25th June'2021
 UDIN: 21073299AAAABS3585**

FOR & ON BEHALF OF THE BOARD OF DIRECTORS


**(Priya Jain)
 DIN: 03355623
 Director**


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

PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

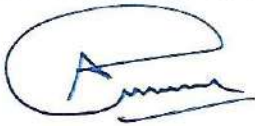
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

PARTICULARS	NOTES No.	YEAR ENDED	YEAR ENDED
		MARCH 31, 2021	MARCH 31, 2020
		Amount (Rs.)	Amount (Rs.)
A) REVENUE FROM OPERATIONS	19	332,057,659.60	322,525,693.31
B) OTHER INCOME	20	237,725.00	52,490.00
C) TOTAL REVENUE {(A)+(B)}		332,295,384.60	322,578,183.31
D) EXPENSES :-			
1) Cost of Materials Consumed	21	215,686,698.37	201,658,258.15
2) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	(6,966,000.00)	(3,499,000.00)
3) Employee Benefits Expense	23	29,880,309.07	37,331,075.51
4) Finance Costs	24	5,068,211.73	3,892,844.98
5) Depreciation & Amortisation Expense	25	2,752,139.42	1,215,061.19
6) Other Expenses	26	65,483,338.73	61,131,155.24
TOTAL EXPENSES		311,904,697.32	301,729,395.07
E) PROFIT BEFORE TAX {(C)-(D)}		20,390,687.28	20,848,788.24
F) TAX EXPENSES	27		
1) Current Tax		5,367,696.62	5,567,971.00
2) Deferred Tax		435,967.00	(199,214.00)
G) PROFIT FOR THE YEAR {(E)-(F)}		14,587,023.66	15,480,031.24

AUDITORS' REPORT

As per our audit report of even date attached.

**FOR ARUN VARSHNEY & ASSOCIATES
CHARTERED ACCOUNTANTS**



**(CA. ARUN KUMAR)
PARTNER
M.No. 073299**



**PLACE : ALIGARH
DATED: 25th June'2021
UDIN: 21073299AAAABS3585**

FOR & ON BEHALF OF THE BOARD OF DIRECTORS


**(Priya Jain)
DIN: 03355623
Director**


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

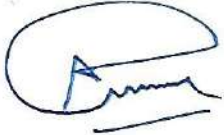
Cash and cash equivalents comprises of :

PARTICULARS	YEAR ENDED	YEAR ENDED
	MARCH 31, 2020	MARCH 31, 20
Cash-in-Hand	438,838.81	859,633.02
Balance with Banks	527,945.66	790,719.49
Balance in FD	1,118,009.00	1,047,241.00
Total	2,084,793.47	2,697,593.51

AUDITORS' REPORT

As per our audit report of even date attached.

**FOR ARUN VARSHNEY & ASSOCIATES
CHARTERED ACCOUNTANTS**



**(CA. ARUN KUMAR)
PARTNER
M.No. 073299**



**PLACE : ALIGARH
DATED: 25th June'2021
UDIN: 21073299AAAABS3585**

FOR & ON BEHALF OF THE BOARD OF DIRECTORS


**(Priya Jain)
DIN: 03355623
Director**


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

PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

NOTES

1. Forming part of the financial statement for the Year ended March 31st, 2021

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 year.



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	March 2021	March 2020
	Mr. Pawan Jain	---
Mr. Swapnil Jain	8,92,500	51,00,000
Mrs. Priya Jain	1,14,82,500	39,00,000

- 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	March 2021	March 2020
	Audit Fees	30,000
Tax Audit Fees	11,000	7,500
G.S.T. (At the time of payment)	---	---
Total	41,000	27,500

i. **Related Party disclosure:**

The transactions with related parties are disclosed in Note No. 32.

- j. Deferred Tax Assets have been reduced by Rs. 4,35,967.00 during the year as per the provisions prescribed in AS-22 issued by The Institute of Chartered Accountants of India. Major components of Deferred tax:-



Particulars	As at 31.03.2021 (Rs.)	As at 31.03.2020(Rs.)
A) Deferred Tax Liability		-
Depreciation	1,61,731.00	
Others		
Total(A)		
B) Deferred Tax Assets		
Depreciation		3,94,124.00
Others	3,14,078.00	1,94,190.00
Total(B)		
Net Deferred Tax liabilities/(assets)	1,52,347.00	5,88,314.00

k. % of imported & indigenous raw material & consumables

	2020-21		2019-20	
	%	Amount	%	Amount
Imported	0.00	0.00	0.00	0.00
Indigenous	100.00	21,80,48,402.11	100.00	20,50,91,334

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

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



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

3. SHARE CAPITAL

PARTICULARS	AS ENDED MARCH 31, 2021		AS ENDED MARCH 31, 2020	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Authorised				
Equity Shares of Rs. 100/- each (Previous year Rs. 100/- each)	65,000	65,00,000.00	65,000	65,00,000.00
Issued, subscribed and paid up				
Equity Shares of Rs. 100/- each (Previous year Rs. 100/- each)			30,000	30,00,000.00
Partly paid up @ Rs. 73/- each			30,900	22,55,700.00
Fully paid Rs 100/-each	60,900	60,90,000.00		
TOTAL	60,900	60,90,000.00		52,55,700.00

a) Reconciliation of number of Equity Shares and amount outstanding

PARTICULARS	AS ENDED MARCH 31, 2021		AS ENDED MARCH 31, 2020	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of year	60900	60,90,000.00	30000	30,00,000.00
Shares issued by way of Fresh Issue, Bonus ESOP, Conversion, Buy Back, Other.	0	-	30900	22,55,700.00
Shares outstanding at the ending of year	60900	60,90,000.00	60,900	52,55,700

b) Details of Shareholders holding more than 5% shares in the company

PARTICULARS	AS ENDED MARCH 31, 2021		AS ENDED MARCH 31, 2020	
	No. of Share	% of Holding	No. of Share	% of Holding
Shri Pawan Jain	10	0.02	10	0.02
Shri Swapnil Jain	26,989	44.32	26,989	44.32
Shri Mukesh Jain	-	-	-	-
PJ Wealth Management & Consultant (P) Ltd.	3,000	4.93	3,000	4.93
Pavna Industries Ltd.	30,901	50.74	30,901	50.74
	60,900	100.00	60,900	100.00



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

4. RESERVES AND SURPLUS

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) General Reserve		
Balance outstanding at the beginning of year	6,00,000.00	5,75,000.00
Add : Transferred from Surplus in Statement of Profit and Loss	25,000.00	25,000.00
Balance outstanding at the ending of year	<u>6,25,000.00</u>	<u>6,00,000.00</u>
b) Securities Premium		
Balance outstanding at the beginning of year	-	-
Add : Share Premium on Fresh Capital Issued	6,53,84,400.00	4,77,40,500.00
Balance outstanding at the ending of year	<u>6,53,84,400.00</u>	<u>4,77,40,500.00</u>
c) Surplus in Statement of Profit and Loss		
Balance outstanding at the beginning of year	6,88,83,062.36	6,21,27,031.12
Add : Net Profit for the year	1,45,87,023.66	1,54,80,031.24
	8,34,70,086.02	7,76,07,062.36
Less: Transferred to General Reserve	25,000.00	25,000.00
Self Assessment Tax	3,87,693.00	-
Provision for Gratuity (Untill Last year)	-	86,99,000.00
Balance outstanding at the ending of year	<u>8,30,57,393.02</u>	<u>6,88,83,062.36</u>
TOTAL	<u>14,90,66,793.02</u>	<u>11,72,23,562.36</u>

5. DEFERRED TAX LIABILITIES (NET)

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Deferred Tax Liabilities		
On difference between book balance and tax balance of fixed assets	-	-
b) Deferred Tax Assets	1,52,347.00	5,88,314.00
DEFERRED TAX ASSETS (NET)	<u>1,52,347.00</u>	<u>5,88,314.00</u>
Amount of Deffered Tax Assets Created	-	1,99,214.00
Amount of Deffered Tax Assets Reversed	(4,35,967.00)	-
Amount Transferred to Statement of P&L (As Per AS-22)	<u>4,35,967.00</u>	<u>1,99,214.00</u>



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

6. LONG TERM PROVISIONS

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Provision for employee benefits		
Provision for Gratuity	29,55,000.00	66,43,000.00
	<u>29,55,000.00</u>	<u>66,43,000.00</u>

7. LONG TERM BORROWINGS

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Secured Loan		
from Bank		
COVID TERM LOAN	53,00,000.00	-
CAR LOAN	1,37,37,714.00	-
from Other Financial institution		
COVID TERM LOAN	40,00,000.00	-
	<u>2,30,37,714.00</u>	<u>-</u>

8. SHORT TERM BORROWINGS

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Loans repayable on demand		
from Bank		
Secured Cash Credit Limit	2,25,76,817.82	1,49,59,843.37
from Other Financial institution		
Secured	2,00,00,000.00	2,00,00,000.00
	<u>4,25,76,817.82</u>	<u>3,49,59,843.37</u>

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	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
For Goods & Services	4,13,44,573.62	2,81,00,031.11
TOTAL	<u>4,13,44,573.62</u>	<u>2,81,00,031.11</u>

additional information

i) Trade Payables are subject to confirmation & Confirmation.



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH
CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

10. OTHER CURRENT LIABILITIES

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Current maturities of Long term Borrowings	62,62,286.00	-
(AXIS Bank, Aligarh- Secured by Hypothecation of Car and personal guarantee of Directors)		
b) Advance from Customers	3,10,268.88	3,10,268.88
c) Other Payables		
<u>Statutory Remittances</u>		
Trade Mark Royalty	9,17,309.00	8,70,820.00
Salary Payable	14,26,042.00	22,84,069.00
Statutory Dues Payable	15,30,738.07	18,20,785.41
Other Expenses	13,14,536.00	1,67,133.00
Calls received in Advance	0.00	3,800.00
	<u>1,17,61,179.95</u>	<u>54,56,876.29</u>

11. SHORT TERM PROVISIONS

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Provision for employee benefits		
Provision for Bonus	12,62,932.00	11,89,719.00
Provision for Gratuity	55,10,279.00	12,03,425.00
b) Provision for Others		
Provision for Current Tax (Net)	1,81,316.62	3,62,722.00
Provision for Audit fees	24,175.00	27,500.00
TOTAL	<u>69,78,702.62</u>	<u>27,83,366.00</u>



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

12. TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION/ AMORTISATION			NET BLOCK	
	AS AT MARCH 31, 2020	ADDITIONS	AS AT MARCH 31, 2021	AS AT MARCH 31, 2020	FOR THE PERIOD	AS AT MARCH 31, 2021	AS AT MARCH 31, 2021	AS AT MARCH 31, 2020
Plant and Equipment -Owned	1,57,49,530.15	1,33,69,900.00	2,91,19,430.15	1,25,51,390.94	24,46,213.34	1,49,97,604.28	1,41,21,825.87	31,98,139.21
Furniture and Fixtures -Owned	16,67,264.10	-	16,67,264.10	15,27,841.33	13,440.96	15,41,282.29	1,25,981.81	1,39,422.77
Vehicles -Owned	53,98,742.22	2,19,02,835.00	2,73,01,577.22	35,14,011.09	2,23,810.89	37,37,821.98	2,35,63,755.24	18,84,731.13
Computer -Owned	27,89,732.06	1,16,949.28	29,06,681.34	26,28,177.92	56,182.30	26,84,360.22	2,22,321.12	1,61,554.14
Office Equipment -Owned	13,21,626.44	12,364.41	13,33,990.85	11,65,197.37	12,491.93	11,77,689.30	1,56,301.55	1,56,429.07
TOTAL	2,69,26,894.97	3,54,02,048.69	6,23,28,943.66	2,13,86,618.65	27,52,139.42	2,41,38,758.07	3,81,90,185.59	55,40,276.32

PREVIOUS YEAR

additional information

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



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

13. LONG TERM LOAN & ADVANCES

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Security Deposit	6,03,89,000.00	5,03,89,000.00
b) Telephone security	16,250.00	16,250.00
	<u>6,04,05,250.00</u>	<u>5,04,05,250.00</u>

14. INVENTORIES

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Raw Materials	2,91,95,000.00	1,97,61,800.00
b) Work-In-Progress	2,20,35,000.00	1,50,69,000.00
c) Store and Spares	38,55,000.00	27,42,400.00
	<u>5,50,85,000.00</u>	<u>3,75,73,200.00</u>

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	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Doubtful	6,14,493.37	8,56,810.75
b) Other Trade Receivables		
Unsecured, Considered Good	10,80,47,099.41	9,43,87,638.17
	<u>10,86,61,592.78</u>	<u>9,52,44,448.92</u>

additional information

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



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

16. CASH AND CASH EQUIVALENTS

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Cash on Hand	4,38,838.81	8,59,633.02
b) Balance with Banks in Current Accounts	5,27,945.66	7,90,719.49
c) FDR with Banks	11,18,009.00	10,47,241.00
	<u>20,84,793.47</u>	<u>26,97,593.51</u>

additional information

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

17. OTHER CURRENT ASSETS

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Prepaid Expenses	6,03,411.00	1,13,672.00
b) Other Advances	12,000.00	
	<u>6,15,411.00</u>	<u>1,13,672.00</u>

18. SHORT TERM LOANS AND ADVANCES

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Advance to suppliers	1,52,79,787.55	66,96,944.74
b) Balances with government authorities		
Unsecured, considered good		
CENVAT receivable	5,705.00	5,705.00
GST/VAT Refundable	20,79,374.64	2,00,578.64
Compensation Receivable	7,65,000.00	7,65,000.00
Tds receivable from BFL	35,554.00	1,40,302.00
Income Tax Refundable	4,50,780.00	4,51,094.00
	<u>1,86,16,201.19</u>	<u>82,59,624.38</u>



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

19. REVENUE FROM OPERATIONS

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Sale of manufactured goods	33,20,57,659.60	32,25,25,693.31
d) REVENUE FROM OPERATIONS (NET)	<u>33,20,57,659.60</u>	<u>32,25,25,693.31</u>

additional information

i) Details of sale of products (Net)		
M. V. Parts	24,43,81,801.53	29,93,05,500.15
Tractor Parts	8,76,75,858.07	2,32,20,193.16
Others	-	-
	<u>33,20,57,659.60</u>	<u>32,25,25,693.31</u>

ii) AS-9, Revenue Recognition, has been duly followed in recognition of revenue.

20. OTHER INCOME

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Interest Income	76,507.00	52,490.00
b) Miscellaneous Income	1,61,218.00	-
TOTAL	<u>2,37,725.00</u>	<u>52,490.00</u>

21. COST OF MATERIALS CONSUMED

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Opening Stock	1,97,61,800.00	1,52,64,000.00
b) Add : Purchases	22,51,19,898.37	20,61,56,058.15
	24,48,81,698.37	22,14,20,058.15
c) Less: Closing Stock	2,91,95,000.00	1,97,61,800.00
Cost of Materials Consumed	<u>21,56,86,698.37</u>	<u>20,16,58,258.15</u>

additional information

i) Material Consumed comprises Zinc, Aluminum, Plastic and Rubber Material etc.



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

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

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Work in Progress		
Inventories at the beginning of the year	1,50,69,000.00	1,15,70,000.00
Inventories at the end of the year	2,20,35,000.00	1,50,69,000.00
	<u>(69,66,000.00)</u>	<u>(34,99,000.00)</u>

additional information

i) Work in Progress includes Semi Finished Goods/Components lying at assembly shop.

23. EMPLOYEE BENEFIT EXPENSES

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Directors Remuneration	1,23,75,000.00	1,44,00,000.00
b) Salaries and Wages	1,24,69,627.11	1,77,52,896.83
c) Contributions to Provident and Other Funds	12,06,880.00	12,62,035.00
d) Staff Welfare Expenses	14,36,904.96	20,28,400.68
e) Bonus	12,62,932.00	11,89,719.00
f) Gratuity	11,28,965.00	6,98,024.00
TOTAL	<u>2,98,80,309.07</u>	<u>3,73,31,075.51</u>

additional information

i) Net of Recoveries

24. FINANCE COSTS

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Interest on:		
Borrowings		
Secured Loans	22,93,610.06	20,84,484.11
Unsecured Loans	1,85,698.00	-
Other Loans	21,97,790.00	16,38,176.00
b) Other Borrowing Cost	3,91,113.67	1,70,184.87
	<u>50,68,211.73</u>	<u>38,92,844.98</u>

25. DEPRECIATION AND AMORTISATION EXP.

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Depreciation	27,52,139.42	12,15,061.19
	<u>27,52,139.42</u>	<u>12,15,061.19</u>



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

26. OTHER EXPENSES

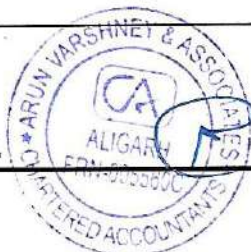
PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Consumption of Stores, Spares, Packing and Tools	23,61,703.74	34,33,076.02
b) Subcontracting /Diecasting Charges	4,23,20,334.36	3,33,78,413.54
c) Power and fuel Expenses	14,65,867.25	17,94,083.11
d) Rent including lease Rentals	33,00,882.26	28,80,360.44
e) Repairs and maintenance - Machinery	3,35,591.53	7,41,207.89
f) Repairs and maintenance - Others	99,156.69	5,11,074.55
g) Insurance	2,81,286.00	2,39,823.00
h) Telephone/software/Postage & Courier Expenses	98,607.79	1,56,093.36
i) Electricity Expenses	93,941.26	2,64,960.61
j) Travelling and conveyance	5,78,003.81	10,68,486.20
k) Printing and stationery	1,29,468.70	3,59,402.92
l) Freight and forwarding	39,52,197.71	50,98,193.15
m) GST/Sales Tax/ Service Tax Expenses	6,08,719.55	3,750.00
n) Warranty Claim/Line Rejection Claim	7,80,163.80	10,16,828.89
o) Marketing Expenses	5,41,675.00	5,98,455.00
p) Trade Mark Royalty	8,30,144.00	8,06,315.00
q) Sales Promotion Expenses	5,49,060.00	11,89,429.34
r) Miscellaneous Expenses/Interest on late payments	24,002.46	10,044.02
s) Office Expenses	1,82,596.00	2,03,249.25
t) Security Expenses	1,26,000.00	2,48,827.00
u) Vehicale Running & Maintenance Expenses	3,50,826.82	8,65,795.95
v) Membership Fees	0.00	3,03,500.00
w) Donations and contributions	5,02,000.00	0.00
x) Non Competative Fees	20,00,000.00	20,00,000.00
y) Legal and Professional Expenses	38,14,610.00	39,32,286.00
z) ISO Expenses	1,15,500.00	0.00
za) Payments to Auditors	41,000.00	27,500.00
TOTAL	6,54,83,338.73	6,11,31,155.24

additional information

i) Consumption of Stores, Spares, Packing and Tools		
Opening Stock	27,42,400.00	20,16,500.00
Add: Consumption of stores and spare parts	11,03,444.50	15,36,260.94
Consumption of loose tools	5,49,079.41	7,06,786.20
Consumption of packing materials	18,21,779.83	18,73,255.20
Consumption of Polishing materials	0.00	42,673.68
	<u>62,16,703.74</u>	<u>61,75,476.02</u>
Less: Closing Stock	38,55,000.00	27,42,400.00
Net Consumption of Stores, Spares, Packing and Tools	<u>23,61,703.74</u>	<u>34,33,076.02</u>
ii) Payments to Auditor		
As Auditor- Statutory Audit	30,000.00	20,000.00
For Taxation Matters	11,000.00	7,500.00
	<u>41,000.00</u>	<u>27,500.00</u>

27. TAX EXPENSES

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Current Tax	53,67,696.62	55,67,971.00
b) Deferred Tax	4,35,967.00	(1,99,214.00)
TOTAL	58,03,663.62	53,68,757.00



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

28. EARNING PER SHARE

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Net Profit after Tax	1,45,87,023.66	1,54,80,031.24
b) Weighted Average no. of equity shares outstanding during the year		
for Basic EPS (Nos.)	60,900	30,826
for Diluted EPS (Nos.)	60,900	30,826
c) Earning Per Share		
Basic (in Rs.)	239.52	502.17
Diluted (in Rs.)	239.52	502.17
d) Nominal Value Per Share (in Rs.)	100.00	100.00

29. EMPLOYER'S CONTRIBUTION

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
a) Employer's Contribution to P.F.	9,54,458.00	9,07,134.00
b) Employer's Contribution to E.S.I.	2,52,422.00	2,69,838.00

31. IMPORTED AND INDIGENOUS MATERIALS CONSUMED

PARTICULARS	AS ENDED	AS ENDED
	MARCH 31, 2021	MARCH 31, 2020
a) Raw Materials		
Imported (in kg.)	-	-
Indigenous (in kg.)	413793	4,33,141
b) Stores and Spares		
Imported (in Rs.)		-
Indigenous(in Rs.)	23,61,703.74	34,33,076.02



PAVNA AUTO ENGINEERING PRIVATE LIMITED, ALIGARH

CIN : U50300UP1994PTC016358

NOTES

Forming part of the financial statement for the year ended on 31 March 2021

32. RELATED PARTY DISCLOSURES

NAME OF PERSON	RELATION	NATURE OF PAYMENT	AS ENDED	AS ENDED
			MARCH 31, 2021	MARCH 31, 2020
			<u>Amount (Rs.)</u>	<u>Amount (Rs.)</u>
Mr. Pawan Jain	Director	Remuneration		5,400,000.00
Mr. Pawan Jain	Director	Counsltancy	500,000.00	
Mr. Pawan Jain	Director	Building Rent	822,000.00	420,000.00
Mr. Pawan Jain	Director	Machine Rent	84,000.00	84,000.00
Mr. Swapnil Jain	Director	Remuneration	892,500.00	5,100,000.00
Mrs.Priya Jain	Managing Director	Remuneration	11,482,500.00	3,900,000.00
Mrs. Asha Jain	Wife of Director	Building Rent	210,000.00	420,000.00
Mr. Pawan Jain	Director	Trade Mark Royalty	830,144.00	806,315.00
M/s Die Cast Solution	Partnership Firm(Director is Partner)	Die CastingCharges	730,291.00	1,155,480.00
Pavna Industries Ltd	Sister Concern	Share Capital	834,300.00	2,255,700.00
Pavna Industries Ltd	Sister Concern	Share Premium	17,640,100.00	47,740,500.00
Pavna Industries Ltd	Sister Concern	Advance for shares	-	3,800.00
Mr. Swapnil Jain	Director	Security Deposit	2,500,000.00	10,000,000.00
Mrs. Asha Jain	Wife of Director	Security Deposit	2,500,000.00	10,000,000.00
Mr. Pawan Jain	Director	Security Deposit	5,000,000.00	30,000,000.00
Mr. Pawan Jain	Managing Director	Loan taken	NIL	324,770.00
Mr. Pawan Jain	Managing Director	Repayment of Loan taken	NIL	324,770.00
Mr. Swapnil Jain	Director	Loan taken	2,400,000.00	8,200,000.00
Mr. Swapnil Jain	Director	Repayment of Loan taken	2,413,989.00	8,200,000.00
Mr. Swapnil Jain	Director	Interest (Net)	13,989.00	-
Mrs.Priya Jain	Director	Loan taken	12,800,000.00	318,010.00
Mrs.Priya Jain	Director	Repayment of Loan taken	12,818,348.00	318,010.00
Mrs.Priya Jain	Director	Interest (Net)	18,348.00	-
PJ WEALTH MANAGEMENT & CONSUL	SISTER CONCERN	Loan taken	7,000,000.00	-
PJ WEALTH MANAGEMENT & CONSUL	SISTER CONCERN	Repayment of Loan taken	7,001,918.00	-
PJ WEALTH MANAGEMENT & CONSUL	SISTER CONCERN	Interest	1,918.00	-
Swapnil Switches Pvt ltd	Sister Concern	Sale	84,078.50	424,436.50
Swapnil Switches Pvt ltd	Sister Concern	Purchase	NIL	4,550.00
Pavna Industries Ltd	Sister Concern	Sale	5,882,826.35	6,300,196.90
Pavna Industries Ltd	Sister Concern	Purchase	26,633,521.00	11,218,479.00
Pavna Industries Ltd	Sister Concern	Tool Purchase	13,355,000.00	
Pavna Marketing Ltd	Sister Concern	Sale	48,695,291.76	30,540,453.05
Pavna Marketing Ltd	Sister Concern	Purchase	1,543,458.73	-
Outstanding Balances				
Swapnil Switches Pvt ltd	Sister Concern	Debtors	33,367.27	30,144.00
Pavna Marketing Pvt Ltd	Sister Concern	Debtors	28,213,605.48	21,595,659.00
Pavna Industries Limited	Sister Concern	Debtors	2,007,783.60	2,794,296.00
Pawan Jain	Director	Debtors	-	14,500.00
Pavna Industries Limited	Sister Concern	Creditors	6,566,597.60	1141469.40
Mrs. Asha Jain	Wife of Director	Creditors	-	37800.00

AUDITORS' REPORT

As per our audit report of even date attached.

**FOR ARUN VARSHNEY & ASSOCIATES
CHARTERED ACCOUNTANTS**



(CA. ARUN KUMAR)

PARTNER

PLACE : ALIGARH

DATED: 25th June'2021

UDIN: 21073299AAAABS3585



FOR & ON BEHALF OF THE BOARD OF DIRECTORS


(Priya Jain)
DIN: 03355623
Director


(SWAPNIL JAIN)
DIN: 01542555
DIRECTOR