

PAVNA SUNWORLD AUTOTECH PVT. LTD.

ALIGARH

PAN: AAJCP6518J

GSTIN: 09AAJCP6518J1ZY

FINANCIAL STATEMENTS

FOR THE

FINANCIAL YEAR 2020-21

ATUL GUPTA & Co.

Chartered Accountants

MIG-38, Vikas Nagar, Agra Road, Aligarh – 202 001 (U.P.)

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E-mail: atul.guptaandco@gmail.com



Independent Auditor's Report

To the Members of
Pavna Sunworld Autotech Private Limited
Aligarh

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of **Pavna Sunworld Autotech 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 then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 and 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 the Company as it is an unlisted company.



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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 annexure 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 and financial performance 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.

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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.
- 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,

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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 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) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - 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;



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- 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; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



For ATUL GUPTA & Co.
Chartered Accountants
(FRN: 014970C)

A handwritten signature in blue ink, appearing to read "Atul Kumar Gupta".

(CA. ATUL KUMAR GUPTA)
PARTNER
Membership No.: 073732

Place: ALIGARH
Date: 25/06/2021
UDIN: 21073732AAAADU2443

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements" in the case of Pavn Sunworld Autotech Private Limited, Aligarh

We report that:

1. Fixed Assets

- a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals; According to information and explanations given to us and examined by us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and the records examined by us, we report that the Company does not hold any immovable properties held in the name of the company as at the balance sheet date.
2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion the frequency of such verification is reasonable. According to information and explanations given to us and examined by us, no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses 3 (iii) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or given any security or made any investment to which the provisions of Section 185 and 186 of the Companies Act, 2013 apply. Consequently, the provisions of clauses 3 (iv) of the order are not applicable to the Company.
5. In our opinion and according to the information and explanations given to us, 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. Consequently, the provisions of clauses 3 (v) of the order are not applicable to the Company.

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6. As per information & explanation given by the management, the Central Government of India has not been prescribed the maintenance of the cost records under sub-section (1) of section 148 of the Companies Act, 2013 for any of the activities of the Company. Consequently, the provisions of clauses 3 (vi) of the order are not applicable to the Company.

7. Statutory Liabilities

- a. On the basis of our examination of 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 are no undisputed 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 and the records of the Company examined by us, there are no dues 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.

8. In our opinion and according to the information and explanations given to us, 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. Consequently, the provisions of clauses 3 (viii) of the order are not applicable to the Company.

9. 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) or taken any term loan during the year. Consequently, the provisions of clauses 3 (ix) of the order are not applicable to the Company.

10. To the best of our knowledge and according to the information and explanations given to us, we report that no fraud by the company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

11. The company is a private limited company and hence provision of section 197 read with Schedule V of the Companies Act, 2013 are not applicable. Consequently, the provisions of clauses 3 (xi) of the order are not applicable to the Company.

12. The company is not a Nidhi Company. Consequently, the provisions of clauses 3 (xii) of the order are not applicable to the Company.

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13. According to the information and explanations given to us and based on our examination of records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

14. On the basis of our examination of records of the Company, the company has not made preferential allotment or private placement of equity shares or fully or partly convertible debentures during the year. Consequently, the provisions of clauses 3 (xiv) of the order are not applicable to the Company.

15. According to the information and explanations given to us and based on our examination of records of the Company, the company has not entered into non-cash transactions with directors or persons connected with him. Consequently, the provisions of clauses 3 (xv) of the order are not applicable to the Company.

16. According to the information and explanations given to us and based on our examination of records of the Company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



Place: ALIGARH
Date: 25/06/2021
UDIN: 21073732AAAADU2443

For ATUL GUPTA & Co.
Chartered Accountants
(FRN: 014970C)

A handwritten signature in blue ink, appearing to read 'Atul Kumar Gupta', written over a horizontal line.

(CA. ATUL KUMAR GUPTA)
PARTNER
Membership No.: 073732

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 Sunworld Autotech Private Limited** ("the Company") as of March 31, 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.

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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 31, 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: 25/06/2021
UDIN: 21073732AAAADU2443

For ATUL GUPTA & Co.
Chartered Accountants
(FRN: 014970C)

A handwritten signature in blue ink, appearing to read 'Atul Kumar Gupta', written over a horizontal line.

(CA. ATUL KUMAR GUPTA)
PARTNER
Membership No.: 073732

PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

BALANCE SHEET AS ON 31.03.2021

Amount in Rs.

EQUITY & LIABILITIES	NOTES	AS AT	AS AT
		31-Mar-21	31-Mar-20
Shareholder Funds			
Share Capital	2	10,000,000.00	10,000,000.00
Reserve & Surplus	3	304,106.35	287.03
Non- Current Liabilities			
Deffered Tax Liabilities	4	55,532.00	22,846.00
Current Liabilities			
Trade Payables	5	79,357.56	174,846.50
Other Current Liabilities	6	1,637,080.45	3,691,572.16
Short - Term Provision	7	62,197.00	4,635.00
	TOTAL	12,138,273.36	13,894,186.69
ASSETS			
Non- Current Assets			
Fixed Assets	8	7,537,785.00	4,026,361.22
Deffered Tax Assets		-	-
Other Non- Current Assets	9	694,224.00	739,224.00
Current Assets			
Trade Receivables	10	2,026,748.92	878,260.00
Inventories	11	553,500.00	812,930.00
Cash & Cash Equivalent	12	242,496.96	7,244,125.89
Other Current Assets	13	1,083,518.48	193,285.58
	TOTAL	12,138,273.36	13,894,186.69

NOTES FORMING PART OF ACCOUNTS

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The accompanying notes are forming part of the Financial Statements.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

(SWAPNIL JAIN)

DIRECTOR

DIN No.: 01542555

(PRIYA JAIN)

DIRECTOR

DIN No.: 03355623

AUDITORS' REPORT

As per our separate report of even date attached.



For ATUL GUPTA & Co.

Chartered Accountants

(ATUL KUMAR GUPTA)

PARTNER (M.No. 073732)

FIRM No. 014970C ; PAN: AATFA2682D

PLACE : ALIGARH

DATED : 25/06/2021

UDIN : 21073732 AAAADU2443

PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31.03.2021

PARTICULARS	Notes	Amount in Rs.	
		31-Mar-21	31-Mar-20
Revenue From Operation	14	2,869,185.21	1,493,516.91
TOTAL (A)		2,869,185.21	1,493,516.91
Cost of materials consumed	15	639,620.33	697,503.76
Changes in Inventories	16	122,530.00	-387,030.00
Employee benefits expense	17	694,625.00	653,134.00
Finance costs	18	522.15	44,875.96
Depreciation and amortization expense	19	774,576.22	117,971.00
Other Expenses	20	238,609.19	337,350.16
TOTAL (B)		2,470,482.89	1,463,804.88
Profit Before EOI & Exceptional item (A- B)		398,702.32	29,712.03
Less : EOI & Exceptional Item		-	-
Profit Before Tax		398,702.32	29,712.03
Less: Tax Expenses	21		
Current Tax		62,197.00	4,635.00
Deferred Tax		32,686.00	22,846.00
Profit After Tax		303,819.32	2,231.03
Earning Per Equity Shares (In Rs.)	22		
1) Basic		0.30	0.00
2) Diluted		0.30	0.00

The accompanying notes are forming part of the Financial Statements.

FOR AND ON BEHALF OF BOARD OF DIRECTORS


(SWAPNIL JAIN)
DIRECTOR

DIN No.: 01542555


(PRIYA JAIN)
DIRECTOR

DIN No.: 03355623

AUDITORS' REPORT

As per our separate report of even date attached.

For ATUL GUPTA & Co.
Chartered Accountants


(ATUL KUMAR GUPTA)

PARTNER (M.No. 073732)

FIRM No. 014970C ; PAN: AATFA2682D

PLACE : ALIGARH

DATED : 25/06/2021

UDIN : 21073732AAAADU2443



PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2021

PARTICULARS	PERIOD	YEAR ENDED
	MARCH 31, 2021	MARCH 31, 2020
	Amount (Rs.)	Amount (Rs.)
Net Profit Before Tax	398,702.32	29,712.03
Adjustments for :		
Depreciation/ Amortisation	729,576.22	72,971.00
Finance cost	522.15	45,030.96
Operating Profit Before Working Capital Adjustment	1,128,800.69	147,713.99
Adjustment for Changes in Working Capital		
Trade and other payable	(95,488.94)	160,346.50
Short-term provisions	57,562.00	2,337.00
Other Current Liabilities	(2,054,491.71)	3,691,572.16
Trade and other Recievables	(1,148,488.92)	(825,760.00)
Other Current Assets	(890,232.90)	(775,009.58)
Non-Current Assets	45,000.00	45,000.00
Inventories	259,430.00	(812,930.00)
Cash Flow Generated from Operations	(2,697,909.78)	1,633,270.07
Taxes Paid	62,197.00	4,635.00
Net Cash flow from Operating activities (A)	(2,760,106.78)	1,628,635.07
Cash Flow From Investing Activities		
(Purchase)/Sale of Fixed Assets	(4,241,000.00)	(4,099,332.33)
Sale of Shares	-	9,900,000.00
Net Cash Flow from Investing Activites (B)	(4,241,000.00)	5,800,667.67
Cash Flow From Financing Activities		
Proceeds from/ (Repayment of) Borrowing	-	(225,000.00)
Finance cost	(522.15)	(45,030.96)
Net Cash Flow From Financing Activities (C)	(522.15)	(270,030.96)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	(7,001,628.93)	7,159,271.78
Cash & Cash equivalent at the beginning of the year	7,244,125.89	84,851.00
Cash & Cash Equivalent at the end of the year	242,496.96	7,244,122.78

Cash and cash equivalents comprises of :

PARTICULARS	PERIOD	YEAR ENDED
	MARCH 31, 2021	MARCH 31, 2020
Cash-in-Hand	192,605.71	302,275.00
Balance with Banks	49,891.25	6,941,850.89
Total	242,496.96	7,244,125.89

FOR AND ON BEHALF OF BOARD OF DIRECTORS



(SWAPNIL JAIN)
DIRECTOR
DIN No.: 01542555



(PRIYA JAIN)
DIRECTOR
DIN No.: 03355623

AUDITORS' REPORT

As per our separate report of even date attached.



For ATUL GUPTA & Co.
Chartered Accountants



(ATUL KUMAR GUPTA)

PARTNER (M.No. 073732)

FIRM No. 014970C ; PAN: AATFA2682D

PLACE : ALIGARH

DATED : 25/06/2021

UDIN : 21073732 AAAADU2443

M/s. PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

NOTES FORMING PART OF ACCOUNTS AS AT 31.03.2021

NOTE-1 NOTES FORMING PART OF ACCOUNTS

A. Significant Accounting Policies

1. Basis of Accounting :

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

2. Revenue Recognition :

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis except discount claims, rebates, export incentives and retirement benefits which cannot be determined with certainty during the year.

3. Fixed Assets :

Fixed assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

4. Depreciation :

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

5. Retirement Benefits :

- Gratuity: The Company will account for its gratuity liability as and when these are paid to the eligible employees.
- Encashment of Leave of employees has been accounted for on cash basis which is in preference of AS-15 of The Institute of Chartered Accountants of India.

6. Inventories :

Inventories are valued as under:-

- Raw Material and Stores etc. are valued at cost or market price whichever is lower.
- Work in process is valued at cost or market price whichever is lower.
- Finished goods are valued at cost or market price whichever is lower.
- Cost of Inventory is generally ascertained on FIFO Method.

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7. Taxes on Income :

- Provision for current tax is made for the amount of tax payable in respect of taxable income for the year as per the provision the Income Tax Act, 1961.
- Deferred Tax is accounted for by computing the tax effect on timing difference which arises during the year and reversed in subsequent year as per AS-22 of the Institute of Chartered Accountants of India.

8. Provisions, Contingent Liabilities and Contingent Assets:- (AS-29)

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:-

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

9. General:

Except wherever stated, accounting policies are consistent with the generally accepted accounting principles & have been consistently applied.

(B) Notes on Financial Statements

1. There is no employee who is in the receipt of remuneration exceeding the limit prescribed in accordance with the provisions of Companies Act, 2013.
2. There is no managerial remuneration paid to directors during the year.
3. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
4. Payments to Auditors:

Auditors Remuneration	2020-21	2019-20
Audit Fees	6,000.00	6,000.00
Tax Audit Fees	0.00	0.00
G.S.T. (At the time of payment)	0.00	0.00
Total	6,000.00	6,000.00

Contd.....



5. 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.
6. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
7. Preliminary expenses incurred on the incorporation of the company has not been charged to Profit & Loss account and only Rs. 45,000/- out of the total preliminary expenses, as per last year has been debited to the Profit & loss account during the year.
8. No provision for retirement benefits has been made, in view of accounting policy No. 5. The impact of the same on Profit & Loss is not determined.
9. The SSI status of the Sundry Creditors is not known to the company; hence the information is not given.
10. Technical knowhow is an ongoing process and complete technical knowhow is yet not received at the end of Company, hence depreciation has not been charged for the year.
11. **Related Party disclosure:**
The transactions with related parties are disclosed in Note No. 25.
12. Deferred Tax Liabilities of Rs. 32,686.00 have been created during the current year as per the provisions prescribed in AS-22 issued by The Institute of Chartered Accountants of India. Major components of Deferred tax:-

Particulars	As at 31.03.2021 (Rs.)	As at 31.03.2020 (Rs.)
<i>A) Deferred Tax Liability</i>		
Depreciation	55,532.00	22,846.00
Others	0.00	0.00
Total(A)	55,532.00	22,846.00
<i>B) Deferred Tax Assets</i>		
Depreciation	0.00	0.00
Others	0.00	0.00
Total(B)	0.00	0.00
Net Deferred Tax liabilities/(assets) (A-B)	55,532.00	22,846.00

- | | <u>2020-21</u> | <u>2019-20</u> |
|--|----------------|-----------------|
| 13. Value of Imports | | |
| Raw Material | Rs. 70,331.00 | Rs. 1,82,342.80 |
| Packing Material and Stores & Spares | NIL | NIL |
| 14. Expenditure in Foreign Currency | NIL | NIL |
| 15. Earning in Foreign Exchange | NIL | NIL |
| 16. Previous year figures have been regrouped/rearranged wherever considered necessary to make these comparable. | | |



PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

NOTES ON BALANCE SHEET AS ON 31.03.2021

Note - 2 Share Capital

Amount in Rs.

PARTICULARS	Number	31-Mar-21	31-Mar-20
Authorised			
Equity Share Capital of Rs. 10/-each (Previous Year 10,00,000 Rs. 10/- each)	1000000	10,000,000.00	10,000,000.00
Issued, Subscribed and Paid up			
Equity Share Capital of Rs. 10/-each (Previous Year 10,000 Equity Sahres @ Rs. 10/- each)	1000000	10,000,000.00	10,000,000.00
TOTAL		10,000,000.00	10,000,000.00

a) Reconciliation of number of Equity Shares and amount outstanding

PARTICULARS	Number	31-Mar-21	31-Mar-20
Shares outstanding at the beginning of year	1000000	10,000,000.00	100,000.00
Add: Shares issued by way of Fresh Issue for Cash and 25% for Technical Know How	0	0.00	9,900,000.00
Shares outstanding at the ending of year	1000000	10,000,000.00	10,000,000.00

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

PARTICULARS	31-Mar-21		31-Mar-20
	Number of Sh.	% of Holding	% of Holding
Mr. Swapnil Jain	5,000	0.50	0.50
Mrs. Priya Jain	5,000	0.50	0.50
M/s. Pavna Industries Limited	715,000	71.50	74.00
M/s. Sunworld Moto Industrial Co. Ltd.	125,000	12.50	12.50
Mr. Hisn-Cheng Yeh (Ryan)	100,000	10.00	10.00
Mrs. Chi-Hsien Chen (Vivien)	50,000	5.00	2.50
additional information			
No Fresh Share Capital issued during the year.			

Note - 3 Reserve & Surplus

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Profit & Loss Appropriation A/c.		
Balance Outstanding at the Beginning of year	287.03	(1,944.00)
Add : Transferred from surplus in statement of Profit & loss	303,819.32	2,231.03
Balance Outstanding at the ending of year	304,106.35	287.03
TOTAL	304,106.35	287.03



PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

NOTES ON BALANCE SHEET AS ON 31.03.2021

Note - 4 Deferred Tax Liabilities

In (Rupees)

PARTICULARS	31-Mar-21	31-Mar-20
a) Deferred Tax Liabilities		
on difference between book balance and tax		
balance of fixed assets	55,532.00	22,846.00
	55,532.00	22,846.00
b) Deferred Tax Assets	-	-
DEFERRED TAX LIABILITIES (NET)	-	-
TOTAL	-	-
Net Amount Charged to Statement of Profit and Loss (AS-22)	32,686.00 32,686.00	22,846.00

Note-5 Trade Payables

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
Trade Payables		
a) Due to Micro, Small & Medium Enterprises	0.00	0.00
b) Due to Others	79,357.56	174,846.50
	79,357.56	174,846.50
TOTAL	79,357.56	174,846.50

Note- 6 Current Liabilities

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Advance from Customers	1,576,009.45	3,564,410.16
b) Expenses Payable	1,450.00	40,850.00
c) Salary Payable	53,621.00	80,312.00
d) Audit Fees Payable	6,000.00	6,000.00
	1,637,080.45	3,691,572.16
TOTAL	1,637,080.45	3,691,572.16

Note- 7 Short - Term Provision

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Provision for others		
Provision for Taxation	62,197.00	4,635.00
	62,197.00	4,635.00
TOTAL	62,197.00	4,635.00

Note- 9 Other Non Current Assets

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Preliminary Expenses	694,224.00	739,224.00
	694,224.00	739,224.00
TOTAL	694,224.00	739,224.00



PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

NOTES ON BALANCE SHEET AS ON 31.03.2021

Note- 10 Trade Receivables

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Trade receivables Outstanding for a period Exceeding six month from the date they were due for payment (Doubtful but considered good)	-	-
b) Other Trade Receivables	2,026,748.92	878,260.00
TOTAL	2,026,748.92	878,260.00
additional information		
i) Trade Receivables (Unseured, Considered good) are subject to confirmation & Reconciliation.		

Note- 11 Cash & Cash Equivalents

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Cash in Hand	192,605.71	302,275.00
b) Punjab National Bank, Aligarh	49,891.25	6,941,850.89
TOTAL	242,496.96	7,244,125.89
additional information		
i) Bank accounts have been reconciled and balance as per books is shown.		

Note- 12 Inventories

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Finished Goods	-	-
b) Work in Progress	264,500.00	387,030.00
c) Raw Material	238,500.00	351,250.00
d) Stores & Spares	50,500.00	74,650.00
TOTAL	553,500.00	812,930.00

Note- 13 Other Current Assets

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Advance Income Tax/TCS	17,757.07	20,000.00
b) G.S.T.Recoverable	428,781.41	172,695.58
c) Advances to Suppliers	626,980.00	590.00
d) Security Deposit	10,000.00	-
TOTAL	1,083,518.48	193,285.58



PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

NOTES ON BALANCE SHEET AS ON 31.03.2021

Note-8 Fixed Assets

Amount in Rs.

Assets	Useful Life (Years)	Gross Block			Accumulated Depreciation/ Amortisation			Net Block	
		Balance as at 1st April 2020	Additions during the year	Balance as at 31st March 2021	Balance as at 1st April 2020	Provided during the year	Balance as at 31st March 2021	Balance as at 31st March 2020	
A Tangible assets (Own Assets)									
Plant & Machinery									
Air Leak Tester	8	385,000.00		385,000.00	41,084.00	36,696.00	77,780.00	307,220.00	343,916.00
Dies and Tools	8	887,100.00	4,241,000.00	5,128,100.00	8,314.00	672,058.00	680,372.00	4,447,728.00	878,786.00
Laser Marking Machine	8	240,000.00		240,000.00	10,385.00	9,942.00	20,327.00	219,673.00	229,615.00
Office Equipment									
Machine Spares	5	39,773.74		39,773.74	5,611.00	4,819.74	10,430.74	29,343.00	34,162.74
Transformer	5	25,000.00		25,000.00	2,082.00	1,909.00	3,991.00	21,009.00	22,918.00
Computers									
Laptop	3	22,458.48		22,458.48	5,495.00	4,151.48	9,646.48	12,812.00	16,963.48
Total (A)		1,599,332.22	4,241,000.00	5,840,332.22	72,971.00	729,576.22	802,547.22	5,037,785.00	1,526,361.22
B Intangible assets									
Technical Know How (Under Process)	10	2,500,000.00		2,500,000.00	0.00	0.00	0.00	2,500,000.00	2,500,000.00
Total (B)		2,500,000.00		2,500,000.00	0.00	0.00	0.00	2,500,000.00	2,500,000.00
Current Year Total (A + B)		4,099,332.22	4,241,000.00	8,340,332.22	72,971.00	729,576.22	802,547.22	7,537,785.00	4,026,361.22
Previous Year Total		0.00	1,599,332.22	1,599,332.22	0.00	72,971.00	72,971.00	1,526,361.22	0.00

WDV as per Companies Act 7,537,785

WDV as per Income Tax Act 7,324,200

Difference 213,585

Deffered Tax Liability

Provision as on 31.03.2021 26% 55,532

Less : Opening Balance as on 01.04.2020 22,846

Provision to be created 32,686



PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

NOTES ON STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31.03.2021

Note - 14 Revenue from Operation

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Income from Sale of manufactured Goods	2,869,185.21	1,493,516.91
TOTAL	2,869,185.21	1,493,516.91

Note - 15 Cost of Material Consumed

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
Opening Stock of Raw Materials	351,250.00	0.00
Add:		
a) Purchases - Imported	70,331.00	182,342.80
b) Purchases - Indigenious	434,803.97	728,841.12
c) Freight & Cartage Inward	11,070.24	17,102.15
d) Custom Duty & Clearing Charges	10,665.12	120,467.69
	526,870.33	1,048,753.76
Less : Closing Stock of Raw Materials	238,500.00	351,250.00
TOTAL	639,620.33	697,503.76

Note - 16 Changes in Inventories

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Opening Stock - Work in Progress/Finished Goods	387,030.00	0.00
b) Closing Stock - Work in Progress/Finished Goods	264,500.00	387,030.00
TOTAL	122,530.00	-387,030.00

Note - 17 Employees' Benefit Expenses

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Salary & Wages to Staff	694,625.00	653,134.00
TOTAL	694,625.00	653,134.00

Note -18 Finance Cost

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Interest on Unsecured Loans	0.00	34,406.00
b) Bank Charges	522.15	10,469.96
TOTAL	522.15	44,875.96



PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

NOTES ON STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31.03.2021

Note - 19 Depreciation and Amortisation

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Depreciation	729,576.22	72,971.00
b) Preliminary Expenses written off	45,000.00	45,000.00
TOTAL	774,576.22	117,971.00

Note - 20 Other Expenses

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Consumption of Consumable Stores & Tools	61,549.18	45,431.03
b) Machinery Repair & Maintenance	16,500.00	129,363.56
c) Job Work Charges	103,010.88	112,730.72
d) Freight & Cartage Outward	996.00	1,157.85
e) Misc. Expenses	2,550.00	50.00
f) Legal/ R.O.C. Expenses	46,095.00	37,800.00
g) Office Expenses	1,908.13	4,662.00
h) Interest on delay payment	-	155.00
i) Auditor's Remuneration	6,000.00	6,000.00
TOTAL	238,609.19	337,350.16

* additional information

Consumption of Stores, Spares, Packing and Tools

Opening Stock	74,650.00	-
Add: Purchase of Consumable Stores, Tools and Spare Parts	37,399.18	120,081.03
	112,049.18	120,081.03
Less: Closing Stock	50,500.00	74,650.00
Net Consumption of Stores, Spares, Packing etc.	61,549.18	45,431.03

Note - 21 Tax Expenses

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Current Tax	62,197.00	4,635.00
b) Deffered Tax Liability (AS-22)	32,686.00	22,846.00
TOTAL	94,883.00	27,481.00

Note - 22 Earning Per Share

Amount in Rs.

PARTICULARS	31-Mar-21	31-Mar-20
a) Net Profit After Tax	303,819.32	2,231.03
b) Weighted Average no. of Equity shares outstanding during the year		
for Basic EPS (Nos.)	1000000	10000000
for Diluted EPS (Nos.)	1000000	10000000
c) Earning Per Shares		
Basic (in Rs.)	0.30	0.00
Diluted (in Rs.)	0.30	0.00
d) Nominal Value Per Share (in Rs.)	10	10



PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED, ALIGARH

CIN No.: U74994UP2018PTC100570

NOTES ON STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31.03.2021

Note - 23 Related Party Transactions

Amount in Rs.

Name of Person	Relation	Nature of Payment	31-Mar-21	31-Mar-20
Mr. Pawan Jain	Father of Director	Loan Taken	-	800,000.00
Mrs. Priya Jain	Director	Loan Taken	-	500,000.00
Mr. Pawan Jain	Father of Director	Loan Repaid	-	800,000.00
Mrs. Priya Jain	Director	Loan Repaid	-	500,000.00
Mr. Pawan Jain	Father of Director	Interest on Loan	-	21,173.00
Mrs. Priya Jain	Director	Interest on Loan	-	13,233.00
Pavna Marketing Pvt. Ltd.	Sister Concern	Sales	1,045,610.92	686,139.00
Sunworld Moto Industrial Co Ltd	Shareholder	Technical Know How	-	1,250,000.00
Chi-Hsien Chen (vivien)	Shareholder	Technical Know How	-	1,000,000.00
Hisn-Cheng Yeh (Ryan)	Shareholder	Technical Know How	-	250,000.00
Pavna Industries Limited	Sister Concern	Purchases	96,110.56	36.00
Pavna Industries Limited	Sister Concern	Tool Purchases	4,241,000.00	-
Pavna Industries Limited	Sister Concern	Share Capital	-	7,400,000.00
Pavna Marketing Pvt. Ltd.	Sister Concern	Purchases	8,327.24	-
Outstanding Balances				
Pavna Marketing Pvt. Ltd.	Sister Concern	Debtors	982,748.92	878,260.00
Pavna Industries Limited	Sister Concern	Creditors	-	42.00

FOR AND ON BEHALF OF BOARD OF DIRECTORS



**(SWAPNIL JAIN)
DIRECTOR**

DIN No.: 01542555



**(PRIYA JAIN)
DIRECTOR**

DIN No.: 03355623

AUDITORS' REPORT

As per our separate report of even date attached.



**For ATUL GUPTA & Co.
Chartered Accountants**



(ATUL KUMAR GUPTA)

PARTNER (M.No. 073732)

PLACE : ALIGARH

DATED : 25/06/2021

UDIN : 21073732.AAAADU2442 FIRM No. 014970C ; PAN: AATFA2682D