

# PRITIKA AUTO INDUSTRIES LTD.

(Formerly known as Shivkrupa Machineries and Engineering Services Limited)

Regd. Office : Plot No. C-94, Phase VII, Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab-160 055

CIN : L45208PB1980PLC046738 Phone No. : 0172-5008900, 5008901

E-mail : info@pritikaautoindustries.com, compliance@pritikaautoindustries.com

Website : www.pritikaautoindustries.com

Date: 13/10/2018

To,

The Department of Corporate Services,  
**Bombay Stock Exchange Limited**  
14<sup>th</sup> Floor, P.J. Towers,  
Dalal Street, Mumbai - 400 001.

Dear Sir,

**Ref: Scrip Code:- 539359**

**Subject: Submission of Annual Report for Financial Year 2017-18.**

Pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed 38<sup>th</sup> Annual Report for the financial Year 2017-2018 duly approved and adopted in the 38<sup>th</sup> Annual General Meeting of the Company held on Thursday, September 27, 2018 at 11.30 A.M at registered office of the company situated at C-94, Phase VII Industrial Focal Point, S.A.S Nagar, Mohali Punjab.

Kindly arrange to take the same on your record.

Thanking You,

Yours Faithfully,

For Pritika Auto Industries Limited  
(formerly known as Shivkrupa Machineries And Engineering Services Limited)

  
Mr. Vedant Bhatt  
Company Secretary & Compliance Officer



# PRITIKA

Auto Industries Limited



**38<sup>TH</sup>  
ANNUAL  
REPORT  
2018**

**COMPANY**

Pritika Auto Industries Limited

CIN: L45208PB1980PLC046738

**DIRECTORS**

Mr. Harpreet Singh Nibber	-Managing Director
Mr. Raminder Singh Nibber	-Non - Executive Director
Mr. Neeraj Bajaj	-Independent Director
Mr. Ajay Kumar	- Executive Director
Mr. Yudhisthir Lal Madan	- Independent Director
Mrs. Neha (from 24.04.2018)	- Independent Director

**COMPANY SECRETARY**

Mr. Vedant Bhatt

**CHIEF FINANCIAL OFFICER**

Mr. Ramesh Chander Saini

**REGISTERED OFFICE**

Plot No. C-94, Phase-VII  
Industrial Focal Point,  
S.A.S. Nagar Mohali  
Punjab - 160055

**AUDITORS**

M/s. Koshal & Associates  
Chartered Accountant

**BANKERS**

**HDFC BANK**  
**STATE BANK**  
**OF INDIA**

**REGISTRAR TRANSFER AGENTS**

**Satellite Corporate Services Pvt. Ltd.**  
Unit No. 49, Bldg. No. 13-A-B, 2nd Floor  
Samhita Commercial Co-Op. Soc. Ltd.  
Off. Andheri Kurla Lane, MTNL Lane  
Sakinaka, Mumbai - 400072.

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## **NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 38TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PRITIKA AUTO INDUSTRIES LIMITED (FORMERLY SHIVKRUPA MACHINERIES AND ENGINEERING SERVICES LTD) WILL BE HELD AT ITS REGISTERED OFFICE SITUATED AT PLOT NO. C-94, PHASE-VII INDUSTRIAL FOCAL POINT, S.A.S. NAGAR, MOHALI, PUNJAB -160055 ON THURSDAY, 27th SEPTEMBER, 2018 AT 11.30 A.M. TO TRANSACT FOLLOWING BUSINESS:**

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### **ORDINARY BUSINESS:**

#### **ITEM NO. 1 – ADOPTION OF FINANCIAL STATEMENTS:**

To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors ('the Board') and auditors thereon.

#### **ITEM NO. 2 – DECLARATION OF DIVIDEND:**

To declare a final dividend of 20 paise per equity share for the year ended March 31, 2018.

#### **ITEM NO. 3 - APPOINTMENT OF MR. RAMINDER SINGH NIBBER AS A DIRECTOR LIABLE TO RETIRE BY ROTATION:**

To appoint a director in place of Mr. Raminder Singh Nibber (DIN: 00239117), who retires by rotation and, being eligible, seeks reappointment.

#### **ITEM No. 4 - APPOINTMENT OF AUDITORS**

**To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable, M/s. Sunil Kumar Gupta & Co., Chartered Accountants (Firm Registration No. 003645N), be and is hereby appointed as statutory auditors of the Company, in place of M/s. Koshal & Associates, Chartered Accountants (Firm Registration No. 121233W) who have shown their unwillingness to continue and hold office of Auditors from the conclusion of this 38<sup>th</sup> Annual General Meeting (AGM). M/s. Sunil Kumar Gupta & Co., Chartered Accountants are appointed as Statutory Auditors for a period of five years i.e. from the conclusion of 38th Annual General Meeting to the conclusion of the 43rd Annual General Meeting to be held for the FY 2022-23 of the company, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

### **SPECIAL BUSINESS:**

#### **ITEM NO. 5 - RE-CLASSIFICATION OF THE PROMOTERS OF THE COMPANY:**

**To consider and if thought fit, to pass the following Resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Regulation 31A and other relevant provisions of SEBI( Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions of the Companies Act, 2013, if any, consequent to acquisition of 57.63 % of the total issued capital of the Company as on 31st March, 2017 by Mr. Harpreet Singh Nibber, Mr. Raminder Singh Nibber, Pritika Industries Limited (hereinafter referred to as the “Acquirers”), Mr. Gurkaran Singh Nibber, Ms. Pavit Nibber, and Mrs. Rishi Mangat (hereinafter referred to as the “Persons acting in concert –PAC’s”) pursuant to Regulation 3(1) and 4 of SEBI( Substantial Acquisition of Shares and Takeovers) Regulations, 2011 by way of Preferential allotment and through share purchase Agreement dated January 25, 2017 between Mr Harish

Agrawal and Mr Harpreet Singh Nibber and subject to necessary approvals from Stock Exchange(s) and other appropriate Regulatory authorities, Mr. Harpreet Singh Nibber, Mr. Raminder Singh Nibber, Pritika Industries Limited, Mr. Gurkaran Singh Nibber, Ms. Pavit Nibber, and Mrs. Rishi Mangat, the new promoters replace Mr. Harish Agrawal the 'Erstwhile Promoters' who have ceased to hold any shares in, or exercising any control over the company, nor have any special rights through formal and informal arrangement and is hereby reclassified as non-promoters in public category."

**RESOLVED FURTHER THAT** approval is also accorded for holding the position of the Key Managerial Personnel in the Company by any of the above new Promoter/s.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby authorized to make an application to the BSE Ltd and other stock exchanges where the shares of the Company are listed and also authorized to file necessary returns with Registrar of Companies along with the necessary documents and to do all such acts, deeds, things and acts as may be necessary and expedient to give effect to this resolution."

#### **ITEM NO. 6**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** in supersession to the resolution passed by the shareholders at the 35th Annual General Meeting held on 26/09/2015 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and also subject to other approvals as may be required, the approval and consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company to borrow monies for the purpose of the business of the Company, notwithstanding that the monies to be so borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose for the time being, provided that the total amount including the money/s already borrowed by the Company shall not exceed INR 300 Crores (Rupees Three Hundred Crores only).

**RESOLVED FURTHER THAT** any one of the Directors and / or Company Secretary of the Company jointly or severally is hereby authorised to take such steps and do all such acts, deeds and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider necessary or desirable to give effect to this resolution and also to make any alterations or amendments thereto from time to time as may be required by the respective bank or financial institution."

#### **ITEM NO. 7**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** in supersession to the resolution passed by the shareholders at the 35<sup>th</sup> Annual General Meeting held on 26/09/2015 and pursuant to Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013, and also subject to other approvals as may be required, the approval and consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company for all and any mortgages and charges created or to be created on all the immovable and movable properties of the Company wherever situated (whether present or future); or on the whole of the undertaking/s of the Company and/or taking over the management of the business and undertaking/s of the Company in certain events (whether such power is contained in the documents creating the mortgage/ charge or otherwise) to or in favour of any Bank or Financial Institutions or Lender(s) to secure repayment of any Working Capital Limits, Terms Loan, Subscription to Debenture or other monies lent or advanced by them from time to time together with interest at the agreed rates, compound interest, additional interest, commitment charges, premium on pre-payment or on redemption, costs, charges expenses and all other monies including any increase as a result of devaluation/ revaluation fluctuation in the rate exchange of foreign currencies involved payable by the company in terms of the respective loan agreements/ heads of agreements/ letters of sanction / memorandum of terms and conditions entered into/to be entered into by the Company, within overall limits of INR 300 Crores (Rupees Three Hundred Crores only).

**RESOLVED FURTHER THAT** any one of the Directors and / or Company Secretary of the Company jointly or severally is hereby authorised to take such steps and do all such acts, deeds and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider necessary or desirable to give effect to this resolution and also to make any alterations or amendments thereto from time to time as may be required by the respective bank or financial institution”.

**ITEM NO. 8**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

“**RESOLVED THAT** in supersession to the resolution passed by the shareholders at the 35<sup>th</sup> Annual General Meeting held on 26/09/2015 and pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013, and also subject to other approvals as may be required, the approval and consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company to give loan(s) to any person or other body corporate and/or to give any guarantee(s)/provide any security(ies) in connection with loan(s) to any other body corporate or person and/or to acquire by way of subscription, purchase or otherwise the securities of any other body-corporate, in one or more tranches, notwithstanding that the aggregate of the loans, guarantees or securities so far given or to be given to and/or securities so far acquired or to be acquired in all bodies corporate may exceed the limits prescribed under the said section, but subject to a maximum limit of Rs. 300.00 Crores (Rs. Three Hundred Crore only).

**RESOLVED FURTHER** that the Board be and is hereby authorized to negotiate and finalise the terms and conditions of the said investments, loans, guarantees and provision of security on behalf of the Company as it may deem fit in the interest of the Company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required to be signed, on behalf of the Company and also to delegate all or any of the above powers to the Committee of Directors or the Managing Director or the Principal Officer of the Company , in connection with such investments, loans, guarantees and provision of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

**ITEM NO. 9**

**To consider and, if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Ms. Neha (holding DIN 08109734), who was appointed as an Additional Director of the Company w.e.f 24/04/2018 in the category of Independent director and in respect of whom the Company has received a notice in writing from a Member proposing her candidature under Section 160 of the Companies Act, 2013 for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 3 (three) consecutive years, with effect from 24/04/2018 and that she shall not be liable to retire by rotation.”

**By Order of the Board  
For Pritika Auto Industries Limited**

**Sd/-  
Mr. Raminder Singh Nibber  
Chairman**

**Date: 11/08/2018  
Place: Mohali**

**Notes:**

- 1) A member entitled to attend and vote at the meeting is entitled to appoint proxy / proxies to attend and vote instead of himself and the proxy need not be a member of the Company.
- 2) A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
- 3) Corporate Members intending to send their authorised representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
- 4) The dividend of Rs.0.20 per share has been recommended by the Board of Directors for the year ended 31st March 2018, which is subject to the approval of the shareholders at the ensuing Annual General Meeting. The Company has fixed Thursday, 20<sup>th</sup> September, 2018 as the Record Date for determining entitlement of members to final dividend for the financial year ended March 31, 2018.
- 5) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
- 6) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
- 7) The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.
- 8) The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
- 9) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.
- 10) The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from 20th day September 2018 to 27th day September, 2018 (both days inclusive).
- 11) As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the Meeting.
- 12) In furtherance of Green Initiative in Corporate Governance by Ministry of Corporate Affairs, the Shareholders are requested to register their email id with the Company or with the Registrar and Transfer Agents.
- 13) Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
- 14) Members who are holding shares in identical order or names in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
- 15) Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updation of Savings Bank Account details to their respective Depository Participants.
- 16) Members are requested to kindly notify changes including email address, if any, in their address to the R & T Agent of the Company, Satellite Corporate Services Pvt. Ltd. situated at Unit No. 49, Bldg. No. 13-A-B, 2nd Floor Samhita Commercial Co-Op. Soc. Ltd. Off. Andheri Kurla Lane, MTNL Lane Sakinaka, Mumbai - 400072. Website: [www.satellitecorporate.com](http://www.satellitecorporate.com).



- 17) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts.
- 18) The members holding shares in physical form are requested to submit their PAN and Bank Details (copy of PAN Card and original cancelled cheque leaf/attested copy of bank pass book showing name of account holder) to the RTA.
- 19) SEBI by amendment to Regulation 40 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 has mandated transfer of securities in dematerialized form only, w.e.f. 5/12/2018. Members holding shares in physical form are advised to get them dematerialized.
- 20) Electronic copy of the Notice of the 38<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 38<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 21) Members may also note that the Notice of the 38<sup>th</sup> Annual General Meeting and the Annual Report for 2018 will also be available on the Company's website [www.pritikaautoindustries.com](http://www.pritikaautoindustries.com) for their download. The physical copies of the aforesaid documents as enumerated in the said Annual Report will also be available at the Company's Registered Office at Mohali for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the Shareholders may also send requests to the Company's investor email id: [compliance@pritikaautoindustries.com](mailto:compliance@pritikaautoindustries.com).

**22) Details of Directors seeking Appointment/Reappointment at the Annual General Meeting:**

<b>Name of Director</b>	<b>Mr. Raminder Singh Nibber</b>	<b>Ms. Neha</b>
<b>Date of Birth/ Age</b>	04/08/1941	08/03/1982
<b>Date of Appointment</b>	30/05/2017	24/04/2018
<b>Expertise in specific functional area</b>	Manufacturing, administration and technical matters	Legal /court matters
<b>Qualification</b>	Mechanical Engineer	LL.M
<b>Shareholding in the Company</b>	11,71,182	-
<b>Relationship with other Directors, Manager, and other KMP of the Company.</b>	Father of Shri Harpreet Singh Nibber	None
<b>No. of Board Meetings attended during the year 2017-18</b>	09	N/A
<b>Directorship in other public limited Companies</b>	02	Nil
<b>Chairman/Member of the Committee in other public limited Companies</b>	01	-
<b>a) Audit Committee</b>	-	-
<b>b) Stakeholder Relationship Committee</b>	01	-
<b>c) Nomination &amp; Remuneration Committee</b>		

23) Voting through electronic means :

**Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means.**

The Members desiring to vote through electronic mode may refer to the detailed procedure on e- voting given hereinafter.

**A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / Depository Participants(s)]:**

- (I) Open email and open PDF file viz; “Pritika Auto Industries Limited e-Voting.pdf” with your Client ID or Folio No. as password.

The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>

- (iii) Click on Shareholder – Login

- (iv) Put user ID and password as initial password / PIN noted in step (i) above.

Click Login.

- (v) Password change menu appears.

Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.

- (vii) Select “EVEN” of Pritika Auto Industries Limited.

- (viii) Now you are ready for e-voting as Cast Vote page opens.

- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.

- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

- (xii) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [jayminleads@gmail.com](mailto:jayminleads@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**B. In case a Member receives physical copy of the Notice of AGM and Attendance Slip [for members whose email IDs are not registered with the Company / Depository Participants(s)] or requesting physical copy:**

(i) Initial password is provided at the bottom of the Attendance Slip for the AGM: EVEN (E-voting Event Number) USER ID PASSWORD/PIN.

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) Above, to cast vote.

(2) Voting at AGM: The members who have not cast their vote by remote e-voting can exercise their voting rights at the AGM. The Company will make arrangements of ballot papers in this regards at the AGM Venue.

## **OTHER INSTRUCTIONS**

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

If you are already registered with NSDL for e-voting then you can use your existing user ID and password /PIN for casting your vote.

You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 20th day of September, 2018, are entitled to vote on the Resolutions set forth in this Notice.

The remote e-voting period will commence at 9.00 a.m. on 24<sup>th</sup> September, 2018 and will end at 5.00 p.m. on 26<sup>th</sup> September, 2018. During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20<sup>th</sup> September, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently.

The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20th September, 2018.

Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th September, 2018 may obtain the login ID and password by sending an email to [compliance@pratikaautoindustries.com](mailto:compliance@pratikaautoindustries.com) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No. /DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e- voting or voting at the meeting through ballot papers.

Mr. Sushil K Sikka, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutinizer shall within 2 days of conclusion of the meeting submit a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.

The results along with the Scrutinizers Report shall be placed on the website of the Company and on the website of NSDL and shall be communicated to Stock Exchanges where the shares of the Company are listed.

A member can opt only for one mode of voting i.e either through e-voting or by Ballot. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 6.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

**By Order of the Board  
For Pritika Auto Industries Limited**

**Sd/-  
Mr. Raminder Singh Nibber  
Chairman**

**Date: 11/08/2018  
Place: Mohali**



## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

### **Item No. 4**

Though not mandatory, this statement is provided for reference.

M/s. Koshal & Associates., Chartered Accountants, the statutory auditors of the company who were appointed as Statutory Auditors in the 36<sup>th</sup> Annual General Meeting of the company for a period of Five years, have shown their unwillingness to continue as Statutory Auditors of the company and have resigned from the position of statutory auditors of the company w.e.f. the conclusion of this Annual General Meeting. The Audit Committee has approved and recommended the appointment of new Statutory Auditor M/s. Sunil Kumar Gupta & Co., Chartered Accountants in place of resigning Auditor and the Board of Directors, in their meeting held on 11.08.2018 have approved the appointment of M/s. Sunil Kumar Gupta & Co., Chartered Accountants, as Statutory Auditors of the company for a period of 5 years, commencing from the conclusion of this 38<sup>th</sup> AGM till the conclusion of the 43<sup>rd</sup> AGM to be held for the FY 2022-23. M/s. Sunil Kumar Gupta & Co., Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 4 of the notice. The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members.

### **Item No. 5**

The open offer was made by Mr. Harpreet Singh Nibber pursuant to the execution of Share purchase agreement dated 25<sup>th</sup> January, 2017 with the Erstwhile Promoter and Promoter Group of the Company. Pursuant to the said Share Purchase Agreement Mr. Harpreet Singh Nibber have purchased 83200 fully paid Equity Shares of Rs. 10/- each constituting 1.77% of the total Equity and Voting share capital of the Company at a price of Re. 20/- per share aggregating to Rs. 16,64,000/-.

Consequent to the acquisition of shares by Mr. Harpreet Singh Nibber from the erstwhile promoters, as per the Share Purchase Agreement the erstwhile promoters will be re-classified as “Non-Promoters” in public category and Mr. Harpreet Singh Nibber and Mr. Raminder Singh Nibber will be classified as promoter and Promoter group of the Company pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Under these regulations, the person who is not desirous to be classified as the promoter of the Company, must submit a request to the Company stating the same, which is to be accepted by the Company subject to the approval of the shareholders and concerned Stock Exchanges where the shares of the Company are listed.

The Board of Directors of the Company have received a request from the erstwhile promoters to Re-classify them as Non-promoters hence, the Board recommends the aforesaid Special Resolution for your approval.

Except for Mr. Harpreet Singh Nibber and Mr. Raminder Singh Nibber, None of the Directors, Key Managerial Personnel and their relatives in any way, concerned or interested, in the resolution set out in item No.5.

The existing Promoters of the Company namely Mr. Harpreet Singh Nibber, Mr. Raminder Singh Nibber, Mr. Gurkaran Singh Nibber, Ms. Pavit Nibber, Mrs. Rishi Mangat and M/s. Pritika Industries Limited have acquired the equity shares of the Company through the Preferential Allotment done by the Company in the Month of March, 2017 and had triggered the process of open offer as per the Regulations of the SEBI (SAST) Regulations, 2011 which was made by M/s. Pritika Industries Limited (Acquirer I), Mr. Raminder Singh Nibber (Acquirer II), Mr. Harpreet Singh Nibber (Acquirer III) along with Mrs. Rishi Mangat (PAC 1), Mr. Gurkaran Singh Nibber (PAC 2) and upon successful completion of the same the Board of Directors in their meeting held on 30th May, 2017 decided to reclassify and reconstitute the then existing Promoters and Promoters Group consisting Mr. Harish Agrawal as the Sole Promoter of the Company holding 83,200 Equity Shares of the Company and which were acquired by Mr. Harpreet Singh Nibber through Share Purchase Agreement dated 25th January, 2017 thereby purchasing the entire shares of Mr. Harish Agrawal.

The Company made Preferential Allotment of equity shares having face value of Rs. 10/- each at a premium of Rs. 27.40/- on 15th March 2017 in accordance with provisions specified under Chapter VII of SEBI (ICDR) Regulations, 2009. The details of the Allotment made are as under:

Sr. No.	Name of the applicants classified as Promoters	No. of Equity Shares held	% of Shareholding
01	Mr. Harpreet Singh Nibber	18,39,934	13.59
02	Mr. Raminder Singh Nibber	10,61,182	7.84
03	Mr. Gurkaran Singh Nibber	2,31,158	1.71
04	Ms. Pavit Nibber	45,664	0.34
05	Mrs. Rishi Mangat	65,040	0.48
06	Pritika Industries Limited	**45,60,253	33.67

\* The above figures reflect the number of shares held by the respective parties as on the date of completion of open offer.

\*\* The Figures includes 100 equity shares acquired through open offer process.

Pursuant to SEBI (LODR) Regulations, 2015 Regulation 31A (5), when a new promoter replaces the previous promoter subsequent to an open offer or in any other manner, re-classification may be permitted subject to approval of shareholders in the general meeting. Hence the Special Resolution in Point No. 5 is put forward for the approval of the shareholders of the Company.

#### Item No. 6

Pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, the Board of Directors shall not, except with the approval of the Company in general meeting by way of Special Resolution, borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business. The shareholders at their meeting held on 26/09/2015 had approved the borrowing limits of the Company up to INR 100 crores (Rupees One Hundred Crores Only). In view of the amalgamation of the wholly owned subsidiaries of the company namely Pritika Autocast Ltd. and Nibber Castings Pvt Ltd., the proceedings for which are pending before the Hon'ble NCLT, Bench Chandigarh, the borrowing requirements of the company will be increased substantially. Further business expansion, growing operations and the need for higher credit requirement, it is now proposed to obtain the permission of the members to increase the borrowing limits up to INR 300 Crores (Rupees Three Hundred Crores only). The Board of Directors recommends the Special Resolution for your approval as set out under Item No. 6. None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in this resolution except to the extent of their shareholding in the company.

#### Item No. 7

Pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013 the Company requires consent of the shareholders to be obtained by passing special resolution for the purpose of mortgaging / creating charges on the properties of the Company to secure the loans availed by the Company. The shareholders at their meeting held on 26/09/2015 had approved the creation of charges on assets of the Company up to INR 100 crores (Rupees One Hundred Crores Only). In view of the amalgamation of the wholly owned subsidiaries of the company namely Pritika Autocast Ltd. and Nibber Castings Pvt Ltd. the proceedings for which are pending before the Hon'ble NCLT, Bench Chandigarh, the borrowing requirements of the company will be increased substantially and company has to create mortgage/charge to secure the said borrowing requirements.

By this proposal the approval of the shareholders is sought for mortgaging/creating charge on the assets of the Company to secure the loans availed by the Company up to a limit of INR 300 Crores (Rupees Three Hundred Crores only). The Board of Directors recommends the Special Resolution for your approval as set out under Item No. 7. None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in this resolution except to the extent of their shareholding in the company.

#### Item No. 8

Pursuant to the provisions of section 186 of the Companies Act, 2013 no Company shall give loan(s) to any person or other body corporate and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) to any other body corporate or person and/or acquire by way of subscription, purchase or otherwise the securities of any other body-corporate, exceeding sixty percent of its paid up share capital, free reserves and security premiums account whichever is more, without obtaining prior approval of its shareholders by means of Special Resolution passed at a general meeting.

The shareholders at their meeting held on 26/09/2015 had approved to give loan(s) to any person or other body corporate and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) to any other body

corporate or person and/or acquire by way of subscription, purchase or otherwise the securities of any other body-corporate, up to INR 100 crores (Rupees One Hundred Crores Only). In view of the amalgamation of the wholly owned subsidiaries of the company namely Pritika Autocast Ltd. and Nibber Castings Pvt Ltd. the proceedings for which are pending before the Hon'ble NCLT, Bench Chandigarh and further business expansion, growing operations, it is now proposed to obtain the permission of the members to increase the limit up to INR 300 Crores (Rupees Three Hundred Crores only). The Board of Directors recommends the Special Resolution for your approval as set out under Item No. 8. None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in this resolution except to the extent of their shareholding in the company.

#### ITEM NO. 9

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, The Board of Directors of the Company have appointed Ms. Neha as an Additional Director (Independent) of the Company to hold office for a period of three consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

As an Additional Director, Ms. Neha holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from a Member signifying his intention to propose the appointment of Ms Neha as a Director of the Company.

The Company has also received a declaration from Ms. Neha confirming that she meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Ms. Neha is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company. In the opinion of the Board, Ms. Neha fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

Mrs Neha (DIN:08109734) is holding Masters Degree in Law (LL.M) and an advocate doing practice in the High Court of Punjab & Haryana at Chandigarh. As advocate, she has experience of 10 years. Ms. Neha is not related to any other Director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Ms. Neha are in any way, concerned or interested in the said resolution.

The resolution as set out in item No. 9 of this Notice is accordingly commended for your approval.

## Chairman's Message to Shareholders

I am pleased to inform that our Company had very successful year and has been significantly making progress towards fortifying its identity as market leader in the various segments of component manufacturing.

At Pritika, we understood that at a time when the domestic market conditions were showing signs of revival, it would be prudent to strengthen our capabilities to cater to the vast Indian opportunities. Consequently, our superior growth numbers testify the relevance of our strategies, which are closely aligned to external opportunities and the government's key policies.

I am happy to share consolidated growth of the company. Our Company recorded sales growth of 17% from Rs. 145 crore in FY2017 to Rs. 170 crore in FY2018. Company produced 29,000 tons of machined casting during the year. 92% of the revenue was contributed by Tractor components segment while rest 8% was from commercial vehicle segments. This, coupled with sufficient order book and increasing capacity, facilitated a 40% growth in operating EBITDA from Rs. 18 crore in FY2017 to Rs. 25 crore in FY2018. EBITDA Margin improved by 237 bps to 14.6% from 12.2%. This was mainly on account addition of high value-added products and better operational efficiencies. The Company registered a 159% growth in net profit from Rs. 4.3 crore in FY2017 to Rs. 11.1 crore in FY2018. This was mainly on account of higher efficiencies and lower utilization of banking limits. PAT margin also improved by 358 bps to 6.5%.

Our Company has also been awarded with the 'India's Best Company of the year 2017- Best Automotive Components Manufacturing Company' by International Brand Consulting (IBC) Info Media Pvt. Ltd. and 'Award for Corporate Excellence' by Make in India Foundation (MIIF) – a testimony to our performance and client confidence.

Indian agriculture is yet to be fully mechanized and there is a growing need for strengthening productivity and viability. We are working on technology and solutions that will help create the highly-mechanized and evolved farms of tomorrow. We are developing new, large and smaller tractors components that will not only help us expand our range, but also give our customers a wider choice. With the tractor industry recording the highest growth in the past few years, we expect this trend to continue. With the sector tailwinds and good relationships with our clients we expect 2018 to be very positive for us.

To meet with growing demand and increasing order book, we have achieved our 'Vision 2020' of increasing our installed capacity to 50,000 tons per annum in FY2018 itself. This new capacity will help us to fulfill our order backlog and look for newer orders in the growing industry. The past couple of years have witnessed significant progressive policy-level changes and effective implementation of directives in sectors in which we are present. It was the government's way of acknowledging that economic growth was hinged on the adequate development of rural economy. With government's vision of doubling farmers income by 2022 and many subsidies granted to this sector, we are confident to do better in 2018.

Our Company had recently participated in 'Agritechnica' – leading trade fair for agricultural machinery held in Hanover, Germany. Agritechnica is the showcase of the global agricultural engineering industry and a forum for the future of plant production. We received significant enquiries, at this fair, across our suite of product offerings for global Auto giants. With such positive response and growing opportunities in export market, we are considering capitalize this opportunity and foray into export which will increase company's margins and returns.

During the year, our Company completed the acquisition of Amrit Duraparts to buy its Land, building and machinery. The newly acquired foundry was set up in 2012 which is as good as new and has total capacity of 12,000 tons per annum. This acquisition takes total capacity of our Company to over 50,000 tons per annum.

Looking ahead, we see a prosperous future for the country, particularly the rural sector, which will benefit the Company. Our success so far has been driven by our most important asset – our team! I would like to take this opportunity to thank each and every member of the Pritika Group family. I would also like to thank our Clients, Creditors, Banks, Financial Institutions and other Stakeholders, without whose patronage we could not have been where we are.

**Raminder Singh Nibber**  
**Chairman**



## **DIRECTOR'S REPORT**

Dear Shareholders,

The Directors have pleasure in presenting their 38th Annual Report on the business and operations together with the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2018.

### **1. FINANCIAL RESULTS:**

The Financial results are briefly indicated below:

Particulars	(In Lakhs)	
	Standalone	Consolidated
	2017-18	2017-18
Net Turnover	127.88	17065.69
Profit before Interest, Depreciation and Tax (PBITD)	84.15	2536.31
Less: Depreciation	0.17	568.04
Profit before Interest and Tax (PBIT)	83.98	1968.27
Interest	0.11	559.39
Profit before Tax Expenses	83.87	1408.88
Tax Expenses	23.14	302.39
Profit after Tax	60.73	1106.49

### **2. REVIEW OF OPERATIONS:**

The Company has made profit of Rs. 60.73 Lakhs during the financial year. The Consolidated figures reflect a profit after tax Rs. 1106.49 Lakhs for the Financial year ended 31.03.2018 as against Rs. 424.08 lakhs during the previous year. It shows a significant rise of 160.91% in the revenue generated by the Company as compared to the previous Financial Year. The year has proved to be very productive and significant for the Company as the Company has achieved much higher than expected targets and has witnessed remarkable growth in terms of production and revenue generation. The overall growth of the Company is expected to increase at a rapid pace in the near future as the Company is endeavoring and expanding its business on a larger scale.

### **3. AMALGAMATION OF SUBSIDIARY COMPANIES:**

A Joint Petition under Sections 230 to 232 read with Section 52, 66 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 has been filed before the Hon'ble National Company Law Tribunal, Chandigarh Bench at Chandigarh for Amalgamation of Pritika Autocast Limited ('the First Transferor Company') and Nibber Castings Private Limited (the Second Transferor Company) WITH Pritika Auto Industries Limited ('the Transferee Company'). The Scheme of Amalgamation has been approved by the Secured and Unsecured Creditors of the transferor companies in their meeting convened by the NCLT. The consent of the shareholders of the transferor companies has also been obtained. The members of the company have also approved the Scheme of Amalgamation in their meeting convened by NCLT. The matter is pending before the NCLT for hearing.

### **4. DIVIDEND:**

Based on the Company's performance, the Directors are pleased to recommend for approval of the members a final dividend of 20 paise per share for FY18. The final dividend on equity shares, if approved by the members, would involve a cash outflow of 42.34 Lakhs, including dividend distribution tax resulting in a payout of 69.72% of the unconsolidated profits of the Company.

### **5. AUDITORS & AUDITORS REPORT:**

M/s. Koshal & Associates., Chartered Accountants, the statutory auditors of the company who were appointed as Statutory Auditors in the 36<sup>th</sup> Annual General Meeting of the company for a period of Five years, have shown their unwillingness to continue as Statutory Auditors of the company and have resigned from the position of statutory auditors of the company w.e.f. the conclusion of this Annual General Meeting. The Board of Directors, have recommended appointment of M/s. Sunil Kumar Gupta & Co., Chartered Accountants, as Statutory Auditors of the company for a period of 5 years, commencing from the conclusion of this 38<sup>th</sup> AGM till the conclusion of the 43<sup>rd</sup> AGM. M/s. Sunil Kumar Gupta & Co., Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Auditors' Report for the fiscal 2018 does not contain any qualification, reservation or adverse remark. Further, in terms of section 143 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, as amended, no fraud has been reported by the Auditors of the Company where they have reasons to believe that an offence involving fraud is being or has been committed against the company by officers or employees of the company.

**6. DEPOSITS:**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**7. PARTICULARS OF EMPLOYEES:**

Disclosure pertaining to the remuneration and other details as required under the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any amendments thereof, is attached as **Annexure A**.

**8. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

The Board has, on the recommendation of the Nomination & Remuneration Committee, adopted a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.

-The Nomination & Remuneration Committee identifies and ascertains the integrity, qualification, expertise and experience of the person for appointment as Director and ensures that the candidate identified possesses adequate qualification, expertise and experience for the appointment as a Director.

-The Nomination & Remuneration Committee ensures that the candidate proposed for appointment as Director is compliant with the provisions of the Companies Act, 2013.

-The candidate's appointment as recommended by the Nomination and Remuneration Committee requires the approval of the Board.

-In case of appointment of Independent Directors, the Nomination and Remuneration Committee satisfies itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

-The Nomination and Remuneration Committee ensures that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

**9. CORPORATE GOVERNANCE:**

Report on Corporate Governance and Certificate of the Auditors of your Company regarding compliance of the conditions of Corporate Governance as stipulated in Schedule V read with Regulation 34(3), of the SEBI (LODR) Regulations, are provided in a separate section and forms part of this Report as **Annexure B**.

**10. SUBSIDIARIES:**

Your Company in Previous year 2016-17 has acquired two Companies namely Pritika Autocast Limited and Nibber Castings Private Limited by way of purchasing 100% of their Equity shares and making them wholly own subsidiaries.

The Company has formed a wholly owned subsidiary in the name of "Pritika Engineering Components Pvt. Limited", in February, 2018 which has acquired the assets (Land, Building & Machinery) of unit No: 2 of Amrit Duraparts Pvt. Ltd located at Village Simbli on Phagwara - Hoshiarpur Road, Punjab. The newly acquired foundry has a capacity of 12,000 tons per annum. With this acquisition, the total installed capacity of the Company has increased to 50,000 tons per annum in Financial Year 2018, enabling the Company to achieve its vision of Financial Year 2020 well ahead of time.

In accordance with the provisions of Section 129(3) of the Act, read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries is attached as **Annexure C** to this Report.

**11. STATEMENTS OF PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS)**

Information in accordance with the provisions of Section 134 (3)(m) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo during the reporting period is attached herewith and marked as **Annexure-D**.

**12. RELATED PARTY TRANSACTIONS:**

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure in Form AOC-2 and the same forms part of this report. **ANNEXURE- E**.

**13. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure to the Board Report. **ANNEXURE F**.

**14. SECRETARIAL AUDIT REPORT:**

As required under section 204 (1) of the Companies Act, 2013 and Rules made there under the Company has appointed Mr. Jaymin Modi, Company Secretary as Secretarial Auditor of the Company for the financial Year 2017-18. The Secretarial Audit Report forms part of the Annual report as Annexure to the Board's Report.

The Copy of Secretarial Audit Report for the Financial Year 2017-18 issued by Mr. Jaymin Modi, Company Secretary in Practice has been attached and marked as **Annexure – G**. The Secretarial Auditors' Report for the fiscal 2018 does not contain any qualification, reservation or adverse remark.

**15. MANAGEMENT DISCUSSION ANALYSIS REPORT:**

The details forming part of Management Discussion and Analysis Report is annexed herewith as Annexure to the Board Report. **Annexure H**.

**16. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There is no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

**17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of loan, guarantee and investment covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the Notes to the financial statements.

**18. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provisions of Section 135 of the Companies Act relating to Corporate Social Responsibility are not applicable as the Company is having Net worth less than rupees Five Hundred Crore, Turnover less than rupees One Thousand Crore and Net Profit less than rupees Five Crore.

**19. MEETINGS OF BOARD OF DIRECTORS:**

The Board met 10 times during the year, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

**20. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

**21. CORPORATE ACTIONS DURING THE YEAR 2017-18**

During the Financial Year 2017-18, the Company made several Corporate Actions the details of which are as below:

**EXTRA-ORDINARY GENERAL MEETING**

The Company conducted Extra-Ordinary General Meeting on 08<sup>th</sup> December, 2017 in order to seek the approval of the Shareholders for the following matters:

- **Increase in Authorised Share Capital of The Company**

- After receiving the assent from the Shareholders, the Company increased its Authorised Capital from Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- (Rupees Ten) each."

- **Alteration of Memorandum of Association of The Company.**

- After receiving the assent from the Shareholders, the Company altered the then existing Clause V of the Memorandum of Association reflecting the Authorised Share Capital of the Company to Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- (Rupees Ten) each.

- **Issue of Equity Shares on Preferential Basis.**

- The Company came out with another Preferential Issue in the Financial Year 2017-18. The details of which are as under:
  - a. Issued 3,50,000 (Three Lakhs Fifty Thousand ) fully paid-up Equity Shares of Rs.10/- each at a premium of Rs. 64.10/-of the Company, to the Promoters namely Pritika Industries Limited for cash.
  - b. Issued 3,25,000 (Three Lacs Twenty Five Thousand) fully paid-up Equity Shares of Rs.10/- each at a premium of Rs. 64.10/- of the Company, to the Promoters namely Mr. Harpreet Singh Nibber (2,15,000 Equity Shares) and Mr. Raminder Singh Nibber ( 1,10,000 Equity shares) by way of Preferential allotment basis, on conversion of outstanding Unsecured Loan into Equity shares (i.e. in lieu of conversion of Loan into Equity shares).
  - c. Issued 3,34,25,00 fully paid-up Equity Shares of Rs.10/- each at a premium of Rs. 64.10/-of the Company, to Public (NRIs and Indian Inhabitants) for cash.

**22. COMPOSITION OF COMMITTEES:**

The Company has complied with the SEBI (LODR) Regulations along with the Companies Act, 2013 with respect to the Composition of the Committees as required therein and the details of which is given under Corporate Governance Report annexed to this Report.

**23. BOARD EVALUATION:**

The Board of Directors have carried out an annual evaluation of its own performance, its various committees and individual directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed under Regulation 17(10), 25(4) and other applicable provisions of the SEBI (LODR) Regulations. The manner of evaluation is provided in the Corporate Governance Report.

**24. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. RE-APPOINTMENT OF DIRECTOR:**

Mr. Raminder Singh Nibber (DIN: 00239117) retires by rotation at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment.

**B. INDEPENDENT DIRECTORS:**

Independent Directors on your Company's Board have submitted declarations of independence to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

**C. CHANGE IN COMPOSITION OF BOARD:**

During the Financial Year 2017-18, there was re-composition of the Board the details of which are as under:

**1. CESSATION:**

- Mr. Chetan Shinde (Managing Director) - *w.e.f 30.05.2018*
- Mr. Harish Agrawal (Executive Director) – *w.e.f 30.05.2018*



- Mr. Bhushan Adhatrao (Independent Director) - w.e.f 30.05.2018
- Mr. Krishan Agrawal (Independent Director) - w.e.f 30.05.2018
- Mrs. Sapna Khandelwal (Independent Director) – w.e.f. 28.01.2018

## **2. APPOINTMENT:**

- Mr. Harpreet Singh Nibber (Managing Director) - w.e.f 30.05.2018
- Mr. Raminder Singh Nibber (Chairman – Non-executive Director) - w.e.f 30.05.2018
- Mr. Neeraj Bajaj (Independent Director) - w.e.f 30.05.2018
- Mr. Ajay Kumar (Executive Director) - w.e.f 01.08.2018
- Mr. Yudhisthir Lal Madan (Independent Director) - w.e.f 01.08.2018

\* Mrs. Neha was appointed as an Additional Director w.e.f. 24.04.2018

## **D. KEY MANAGERIAL PERSONNEL:**

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder.

- Mr. Harpreet Singh Nibber – Managing Director
- Mr. Vedant Bhatt – Company Secretary & Compliance Officer
- Mr. Ramesh Chander Saini - Chief Financial Officer (appointed w.e.f 30.08.2018)

## **25. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, with respect to Directors Responsibilities Statement, it is hereby confirmed:

- That in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018 the applicable accounting standards had been followed along with proper explanation relating to material departures.
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year review.
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and,
- The Directors had prepared the accounts for the financial year ended 31<sup>st</sup> March, 2018 on a going concern basis.
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **26. INTERNAL AUDITORS:**

The Company has re-appointed M/s. Chetal Vikesh & Associates, Chartered Accountants, as Internal Auditor of the Company for financial year 2018-19.

## **27. COST RECORDS:**

The company is not required to maintain Cost Records as specified by the Central government under sub section (1) of section 148 of the Companies Act, 2013.

## **28. IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The Board of Directors has developed and implemented an adequate Risk Management Policy, which lays down the procedure to identify, monitor and mitigate the key elements of risk that threaten the existence of the Company. The risk assessment is not limited to threat analysis, but also identifies potential opportunities.

**29. WHISTLE BLOWER POLICY AND VIGIL MECHANISM:**

To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behavior in all its operations, the Company has formulated Vigil Mechanism Policy. This policy aspires to encourage all employees to report suspected or actual occurrence of illegal, unethical or inappropriate events (behaviors or practices) that affect Company's interest/image.

**30. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

Your Company strongly believes in providing a safe and harassment-free workplace for each and every individual working for the Company through various interventions and practices. It is the continuous endeavor of the Management of the Company to provide an environment to all its employees that is free from discrimination and harassment, including sexual harassment. There is no woman employee in the company. However the company has complied with the provisions of Internal Complaints Committee under the Sexual Harassment of women at workplace (prevention, prohibition and redressal) Act, 2013.

During the year ended 31<sup>st</sup> March, 2018, no complaint pertaining to sexual harassment was received by the Company.

**31. CHANGE IN REGISTRAR & SHARE TRANSFER AGENT:**

During the year 2017-18 the Company changed its Registrar & Share Transfer Agent from M/s Adroit Corporate Services Pvt.Ltd. situated at 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makhwana Road, Marol Naka, Andheri (E), Mumbai 400059, India to M/s **Satellite Corporate Services Pvt. Ltd.** Situated at Unit No. 49, Bldg. No. 13-A-B, 2nd Floor Samhita Commercial Co-Op. Soc. Ltd. Off. Andheri Kurla Lane, MTNL Lane Sakinaka, Mumbai - 400072.

The shareholders of the Company are requested to take the note of the same and contact at the above mentioned new RTA address. The contact details of our new RTA is as under:

Tel : 022-28520461, 022-28520462 Fax No.: 022-28511809

Email: info@satellitecorporate.com, service@satellitecorporate.com,

Website: www.satellitecorporate.com

**32. ACKNOWLEDGEMENTS:**

Your Directors wish to express their sincere appreciation to all the Employees for their contribution and thanks to our valued clients, Bankers and shareholders for their continued support.

**By Order of the Board  
For Pritika Auto Industries Limited**

**Sd/-  
Mr. Raminder Singh Nibber  
Chairman**

**Date: 11.08.2018**

**Place: Mohali**

## ANNEXURE A

### Details Pertaining To Remuneration As Required Under Section 197 (12) Of The Companies Act, 2013 Read With Rule 5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for the FY 2017-18 (amount in Rs.)	% increase in remuneration in the FY 2017-18	Ratio of remuneration of each director to median remuneration of employees
1	Mr. Chetan Shinde, Managing Director (Ceased on 30.05.2017 )	40,000	Nil	0.15
2	Mrs. Sapna Khandellwal, Independent Director ( Ceased on 28.01.2018)	30,000 (Sitting Fee)	N/A	N/A
3	Mr. Neeraj Bajaj, Independent Director	2,25,000 (Sitting Fee)	N/A	N/A
4	Mr. Yudhisthir Lal Madan Independent Director	1,92,500 (Sitting Fee)	N/A	N/A
5	Mr. Vedant Bhatt Company Secretary	4,80,000	12.94	N/A

Note:

(i) Mr. Neeraj Bajaj and Mr. Yudhisthir Lal Madan were appointed as Independent Director during the year under review.

(ii) The median remuneration of employees of the Company during the financial year was Rs. 2,60,000 p.a;

(iii) In the financial year, there was an increase of 8.33 % in the median remuneration of employees;

(iv) There was one permanent employee on the rolls of the Company as on March 31, 2018;

(v) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e 2017-18 was 12.94 % whereas the percentile increase in the managerial remuneration for the same financial year was Nil.

(vi) The key parameters for the variable component of remuneration availed by directors: - There is no variable component in the remuneration paid to the directors.

(vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

**Employees who were employed throughout the year and were in receipt of remuneration at the rate of not less than Rs. 1,02,00,000/- per annum and employees employed for a part of the financial year and were in receipt of remuneration at the rate of not less than Rs. 8,50,000/- per month.**

There was no employee who was Employed throughout the year and was in receipt of remuneration at the rate of not less than Rs. 1,02,00,000/- per annum. There was no employee employed for a part of the financial year and was in receipt of remuneration at the rate of not less than Rs. 8,50,000/- per month.

## **ANNEXURE B**

### **Report on Corporate Governance**

In compliance with regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 “SEBI (LODR) Regulations”, the Company submits the report for the year ended 31<sup>st</sup> March, 2018 on the matters mentioned in the said regulations and lists the practices followed by the Company.

#### **1. THE COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

The Company’s philosophy on Corporate Governance is guided by strong emphasis on transparency, accountability, responsibility, fairness, consistent value systems and delegation across all facets of its operations leading to sharply focused and operationally efficient growth. The Company’s belief on Corporate Governance are intended at supporting the management of the Company for competent conduct of its business and ensuring long term value for shareholders, as well as customers, suppliers, employees and statutory authorities.

The Company is committed to implement the standards of good Corporate Governance and endeavors to preserve and nurture these core values in all its activities with an aim to increase and sustain its corporate value through growth and innovation.

#### **2. BOARD OF DIRECTORS:**

The Board of Directors of your Company as on 31<sup>st</sup> March, 2018 comprised of five Directors as detailed below:

##### **i. Composition of Board of Directors**

<b>Name of the Directors</b>	<b>Category</b>	<b>Inter-se Relationship between Directors</b>
Harpreet Singh Nibber	Managing Director	Son of Mr. Raminder Singh Nibber
Raminder Singh Nibber	Non-Executive Director	Father of Mr. Harpreet Singh Nibber
Ajay Kumar	Executive Director	-
Yudhisthir Lal Madan	Independent Director	-
Neeraj Bajaj	Independent Director	-

- Mrs. Sapna Khandelwal Resigned from the Board w.e.f. 28.01.2018.
- Mrs. Neha was appointed as an Additional Director (independent) w.e.f. 24.04.2018

During the financial year under review, Ten (10) Board Meetings were held on the following dates:

(i) 30<sup>th</sup> May 2017, (ii) 27<sup>th</sup> June 2017, (iii) 01<sup>st</sup> August, 2017 (iv) 11<sup>th</sup> August, 2017 (v) 30<sup>th</sup> August, 2017 (vi) 10<sup>th</sup> November 2017, (vii) 28<sup>th</sup> November, 2018 (viii) 22<sup>nd</sup> December, 2017 (ix) 03<sup>rd</sup> February, 2018 (x) 28<sup>th</sup> March, 2018.

None of the Directors on the Board holds the office of director in more than 20 companies or membership of committees of the Board in more than 10 committees or chairmanship of more than 5 committees.

Details of Board Meeting attended, attendance at AGM, and number of directorship held, Position of membership/ chairmanship of Committees as on 31<sup>st</sup> March, 2018 is explained in the following table:

Name of Director	Board Meetings attended	Attendance at last AGM	No. of Directorships held in Public Limited Companies (including PAIL)*	No. of Committees of Public Ltd Company in which director is Member or Chairman in (including PAIL)**	
				Members	Chairman
Harpreet Singh Nibber	09	YES	03	01	-
Raminder Singh Nibber	09	YES	03	01	01
Ajay Kumar	06	YES	02	-	-
Yudhisthir Lal Madan	03	NO	03	01	-
Neeraj Bajaj	05	YES	05	01	01
Chetan Shinde@	01	NO	01	-	-
Bhushan Adhatrao@	01	No	01	-	02
Harish Agrawal@	01	No	03	02	-
Krishan Agarwal@	01	No	03	04	02
Sapna Khandelwal#	08	No	01	03	-

\* Private Limited Companies, Section 8 Companies and Foreign Companies have not been included for the calculation of Directorships in companies.

\*\* Audit Committee and Shareholders' and Investors' Grievances Committee have been considered for the purpose of Membership and Chairmanship held by the Director in Public Limited Companies.

@ Directors resigned w.e.f. 30.05.2017.

# Director resigned w.e.f. 28.01.2018.

Mr. Raminder Singh Nibber, Non-Executive Director of the Company was holding 11,71,182 Equity Shares of the Company as on 31.03.2018.

### 3. **AUDIT COMMITTEE:**

The terms of reference of the Audit Committee, inter alia, include the following:

- To oversee the Company's financial reporting process.
- To review the adequacy of internal audit function.
- To review with the Management the quarterly/half yearly/ annual financial results/ statements and auditor's report thereon before submission to the board for approval.
- To review with the management the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.)
- To review and monitor the auditor's independence and performance, and effectiveness of audit process.
- To recommend the appointment/re-appointment of Statutory Auditors and Internal Auditors and fixation of audit fees.
- To review significant internal audit findings/related party transactions, reviewing the management discussion and analysis of financial condition and result of operations and also statutory compliance issues relating to financial statements.
- To evaluate internal financial controls and risk Management system.
- To review the functioning of the Whistle Blower Mechanism/Vigil Mechanism.
- To scrutinize of inter-corporate loans and investments, if any.
- To approve appointment of CFO, etc.

The Composition of the Audit Committee as on 31/03/2018 is given herein below:

Member's Name	Category	Designation
Neeraj Bajaj	Independent Director	Chairman
Raminder Singh Nibber	Non-Executive Director	Member
Yudhisthir Lal Madan	Independent Director	Member

During the financial year under review, five (5) Audit Committee Meetings were held on 30th May 2017, 01<sup>st</sup> August, 2017, 30<sup>th</sup> August 2017, 10<sup>th</sup> November 2017, and 03<sup>rd</sup> February, 2018 Attendance of members at Audit Committee Meetings:



Member's Name	No. of Meetings attended
Neeraj Bajaj	04
Raminder Singh Nibber	04
Yudhisthir Lal Madan	02
Ms. Sapna Khandelwal (ceased w.e.f. 28/2/2018)	03
Mr. Bhushan Adhatrao (ceased on 30/5/2017)	01
Mr. Krishan Agarwal (ceased on 30/5/2017)	01

#### 4. **NOMINATION AND REMUNERATION COMMITTEE:**

The terms of reference of Nomination and Remuneration Committee include the matters specified in Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013. The terms of reference of the Nomination & Remuneration Committee inter-alia includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board Diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To review and recommend the Remuneration policy of the Company.

The Composition of the Nomination and Remuneration Committee as on 31/03/2018 is given below:

Member's Name	Category	Designation
Neeraj Bajaj	Independent Director	Chairman
Raminder Singh Nibber	Non-Executive Director	Member
Yudhisthir Lal Madan	Independent Director	Member

During the financial year under review, Three (03) Nomination and Remuneration Committee meetings were held on 30th May 2017, 01<sup>st</sup> August, 2017, 30<sup>th</sup> August, 2017.

Attendance of members at Nomination and Remuneration Committee Meeting:

Member's Name	No. of Meetings attended
Neeraj Bajaj	02
Raminder Singh Nibber	02
Yudhisthir Lal Madan	Nil
Ms. Sapna Khandelwal (ceased w.e.f. 28/1/2018)	03
Mr. Bhushan Adhatrao (ceased on 30/5/2017)	01
Mr. Krishan Agarwal (ceased on 30/5/2017)	01

#### **Performance Evaluation criteria for Independent Directors:**

Based on the recommendation of the Nomination and Remuneration Committee and as approved by the Board, the performance of the individual Non-Independent Directors are evaluated annually on basis of criteria such as qualifications, experience, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment (as a Director), contribution and integrity.

Each individual Independent Director is reviewed, based on the additional criteria of independence and independent views and judgement. Similarly, the performance of the Chairman is evaluated based on the additional criteria such as effectiveness of leadership and ability to steer the meetings, impartiality, commitment (as Chairperson) and ability to keep shareholders' interests in mind.

The following were the criteria for evaluating performance of the Independent Directors:

- Adequate qualifications & skills to understand Corporate Culture, Business & its complexities.
- Adequate preparation for Board, Committee & General Meetings and updating knowledge of area of expertise.
- Attendance & active participation in above meetings.
- Objective & constructive participation in informed & balanced decision-making.

- No abuse of position detrimental to Company's/ shareholder's interest and/or personal advantage, direct or indirect.
- Ability to monitor Management Performance and integrity of financial controls & systems.
- Active and timely execution of any tasks assigned by the Board.
- Communication in open and fair manner.
- Credibility, directions & guidance on Key issues in the best interest of Company.
- Criteria of Independence.

On the basis of feedback/ratings, the Committee evaluated the performance of the Independent Directors of the Company.

## 5. **REMUNERATION OF DIRECTORS:**

The remuneration of directors is recommended by the Nomination and Remuneration Committee of the Board in line with the Remuneration Policy of the Company and approved by Board and if required are also approved by the Shareholders and/or the Central Government as the case may be.

The remuneration paid to the Executive Directors i.e. Managing Directors and Whole Time Director is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors subject to shareholders' approval in the subsequent General Meeting.

Details of remuneration paid to Directors for the Financial Year 2017-18 are as follows:

Sr No.	Name of Director	Sitting Fees	Salary	Perquisites	Benefits	Commission	Bonus	Stock Option	Total
01	Harpreet Singh Nibber	-	-	-	-	-	-	-	-
02	Raminder Singh Nibber	-	-	-	-	-	-	-	-
03	Ajay Kumar	-	-	-	-	-	-	-	-
04	Yudhisthir Lal Madan	192500	-	-	-	-	-	-	192500
05	Neeraj Bajaj	225000	-	-	-	-	-	-	225000
06	Sapna Khandelwal	30000	-	-	-	-	-	-	30000
07	Chetan Shinde	-	40000	-	-	-	-	-	40000
	<b>Total</b>	<b>447500</b>	<b>40000</b>						<b>487500</b>

None of the Independent Directors/Non Executive Directors have any pecuniary relationship with the Company other than the sitting fees received by them for attending the meeting of the Board and/or Committee thereof.

## 6. **STAKEHOLDERS' GRIEVANCE COMMITTEE:**

Stakeholders Relationship Committee has been constituted to attend and redress the grievances of security holders of the company. The Committee is chaired by Mr. Raminder Singh Nibber, Non Executive Director on the Board of the Company.

The composition of Stakeholders Relationship Committee as on 31.03.2018 was as under:

Member's Name	Category	Designation
Raminder Singh Nibber	Non-Executive Director	Chairman
Harpreet Singh Nibber	Executive Director	Member
Neeraj Bajaj	Independent Director	Member

During the financial year under review, Three (3) Stakeholder Relationship Committee meetings were held on 30th May 2017, 01<sup>st</sup> August 2017, and 10<sup>th</sup> November, 2017.

Attendance of members at Stakeholders Relationship Committee Meetings:

Member's Name	No. of Meetings attended
Raminder Singh Nibber	02
Harpreet Singh Nibber	02
Neeraj Bajaj	01
Ms. Sapna Khandelwal (ceased w.e.f. 28/1/2018)	02
Mr. Bhushan Adhatrao (ceased on 30/5/2017)	01
Mr. Krishan Agarwal (ceased on 30/5/2017)	01

Mr. Vedant Bhatt, Company Secretary of the Company has been designated as Compliance Officer of the Company.

**The details of Complaints received; resolved/pending during the financial year 2017-18 are given below:**  
Brought Forward: NIL Received: NIL Resolved NIL Pending: NIL

## 7. **GENERAL BODY MEETINGS**

Details of the last three Annual General Meetings held are as follows:

Financial Year	Date Of AGM	Time	Venue	Whether Special Resolution passed
2014-15	26th September, 2015	02.00 P.M.	Old Motor Stand Itwari, Nagpur.	i. Approval of Shareholders for creating charge(s)/ hypothecation(s) under section 180(1)(a) ii. Approval of Shareholders for borrowing monies under section 180(1)(c) iii. Approval of Shareholders for investing monies under section 186 iv. Adoption of new set of Articles of Association as per the new Companies Act, 2013.
2015-16	26th September, 2016	10.30 A.M.	Old Motor Stand Itwari, Nagpur.	Approval for payment of Minimum Remuneration to Mr. Chetan Shinde, Managing Director in case of inadequacy of profits and ratification of the excess remuneration paid for the financial year ended March 31, 2016.
2016-17	27 <sup>th</sup> September, 2017	11:30 A.M.	Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab	To Appoint Mr. Harpreet Singh Nibber (holding DIN 00239042) as a Managing Director of the Company.

All the Resolutions, including the special resolution set out in the respective notices were passed by the requisite majority of shareholders.

During the Year 2017-18, the Company's Extra-ordinary General Meeting was held on 08.12.2017 and the following resolutions were passed unanimously:

Sr.No.	Description	Resolution type
01	Increase in Authorised Share capital	Ordinary
02	Alteration of Memorandum of Association	Ordinary
03	Issue of Equity shares on Preferential allotment basis to the Promoters for cash	Special
04	Issue of Equity shares on Preferential allotment basis to the Promoters for consideration other than cash	Special
05	Issue of Equity shares on Preferential allotment basis for cash to Non Promoters (Public Category)	Special

### **Special Resolutions passed through Postal Ballot during FY 2017-18**

- None
- At present, the Company does not have any proposal to pass any special resolution through Postal Ballot.

## 08. **MEANS OF COMMUNICATION**

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the format prescribed by Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The approved financial results are forthwith sent to the Stock Exchanges where the Company is listed (BSE) and are published normally in the Newspapers in accordance with provision of Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :-

- The Company has published the newspaper advertisement pursuant to SEBI LODR Regulation 47 in one English Newspaper and one Vernacular Newspaper in which quarterly/half yearly/yearly results were published
- The Company's financial results are also displayed on the Company's Website [www.pritikaautoindustries.com](http://www.pritikaautoindustries.com).
- The Company communicates official releases to Stock Exchange(s) and also uploads the same on its website.

## 09. **GENERAL SHAREHOLDERS' INFORMATION**

- **38th Annual General Meeting:**

Day & Date: 27th day of September 2018 (Thursday)

Time : 11.30 AM

Venue : Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab- 160055

Financial year: 1st April, 2017 to 31st March, 2018

- **Dates of Book Closure:**

The register of members and share transfer books of the company will remain closed from 20th September, 2018 to 27th September, 2018 (both days inclusive), for the purpose of Annual General Meeting.

- **Dividend Payment Date:**

Based on the Company's performance, the Directors are pleased to recommend for approval of the members a final dividend of 20 paisa per share for FY18 subject to the approval of shareholders, to the members whose name appear on Company's Register of Members in respect of physical shareholders as on 20th September, 2018 and whose name appear in the list of Beneficial Owner on 20th September, 2018 furnished by NSDL and CDSL for this purpose.

- **Listing on Stock Exchanges**

- At present, the equity shares of the Company are listed on the following Stock Exchanges:

- Calcutta Stock Exchange Limited - 18096 ( Stock code) (Application for delisting of the Company's Shares from CSE has already been submitted)
- BSE Limited – 539359 (Stock Code)

- **Listing Fees:**

- The Annual Listing Fees for the Financial Year 2017-2018 have been paid to all the aforesaid Stock Exchanges.

- **Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments:**

- No GDRs / ADRs have been issued by the Company.
- During the year under review the Company has no outstanding convertible instruments.

- **Market Price Data:**

Monthly High and Low prices of equity shares of The Company at BSE Limited (BSE) during the period under review in comparison to BSE (Sensx).

Month	Share Price		Sensx	
	High	Low	High	Low
April 2017	58.00	43.00	30,184.22	29,241.48
May 2017	70.00	53.65	31,255.28	29,804.12
June 2017	73.60	65.00	31,522.87	30,680.66
July 2017	72.00	61.75	32,672.66	31,017.11
August 2017	66.60	52.65	32,686.48	31128.02
September 2017	65.85	53.95	32,524.11	31081.83
October 2017	78.90	55.00	33,340.17	31440.48
November 2017	95.95	71.30	33,865.95	32683.59
December 2017	113.50	92.00	34,137.97	32565.16
January 2018	157.00	114.50	36,443.98	33703.37
February 2018	144.30	119.80	36,256.83	33482.81
March 2018	197.50	145.25	34,278.63	32483.84

- **Registrar and Share Transfer Agents (RTA):**

- M/s. Satellite Corporate Services Pvt. Ltd. has been appointed as the Registrar and Share Transfer Agent of the Company for handling the share related work both in physical and electronic form.
- All correspondence relating to share transfer, transmission, dematerialisation, rematerialisation etc. can be made at the following address.

**M/s Satellite Corporate Services Pvt. Ltd.**

Unit No. 49, Bldg. No. 13-A-B, 2nd Floor

Samhita Commercial Co-Op. Soc. Ltd.

Off. Andheri Kurla Lane, MTNL Lane

Sakinaka, Mumbai - 400072.

Tel : 022-28520461, 022-28520462 Fax No.: 022-28511809

Email: [info@satellitecorporate.com](mailto:info@satellitecorporate.com), [service@satellitecorporate.com](mailto:service@satellitecorporate.com),

- **Share Transfer System:**

- The Company processes the share transfer and other related shareholders services through Registrar & Share transfer Agent (RTA) on a fortnight basis. The share transfer in physical form is registered within 15 days from the date of receipt, provided the documents are complete in all respects.

- **Distribution of Share Holding as on March 31, 2018:**

Sl. No.	Share or Debenture holding of nominal value of		Share / Debenture Holders		Share / Debenture Amount	
	Rs.	Rs.	Number	% to Total	Rs	% to Total
	( 1 )		( 2 )	( 3 )	( 4 )	( 5 )
1	Upto	- 5,000	1122	70.34	1323900	0.75
2	5,001	- 10,000	131	8.21	1147400	0.65
3	10,001	- 20,000	84	5.27	1345070	0.77
4	20,001	- 30,000	44	2.76	1128840	0.64
5	30,001	- 40,000	24	1.51	894850	0.51
6	40,001	- 50,000	42	2.63	1984620	1.13
7	50,001	- 1,00,000	44	2.76	3243340	1.85
8	1,00,001	and above	104	6.52	164526980	93.70
	<b>TOTAL</b>		<b>1595</b>	<b>100</b>	<b>175595000</b>	<b>100</b>

- **Dematerialization of Shares and Liquidity:**

- The Company has connectivity with NSDL & CDSL for dematerialization of its equity shares. The ISIN No. INE583R01011 has been allotted for the Company. 99.23% of the Company's Paid-up Share Capital is in dematerialized form as on 31<sup>st</sup> March, 2018 and balance 0.77% is in physical form.
- Further the Company does not have any Equity shares lying in the Suspense Account.

- **Global Depository Receipts/ American Depository receipts/ Convertible Instruments:**

- The Company has not issued any Global Depository Receipts/ American Depository receipts. No warrants or any convertible instruments were outstanding during the year.

- **Commodity Price Risk or Foreign Exchange Risk:**

- The Company operates in single segment of automotive components and parts; therefore there are no such commodity price risks. However the Company keeps close watch on the price risk of input material.

- **Plant Locations:** The Company does not have any plant.



- **Registered office:**  
Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab – 160055

#### **10. GENERAL SHAREHOLDERS' INFORMATION:**

- There is no materially significant related party transaction that may have potential conflict with the interest of the Company at large.
- There is no non-compliance by the Company and no penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- Company has maintained/established vigil mechanism, the whistle blower policy and affirming that no personnel have been denied access to the audit committee.
- All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been substantially complied with, by the company. However the company has not adopted any non-mandatory requirements.
- Web link of the policy for determining 'material subsidiaries is <http://www.pritikaautoindustries.com>.
- The web link of the policy on dealing with related party transactions is <http://www.pritikaautoindustries.com/investors.html>.
- There are no commodity price risks and commodity hedging activities in the Company.

#### **11. COMPLIANCE STATUS REQUIREMENT OF CORPORATE GOVERNANCE:**

- There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **12. DISCLOSURES:**

- No transaction of a material nature has been entered into by the Company with the related parties that may have a potential conflict with the interest of the Company at large. The Register of Contracts containing details of contracts, in which directors are interested, is placed before the Board of Directors regularly. The transactions with the related parties are disclosed in the Financial Statements.
- There were no instances of non-compliance by the Company on any matters related to the Capital market or penalties/strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority during last three financial years.
- The Company had a Whistle Blower Policy and put in place a mechanism to monitor the actions taken on complaints received under the said policy. This Policy also outlines the reporting procedure and investigation mechanism to be followed in case an employee blows the whistle for any wrong-doing in the Company. No personnel has been denied access to the Audit Committee.

#### **13. DISCRETIONARY REQUIREMENTS:**

- During the year the Company has not adopted any discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The company has complied with corporate governance requirement specified in regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **14. CEO DECLARATION FOR COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT:**

In compliance with the requirements of regulation 17(5) of the SEBI (LODR) Regulations, the Code of Conduct, inter alia, incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. All the Directors and Senior Management Executives of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management Executives of the Company as applicable to them for the year ended March 31, 2018.

## **ANNEXURE C**

### **Form AOC – 1**

Pursuant to first proviso to sub-section(3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

**Part "A"** - Subsidiaries Statement containing salient features of the financial statements of subsidiaries/associates companies/joint ventures.

Sr. No.	Name of the Subsidiary Company	Year	Share Capital	Reserves and Surplus	Total Assets (Non Current Assets + Current Assets+ Deferred Tax Asset) Excluding Current & Non-Current Investments	Total Liabilities (Non Current Liabilities+ Current Liabilities+ Deferred tax Liabilities)	Details of Current and Non Current Investments	Net Turnover	Profit/Loss before taxation	Provision For taxation	Profit/(Loss) after taxation	Proposed Dividend	% of Shareholding
01	Pritika Autocast Limited	2017-18	1202.65	1635.26	9595.84	6758.93	01.00	11274.27	930.40	139.70	719.24	-	100%
02	Nibber Castings Private Limited	2017-18	250.00	1081.14	6411.25	5080.11	-	6155.09	405.27	99.30	337.19	-	100%
03	Pritika Engineering Components Pvt Ltd	2017-18	450.00	-10.64	1557.95	1118.60	-	-	(10.64)	-	(10.64)	-	100%

## **ANNEXURE D**

### **RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.**

#### **A. Research & Development**

##### **1. Future plan of action**

Currently the Company is having three Subsidiary Companies which will prove to be very beneficial to the Company in terms of achieving higher growth and efficiency. The Company is looking for a good and viable strategic mix which would increase the overall turnover of the Company. With the strong cliental base the Company currently is having, the Company is aiming for establishing a substantial platform which will enable the Company to build a strong empire in future by gaining the trust of our clients and its end users and making its mark in Automation sector.

#### **B. Technology absorption:**

##### **1. Efforts in brief made towards technology absorption, adoption and innovation.**

As the Company has not started manufacturing/production in the FY 2017-18, the aforesaid provision is not applicable to the Company.

##### **2. Benefits derived as a result of the above efforts. –Not Applicable**

##### **3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year): NIL**

#### **C. Foreign Exchange Earnings and Outgo**

Nil

i. Earning-FOB value of  
Exports Nil

ii. Outgo-CIF Value of  
Imports Nil

## ANNEXURE E

### FORM NO. AOC -2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section(1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis: NIL**

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

a) Related party and nature of the related party relationship with whom transactions have taken place during the year:

**A) Subsidiary Companies**

-Pritika Autocast Limited  
-Nibber Castings Private limited  
-Pritika Engineering Components Private Limited

**B) Key Management Personnel**

-Mr. Harpreet Singh Nibber - Managing Director  
-Mr. Ajay Kumar, Executive Director  
- Mr. Ramesh Chander Saini - C.F.O  
-Mr. Chetan Shinde (upto 16.05.2017)  
-Mr. Vedant Bhatt - Company Secretary

**C) Enterprises owned or significantly influenced by Key Management Personnel or their Relatives**

- Pritika Industries Limited

(In Lacs)

Nature of Transactions During the year	Related Parties					
	Referred in A Above		Referred in B Above		Referred in C Above	
Income	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sales						
Interest Received	95.80					
<b>Expenditure</b>						
Purchases						
Director Remunerations						
Salary to KMP's			4.80	2.40		
Travelling fees						
Interest Payment						
Recovery of Other Expenses						
Job Work						
Allotment of shares			240.83	-	259.35	
Reimbursement of expenses					1.05	
Investment in shares	450.00		-			

<b>Debtors</b>						
Balance as at 31st March, 2018						
Corporate Guarantee Given	65.53					
<b>Loan &amp; Advances</b>						
Net Loan Given/ (Taken) during the year - Net	3,739.19		(250.50)	-	1.50	
Balance as at 31st March 2017-18 Debit/(Credit)	3,129.29		(9.68)	-	-	

**For on behalf of the board  
For Pritika Auto Industries Limited**

**Date: 11.08.2018**

**Place: Mohali**

**Sd/-  
Mr. Raminder Singh Nibber  
Chairman**



## ANNEXURE F

<b>EXTRACT OF ANNUAL RETURN</b>
<b>FORM NO. MGT 9</b>
<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on 31.03.2018</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.</b>

### **I REGISTRATION & OTHER DETAIL:**

i	CIN	L45208PB1980PLC046738
ii	Registration Date	4/11/1980
iii	Name of the Company	PRITIKA AUTO INDUSTRIES LIMITED
iv	Category/Sub-category of the Company	Company Limited By Shares/Indian Non-Government Company
v	Address of the Registered office & contact details	Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar, Mohali Punjab- 160055
vi	Whether listed company	Listed at BSE LTD & CSE
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Satellite Corporate Services Pvt. Ltd. Address: Unit No. 49, Bldg. No. 13-A-B, 2nd Floor Samhita Commercial Co-Op. Soc. Ltd. Off. Andheri Kurla Lane, MTNL Lane Sakinaka, Mumbai - 400072. Tel : 022-28520461, 022-28520462 Fax No.: 022-28511809

### **II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service % to total turnover of the company
1	Wholesale of transport equipment except motor vehicles, motorcycles and bicycles	46592 100%

### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
01	Pritika Autocast Limited	L34300HP2005PLC029149	Subsidiary	100	2(87)(ii)
02	Nibber Castings Private Limited	U27107PB1996PTC017505	Subsidiary	100	2(87)(ii)
03	Pritika Engineering Co Pvt. Ltd.	U28999PB2018PTC047462	Subsidiary	100	2(87)(ii)

#### IV.SHARE HOLDING PATTERN

##### (i).Category -wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-4-2017]				No. of Shares held at the end of the year[As on 31-03-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	83200	0	83200	0.61	3226116	0	3226116	18.37	17.76
b) Central Govt	0	0	0	0	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0	4910253	0	4910253	27.96	27.96
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0
f) Any other	0	0	0	0.00	341862	0	341862	1.95	0
Total shareholding of Promoter (A)(1)	83200	0	83200	0.61	8478231	0	8478231	48.28	47.67
(2) Foreign	0	0	0	0.00	0	0	0	0.00	0
a) NRIs Individuals	0	0	0	0.00	0	0	0	0.00	0
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0
c)Bodies Corp	0	0	0	0.00	0	0	0	0.00	0
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0
e) Any other	0	0	0	0.00	0	0	0	0.00	0
Total shareholding of Promoter (A)(2)	0	0	0	0.00	0	0	0	0.00	0
Total shareholding of Promoter (A)(1) +(A)(2)	83200	0	83200	0.61	8478231	0	8478231	48.28	47.67
B. Public Shareholding									
1. Institutions	0	0	0	0.00	0	0	0	0.00	0
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	0.00

2. Non-Institutions	0	0	0	0.00	0	0	0	0.00	0.00
a) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	1237328	4799469	6036797	44.58	628612	0	628612	3.58	-41.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	568161	1832	569993	4.21	1140995	24600	1165595	6.64	2.43
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	2495675	4304249	6799924	50.21	3066485	60000	3126485	17.81	-32.40
c) Others-									
Non Resident Indians	0	0	0	0.00	3879362	0	3879362	22.09	22.09
FCCB	0	0	0	0.00	59484	0	59484	0.34	0.34
Foreign Nationals	0	0	0	0.00	17200	0	17200	0.10	0.10
Clearing Members	52086	0	52086	0.38	5822	0	5822	0.03	-0.35
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Hindu Undivided Family	0	0	0	0.00	147909	50800	198709	1.13	1.13
Directors & Relatives	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Bodies - D R	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	4353250	9105550	13458800	99.39	8945869	135400	9081269	51.72	-47.67
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>4353250</b>	<b>9105550</b>	<b>13458800</b>	<b>99.39</b>	<b>8945869</b>	<b>135400</b>	<b>9081269</b>	<b>51.72</b>	<b>-47.67</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>4436450</b>	<b>9105550</b>	<b>13542000</b>	<b>100.00</b>	<b>17424100</b>	<b>135400</b>	<b>17559500</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year _01.04.2017			Share holding at the end of the Year 31.03.2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares pledged / encumbered to total shares	
1	Harish Agrawal	83200	0.61	0	0	0	0	
2	Pritika Industries Limited	*4560153			4910253	27.96	0	
3	Harpreet Singh Nibber	*1756734			2054934	11.70	0	
4	Raminder Singh Nibber	*1061182			1171182	6.67	0	
5	Pavit Nibber	*45664			45664	0.26	0	
6	Gurkaran Singh Nibber	* 231158			231158	1.32	0	
7	Rishi Mangat	* 65040			65040	0.37	0	

\*Shareholding at the beginning of year was not in the capacity of promoters

**(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR and ADRs)**

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year _01.04.2017		DATE	(+)INCREASE /(-)DECREASE IN SHARE HOLDING	REASON	Shareholding at the end of the year _31.03.2018	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	Rajesh Sadhwani	0	0.00	01.04.2017			0	0.00
	IN30023915617532			22.12.2017	1625000	ALLOTMENT	1625000	9.25
				31.03.2018	0		1625000	9.25
2	Lalit Sadhwani	0	0.00	01.04.2017			0	0.00
	IN30023915617151			22.12.2017	540000	ALLOTMENT	540000	3.08
				31.03.2018			540000	3.08
3	Ashok Sadhwani	94000	0.69	01.04.2017			35000	0.20
	1201910100462773			16.06.2017	47000		82000	0.47
				30.06.2017	12000		94000	0.54
				22.12.2017	427990	ALLOTMENT	521990	2.97
				31.03.2018	0		521990	2.97
4	Himatbhai Babubhai Sorathia	400000	2.95	01.04.2017			400000	2.28
	1202420000773443			31.03.2018	0.00		400000	2.28
5	Mukeshkumar Bhayabhai Patel	400000	2.95	01.04.2017			400000	2.28

	1202420000773517			31.03.2018	0.00		400000	2.28
6	Syed Wajid Ali	0	0.00	01.04.2017			0	0.00
	IN30039419778007			22.12.2017	390000	Allotment	390000	2.22
				31.03.2018	0		390000	2.22
7	Advance Products Private	239316	1.77	01.04.2017			239316	1.36
	1204670000028897			31.03.2018	0.00		239316	1.36
8	Jigna Bhadresh Shah	180000	1.33	01.04.2017			180000	1.03
	1302590000306982			31.03.2018	0.00		180000	1.03
9	Subramanian Krishnan	172000	1.27	01.04.2017			172000	0.98
	In30327010509653			05.01.2018	-8000		164000	0.93
				12.01.2018	-3000		161000	0.92
				19.01.2018	-6000		155000	0.88
				31.03.2018	0		155000	0.88
10	Subhasish Bhattacharjee	150000	1.11	01.04.2017			150000	0.85
	IN30115122205008			31.03.2018	0.00		150000	0.85

**CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sr No .	Name	Shareholding at beginning of the year		Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		Cumulative /Shareholding at end of the year	
		No. Of Shares	%	Increase/Decrease	Reason	No. Of Shares	%
01	Harish Agrawal	83200	0.61	(83200)Decrease	Share Purchase Agreement dated 25.01.2017	NIL	NIL
02	*Pritika Industries Limited	4560153	33.67	100 Increase	Acquired in Public Offer on 4/5/2017	4560253	
				350000 Increase	Preferential Allotment made on 22.12.2017	49,10,253	27.96
03	*Harpreet Singh Nibber	1756734	12.97	83200	Share Purchase Agreement dated 25.01.2017	1839934	
				215000 Increase	Preferential Allotment made on 22.12.2017	20,54,934	11.70
04	*Raminder Singh Nibber	10,61,182	7.84	110000 Increase	Preferential Allotment made on 22.12.2017	11,71,182	6.67
05	*Pavit Nibber	45,664	0.34	-	-	45,664	0.26
06	*Gurkaran Singh Nibber	2,31,158	1.71	-	-	2,31,158	1.32
07	*Rishi Mangat	65,040	0.48	-	-	65,040	0.37

\* Shareholding at the beginning of the year was not in the capacity of Promoters.



**(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Sr No	Name	Shareholding at beginning of the year (01.04.2017)		Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		Cumulative /Shareholding at end of the year (31.03.2018)	
		No. Of Shares	%*	Increase/Decrease	Reason	No. Of Shares	%@
01	Harish Agrawal	83200	0.61	(83200)Decrease	Share Purchase Agreement dated 25.01.2017	NIL	NIL
02	Krishan Agarwal	-	-	-	-	-	-
03	Chetan Shinde	-	-	-	-	-	-
04	Bhushan Adhatrao	-	-	-	-	-	-
05	Sapna Khandelwal	-	-	-	-	-	-
06		1756734	12.97	83200 increase	Share Purchase Agreement dated 25.01.2017 Preferential Allotment made on 22.12.2017	1839934	
	**Harpreet Singh Nibber			215000 Increase		20,54,934	11.70
	**Raminder Singh Nibber	10,61,182	7.84	110000 Increase	Preferential Allotment made on 22.12.2017	11,71,182	6.67
07	Neeraj Bajaj	-	-	-	-	-	-
08	**Ajay Kumar	970	00	-	-	970	00
09	Yudhisthir Lal Madan	-	-	-	-	-	-

\* Percentage calculated on the paid-up share capital (13542000 shares) as at beginning of the year.

@ Percentage calculated on the paid-up share capital (17559500 shares) as at end of the year.

\*\* The shareholding at the beginning of the year was not in the capacity of director.

**V. INDEBTEDNESS**

**(In Lacs)**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	9.675	-	9.675
Reduction	-	-	-	-
<b>Net Change</b>	-	9.675	-	9.675
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	9.675	-	9.675
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>		<b>9.675</b>		<b>9.675</b>

## VI. Remuneration of Directors and Key Managerial Personnel

### A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

Sl.No	Particulars of Remuneration	Name of the MD/ WTD/Manager			Total Amount
1	<b>Gross salary</b>	<b>Harpreet Singh Nibber</b>	<b>*Chetan Shinde</b>	<b>Ajay Kumar</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	NIL	40000	NIL	40000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	NIL	NIL	NIL	-
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL	-
2	Stock option	NIL	NIL	NIL	-
3	Sweat Equity	NIL	NIL	NIL	-
4	Commission	NIL	NIL	NIL	-
	as % of profit	NIL	NIL	NIL	-
	others (specify)	NIL	NIL	NIL	-
5	Others, please specify	NIL	NIL	NIL	-
	<b>Total (A)</b>	<b>NIL</b>	<b>40000</b>	<b>NIL</b>	<b>40000</b>
	<b>Ceiling as per the Act</b>				

\*Mr. Chetan Shinde resigned from the Board w.e.f. 30.05.2017

### B. REMUNERATION TO OTHER DIRECTORS

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	<b>Independent Directors</b>	<b>Yudhisthir Lal Madan</b>	<b>Neeraj Bajaj</b>	<b>*Sapna Khandelwal</b>	
	(a) Fee for attending board committee meetings	192500	225000	30000	447500
	(b) Commission	NIL	NIL	NIL	NIL
	(c ) Others, please specify	NIL	NIL	NIL	NIL
	<b>Total (1)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
2	<b>Other Non Executive Directors</b>	<b>Raminder Singh Nibber</b>			
	(a) Fee for attending board committee meetings	NIL			NIL
	(b) Commission	NIL			NIL
	(c ) Others, please specify.	NIL			NIL
	<b>Total (2)</b>	<b>NIL</b>			<b>NIL</b>
	<b>Total (B)=(1+2)</b>	<b>192500</b>	<b>225000</b>	<b>30000</b>	<b>447500</b>
	<b>Total Managerial Remuneration</b>				
	<b>Overall Cieling as per the Act.</b>				

\*Mrs. Sapna Khandelwal resigned w.e.f. 28.01.2018.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		TOTAL
1	<b>Gross Salary</b>	<b>Company Secretary</b>	<b>CFO</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	480000	NIL	480000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NIL	NIL	
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	
2	Stock Option	NIL	NIL	
3	Sweat Equity	NIL	NIL	
4	Commission	NIL	NIL	
	as % of profit	NIL	NIL	
	others, specify	NIL	NIL	
5	Others, please specify	NIL	NIL	
	<b>Total</b>	<b>480000</b>	<b>NIL</b>	<b>480000</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment /Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
<b>B. DIRECTORS</b>					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

**CEO / CFO CERTIFICATE COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF THE LISTING  
REGULATIONS:**

**The Board of Directors**

**Pritika Auto Industries Limited**

Plot No. C-94, Phase-VII Industrial Focal Point,  
S.A.S. Nagar Mohali Punjab - 160055

Dear Sir(s),

The Managing Director and CFO have certified to the Board that:

- a) They have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2018 and that to the best of their knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) They have indicated to the auditors and the Audit Committee, the following:
  - i. significant changes in internal control over financial reporting during the year, if any;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For Pritika Auto Industries Limited**

**Sd/-**

**Harpreet Singh Niber**  
**Managing Director**  
**DIN: 00239042**

**Sd/-**

**Ramesh Chander Saini**  
**Chief Financial Officer**

**Date: 11.08.2018**

**Place: Mohali**

## **PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
**Pritika Auto Industries Limited**

1. This report contains details of compliance of conditions of Corporate Governance by Pritika Auto Industries Limited ('the Company') for the year ended 31 March 2018, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock exchanges.

### **Management's Responsibility for compliance with the conditions of SEBI Listing Regulations**

2. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

### **Auditor's Responsibility**

3. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations for the year ended 31 March 2018.

5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

### **Opinion**

6. In our opinion, and to the best of our information and according to explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.

7. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### **Restriction on use**

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Jaymin Modi & Co.**  
**Company Secretaries**

**Sd/-**  
**Jaymin Modi**  
**Proprietor**  
**Mem No: A44248**

**Place: Mohali**  
**Date: 11.08.2018**

## **ANNEXURE G**

**FORM NO. MR - 3**

### **SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

*(Pursuant to section 204(1) of the Companies Act, 2013 and the Rule No.9 of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014)*

**To,  
The Members of  
Pritika Auto Industries Limited  
(Formerly Shivkrupa Machineries and Engineering Services Limited)**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Pritika Auto Industries Limited** (hereinafter called "The Company"). We have conducted Secretarial Audit in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Pritika Auto Industries Limited** (hereinafter called "The Company") books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extend, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the **Pritika Auto Industries Limited** for the period covering from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and bye laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Director Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
  - a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) SEBI (Prohibition of Insider Trading) Regulations, 1992;
  - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (*Not Applicable to the Company during the audit period*);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (*Not Applicable to the Company during the audit period*);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (*Not Applicable to the Company during the audit period*);
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;



- (vii) Other specifically applicable laws to the Company during the period under review;
- (i) Income Tax Act, 1961;
- (ii) Chapter V of the Finance Act, 1994 (Service Tax);
- (iii) Professional Tax;
- (iv) Tax Deducted at Source;
- (v) Securities Transaction Tax (STT).

I have also examined compliance with the applicable clause of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreement entered into by the Company with The Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement etc. mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views were captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. The Company issued 40,17,500 Equity Shares of Rs. 10/- each at a premium of Rs. 64.10/- per share on Preferential Basis increasing the Authorized Capital to Rs. 20,00,00,000/- and paid-up capital to Rs. 17,55,95,000/-.
2. The Company has formed a wholly owned subsidiary in the name of "Pritika Engineering Components Pvt. Limited", in February, 2018 which has acquired the assets (Land, Building & Machinery) of unit No: 2 of Amrit Duraparts Pvt. Ltd located at Village Simbli on Phagwara - Hoshiarpur Road, Punjab.
3. During the year 2017-18 the Company changed its Registrar & Share Transfer Agent from M/s Adroit Corporate Services Pvt.Ltd. situated at 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makhwana Road, Marol Naka, Andheri (E), Mumbai 400059, India to M/s **Satellite Corporate Services Pvt. Ltd.** Situated at Unit No. 49, Bldg. No. 13-A-B, 2nd Floor Samhita Commercial Co-Op. Soc. Ltd. Off. Andheri Kurla Lane, MTNL Lane Sakinaka, Mumbai - 400072.

***For Jaymin Modi & Co.  
Company Secretaries***

***Sd/-***

***Jaymin Modi  
Proprietor  
CoP No. 16948.***

**Date: 11.08.2018  
Place: Mumbai.**

***Annexure – 1:***

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for my opinion.
3. I have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test check basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

***For Jaymin Modi & Co.  
Company Secretaries***

***Sd/-  
Jaymin Modi  
Proprietor  
CoP No. 16948.***

**Date: 11.08.2018  
Place: Mumbai.**

## ANNEXURE H

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### *Forward looking statement*

*Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.*

*The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.*

*The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956 (the Act) and comply with the Accounting Standards notified under Section 211(3C) of the Act read with the Companies (Accounting Standards) Rules, 2006. The management of Pritika Auto Industries Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements, reflect in a true and fair manner, the state of affairs and profit for the year.*

*The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "Pritika" are to Pritika Auto Industries Ltd.*

## **ECONOMIC OVERVIEW**

### **Indian Economy**

The Indian auto-components industry has experienced healthy growth over the last few years. Some of the factors attributable to this include: a buoyant end-user market, improved consumer sentiment and return of adequate liquidity in the financial system. The auto-component industry of India has expanded by 14.3 per cent because of strong growth in the after-market sales

The Indian auto-components industry can be broadly classified into the organized and unorganized sectors. The organized sector caters to the Original Equipment Manufacturers (OEMs) and consists of high-value precision instruments while the unorganized sector comprises low-valued products and caters mostly to the aftermarket category. The Indian automotive aftermarket is expected to grow at a CAGR of 10.5 per cent and reach Rs 75,705 crore (USD 13 billion) by the year 2019-20, according to the Automotive Component Manufacturers Association of India (ACMA). These estimates are in line with the targets of the Automotive Mission Plan (AMP) 2016-26. The Indian Auto Component industry is expected to grow by 8-12 per cent in FY 2018-19, based on higher localization by Original Equipment Manufacturers (OEM), higher component content per vehicle, and rising exports from India, as per ICRA Limited.

According to the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is expected to register a turnover of US\$ 100 by 2020, up from USD 39.0 billion in 2015-16. This vibrant growth is expected to be backed by strong exports ranging between USD 80 billion and US\$ 100 billion by 2026, from USD 10.8 billion in 2015-16. India exports its auto components to almost every part of the world, the major markets being developed countries such as the USA, Germany and the UK. Some of the important Asian markets for auto components include Sri Lanka, Bangladesh and Thailand.

Source: IBEF, <https://www.ibef.org/industry/autocomponents-india.aspx>

### **Indian Agriculture industry - an overview**

Agriculture plays a vital role in India's economy. Over 58% of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, are key contributors to Gross Domestic Product (GDP). The Government of India, in its Union Budget 2018-19, planned several steps for the sustainable development of agriculture:

- NITI Aayog has proposed various reforms in India's agriculture sector, including liberal contract farming, direct purchase from farmers by private players, direct sale by farmers to consumers, and single trader license, among other measures, in order to double rural income in the next five years. The Ministry of agriculture, Government of India, has been conducting various consultations and seeking suggestions from numerous stakeholders in the agriculture sector, to devise a strategy to double the income of farmers by 2022.
- FM fixed minimum support price (MSP) of Kharif crops like paddy at least 50 per cent higher than the cost of production, while raising farm credit target for the next fiscal by 10 per cent to Rs 11 lakh crore. The actual expenditure of Department of Agricultural Research has increased from Rs 5,393 crore in 2010-11 to Rs.6800 (BE) crore during 2017-18.
- Government has announced tax incentives to promote post-harvest agricultural activities. To encourage professionalism in post-harvest value addition in agriculture, 100 per cent deduction to these companies registered as Farmer Producer Companies and having annual turnover up to Rs 100 crores in respect of their profit derived from such activities for a period of five years from financial year 2018-19.
- The government also announced an increase in funds allocated for the National Rural Livelihood Mission under the rural development ministry to Rs5,750 crore in 2018-19, from Rs 4,500 crore in 2017-18.
- The Finance Minister announced an allocation of Rs2,600 crore to ensure irrigation facilities in 96 irrigation deprived districts, besides funds to boost fisheries and animal farming.

Source: CRISIL, IBEF, <https://www.ibef.org/industry/autocomponents-india.aspx>

### **Indian Tractor Industry**

In the Financial Year 2018, the Indian tractor market (the world's largest by volume), grew by 22% to reach 7.11 lakh units. The domestic industry volumes posted good sales after two successive years of good monsoon. Tractor industry growth in the Financial Year 2018, was led by improvement in rural economy on back of normal monsoons – after years of deficient rainfall, coupled with good increase in MSPs that lifted the farm sentiments during the year. The farm loan waiver announced by governments of Uttar Pradesh (UP), Maharashtra, Karnataka and Punjab, is expected to provide a further 4-6% upside to the industry growth, with incremental demand mostly coming from UP, Maharashtra and Punjab. Government focus on rural infrastructure development should also spur non-farm tractor demand in 2018-19.

The tractor industry 5-year CAGR from 2017-18 to 2021-22 is expected to be 8-10%, with the outlook taking into account possibility of 1-2 deficient rainfall years during 2017-18 to 2021-22. Governments renewed thrust towards improving the rural economy, via measures such as doubling farm income by 2022, increasing spend towards irrigation, and improving crop productivity by distributing soil health cards is expected to drive growth in the long term. This will also be supported by other measures like the e-NAM (National Agriculture Market), expanding crop insurance, and gradual spread of Custom Hiring Centers. With increasing mechanization on farm fields, this bodes well for structural tractor demand growth.

With current tractor population of ~4million in India, penetration in India is only 1.3 hp/ha which is much below the world average of 3-4hp/ha, leaving much scope for growth. Keeping that as a benchmark, nearly 13 million farm tractors are required to till India's arable area of 159.2 million hectares, indicating a sustained growth potential of 8-10% CAGR (excluding commercial tractors) until 2026-27.

Source: CRISIL, IBEF, <https://www.ibef.org/industry/autocomponents-india.aspx>

### **Government Initiatives**

The Government of India's Automotive Mission Plan (AMP) 2006–2016 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of USD300 billion by the year 2026 and will grow at a rate of CAGR 15 per cent from its current revenue of USD74 billion.

Government has drafted Automotive Mission Plan (AMP) 2016-26 which will help the automobile industry to grow and will benefit Indian economy in the following ways: -

- Contribution of auto industry in the country's GDP will rise to 13 per cent, currently which is less than 10 per cent
- More than 100 million jobs will be created in the economy
- Companies will invest around US D80 billion as a part of their capital expenditure.
- End of life Policy will be implemented for old vehicles

CRISIL, IBEF, <https://www.ibef.org/industry/autocomponents-india.aspx>

### **About Pritika Auto Industries Ltd.**

Pritika Auto Industries Ltd. is a flagship company of Pritika Group of Industries which was set up in 1974 by Mr. R.S. Nibber, manufacturing small forgings. Over the last four decades and under Mr. Nibber's visionary leadership the Company has created brand for itself. The quality driven organization "PRITIKA Group of Industries" is producing world class components

from modern facilities. The merger process of Pritika Autocast Ltd. and Nibber Castings Pvt. Ltd (Wholly owned subsidiaries of Pritika Auto Industries Ltd.) is pending before the Honorable NCLT bench, Chandigarh. Company has its manufacturing facilities situated at Derabassi & Hoshiarpur (Punjab), Tahliwal (Himachal Pradesh) with total capacity of 50,000 MTPA in FY18.

Over the years, Company has diversified its portfolio and manufactures wide range of products such as Axle Housings, Wheel Housings, Hydraulic Lift Housings, End Cover, Plate Differential Carrier, Cylinder Blocks, Crank Cases, etc. The Company is focused towards growing its product portfolio and manufactures quality products and caters to larger clientele. The Company is the biggest component supplier in the tractor segment of the automobile industry in India and supplies to OEMs like M&M Swaraj, Swaraj Engines Ltd, TAFE, Escorts, SML Isuzu, TMTL, Ashok Leyland, New Holland Tractors India Ltd., Brakes India etc. The vision is to provide products which meet customer's quality requirement constantly at competitive price.

### **Consolidated Financial Overview –**

The consolidated performance of the Company for the financial year ended March 31, 2018, is as follows:

Total revenue from operations at Rs. 170.0 crore for the year ended March 31, 2018, as against Rs. 145.6 crore for the corresponding previous period, an increase of 16.8%, mainly on account of addition and better utilization of new capacities.

The cost of Raw materials rendered for the financial year ended March 31, 2018 were Rs 102.2 crore as against Rs 88.8 crore for the corresponding previous period, an increase of 15.2%.

The staff expenses for the financial year ended March 31, 2018 were Rs 10.2 crore as against Rs. 9.6 crore for the corresponding previous period, an increase of 6.5%.

The other expenses for the financial year ended March 31, 2018 were Rs. 32.8 crore as against Rs 29.4 crore for the corresponding previous period, an increase of 11.5%.

The EBIDTA (earnings before interest, depreciation and tax, excluding other income) was Rs. 24.7 crore for the year ended March 31, 2018, as against Rs. 17.7 crore for the corresponding previous period, an increase of 39.7%.

EBITDA Margin was 14.6%, an improvement of 237 basis points YoY, on account addition of high value-added products and better operational efficiencies.

The depreciation for the financial year ended March 31, 2018 was Rs. 5.7 crore, as against Rs. 5.0 crore for the corresponding previous period, an increase of 13.2% on account of addition of newer capacities.

The interest for the financial year ended March 31, 2018 was Rs. 5.6 crore as against Rs. 6.6 crore for the corresponding previous period, a decrease of 14.9% on account of lower utilization of bank limits.

The PAT (profit after tax) were Rs. 11.1 crore for the year ended March 31, 2018, as against Rs. 4.3 crore for the corresponding previous period, an increase of 159.2% on account of higher efficiencies and lower utilization of banking limits.

EPS was at Rs. 7.56, YoY growth of 140%.

The Board of Directors have recommended, subject to the shareholders' approval, a final dividend @ 2% i.e. Rs. 0.2 per equity share of Rs. 10 each for the financial year ended March 31, 2018.

### **Resources And Liquidity**

As on March 31, 2018, the consolidated networth stood at Rs. 81.6 crore and the consolidated debt was at Rs. 52.4 crore. The cash and cash equivalents at the end of March 31, 2018 were Rs. 6.5 crore. The net debt to equity ratio of the Company stood at 0.56 as on March 31, 2018.

### **Business Performance**

Company registered a growth of 16.8% in revenue clocking a turnover of 170.0 cr in FY18. Company produced 29,000 tons of machined casting during the year. 92% of the revenue was contributed by Tractor components segment while rest 8% was from commercial vehicle segments. With incremental capacity Company is focusing on higher production and better utilization for financial year 2018-19. Company also adding high value products and trying to improve operational efficiencies.

### **Achievements In Businesses During The Year:**

- Pritika Auto Industries has been awarded by 'India's Best Company of the year 2017- Best Automotive Components Manufacturing Company' awarded by International Brand Consulting (IBC) Info Media Pvt. Ltd.
- Pritika Auto Industries entered into agreement with Amrit Duraparts to buy assets (Land, Building & Machinery). The newly acquired foundry has capacity of 12,000 tons per annum. With this acquisition Company's total installed capacity will be 50,000 tons per annum.
- [Pritika Auto Industries Limited has received 'Award for Corporate Excellence' by Make in India Foundation \(MIIF\) in Mumbai.](#)
- Pritika successfully participated in 'Agritechnica' – leading trade fair for agricultural machinery held in Hanover, Germany. Company also received significant enquiries for Pritika's suite of product offerings.

## **Risks And Concerns**

Like every business, the company faces risks, both internal and external, in the undertaking of its day-to-day operations and in pursuit of its longer-term objectives. A detailed policy drawn up and dedicated risk workshops are conducted for each business vertical and key support functions wherein risks are identified, assessed, analyzed and accepted / mitigated to an acceptable level within the risk appetite of the organization. The risk registers are also reviewed from time to time.

The Company faces the following Risks and Concerns:

### **Economy and Market Risk**

The Company's growth is linked to that of the automotive industry, which is cyclical in nature. The cyclical nature of the Indian commercial vehicle industry and tractor industry might affect the demand. Since automotive industry, plays a major role in determining the economic growth, any slowdown in the overall economy will affect Commercial Vehicle industry. Increasing competition across all segments may put some pressure on market share.

### **Credit Risk**

To manage its credit exposure, Pritika has determined a credit policy with credit limit requests and approval procedures. Company does its own research of client's financial health and project prospects before bidding for a project. Timely and rigorous process is followed up with clients for payments as per schedule. The company has suitably streamlined the process to develop a focused and aggressive receivables management system to ensure timely collections.

### **Interest Rate Risk**

The Company has judiciously managed the debt-equity ratio. It has been using a mix of loans and internal cash accruals. The Company has well managed the working capital to reduce the overall interest cost.

### **Contractual Risk**

Pritika follows a meticulous process to evaluate the legal risks involved in a contract and ascertain its legal responsibilities under the applicable law of the contract. All the worst possible scenarios are considered and as a strategic priority with consultation from advisors, stringent terms are inserted to restrict liabilities to the maximum extent possible.

### **Competition Risk**

This risk arises from more players wanting a share in the same pie. Like in most other industries, opportunity brings with itself competition. We face different levels of competition in each segment, from domestic as well as multinational companies. The Company has created strong differentiators in project execution, quality and delivery which make it resilient to competition. Furthermore, the Company continues to invest in technology and its people to remain ahead of the curve. A strong, stable client base consisting of large and mid-sized corporations further helps to insulate the Company from this risk. We counter this risk with the quality of our infrastructure, our customer-centric approach and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined project executions, coupled with prudent financial and human resources management and better control over costs. Thus, we do not expect to be significantly affected by this risk.

### **Input Cost Risk**

Our profitability and cost effectiveness may be affected due to change in the prices of raw materials, power and other input costs. Some of the risks that are potentially significant in nature and need careful monitoring are Raw Materials prices, availability of Power etc.

### **Liability Risk**

This risk refers to our liability arising from any damage to cargo, equipment, life and third parties which may adversely affect our business. The Company attempts to mitigate this risk through contractual obligations and insurance policies.



## OPPORTUNITIES

### Policy Support

- Establishing special auto parks & virtual SEZs for auto components
- Lower excise duty on specific parts of hybrid vehicles
- Policies such as Automotive Mission Plan 2016-26, Faster Adoption & Manufacturing of Electric Hybrid Vehicles (FAME, April 2015), NMEM2020, likely to infuse growth in the autocomponent sector of the country.

### Investments

- Investments in the auto components sector reached USD 372.44 million in 2016-17.
- With the launch of “Make in India” initiative, the government is expected to vitalize a substantial investment in the auto component sector.
- Auto component sector is expected to invest around USD 4.5 billion for upgradation of products & keeping up with the new industry regulations.

### Export Advantage

- India is a leading auto exporter and has strong near-term export growth expectations. Automobile exports have grown by a CAGR of 14.65% during the five-year period of 2010-15.
- As per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to reach USD 70-billion by 2026 from USD 10.9 billion in FY17. The Indian auto component industry aims to achieve USD 200 billion in revenues by 2026.

### Union Budget 2018-19

- Budget 2018-19 imposed a surcharge of 10 per cent on aggregate duties of customs on imports which is expected to boost domestic manufacturing.
- Reduction of tax to 25 percent for companies with turnover up to Rs 250 crore (USD 38.62 million) was also announced in Union Budget.

### Electric vehicles push

- The auto-components industry is expected to follow OEMs in adoption of electric vehicle technologies. The global move towards electric vehicles will generate new opportunities for automotive suppliers.
- The mass conversion to electric vehicles may generate a USD 300 billion domestic market for

## **THREATS**

- Competition from local and multinational players
- Execution risk
- Regulatory changes
- Input Cost risk
- Attraction and retention of human capital

## **Internal Control Systems And Adequacy**

For the purposes of effective internal financial control, the Company has adopted various policies and procedures 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.

There has not been any significant change in such control systems. The control systems are reviewed by the management regularly. The same are also reviewed by the Statutory Auditors and Internal Auditors from time to time. The Company has also adopted various policies and procedures to safeguard the interest of the Company. These policies and procedures are reviewed from time to time. There has also been proper reporting mechanism implemented in the organization for reporting any deviation from the policies and procedures. Compliance audit is also conducted from time to time by external agencies on various areas of operations.

## **Human Resources**

The Company has Human Relations and Industrial Relations policies in force. These are reviewed and updated regularly in line with the Company's strategic plans. The Human Relations team continually conducts training programs for the development of employees. The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's successful growth. The Company's employees' age bracket represents a healthy mix of experienced and willing-to-experience employees.

Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement. The Company focuses on providing individual development and growth in a work culture that enables cross-pollination of ideas, ensures high performance and remains empowering.

## **Outlook**

The economy is set to gather strength in the next year if supported by a normal monsoon, increased focus on infrastructure spending, the boost to consumption demand and continuing favorable monetary policy changes. Long term outlook remains positive for the automotive industry with all major global players having base in India for manufacturing, global sourcing as well as engineering. Regular product launches planned by OEMs will keep customer excitement levels and create demand and is favorable for overall industry growth. India is now a supplier of a range of high value and critical automobile components to global auto market.

Company's robust revenue visibility with sufficient order book over the next few years demonstrates the continued faith the clients have in the Company's expertise. Further, with development is in fast lane, huge order pipeline exists which further strengthens future growth prospects. Even margins are expected to improve driven by addition of new capacity additions, export opportunities, value added services and better operating efficiencies.

The Company is currently expanding capacities at all its main divisions to meet the customers' demand for new orders placed by them, particularly in M&M. Operational improvements have been put in place and the Company has an exciting innovation pipeline, across the businesses. This year's achievements are in line with our Vision 2020 targets. The growth potential for the Indian auto component industry is tremendous and the Company is in a strong position to leverage these opportunities.

## **Road Ahead**

The rapidly globalizing world is opening up newer avenues for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development.

The Indian auto-components industry is set to become the third largest in the world by 2025 Indian auto-component makers are well positioned to benefit from the globalization of the sector as exports potential could be increased by up to four times to USD 40 billion by 2020.

**Independent Auditor's Report to the Members of  
PRITIKA AUTO INDUSTRIES LIMITED  
(Formerly known as Shivkrupa Machineries and Engineering Services Ltd)**

**Report on the Standalone Financial Statements**

We have audited the accompanying Standalone financial statements of Pritika Auto Industries Ltd (Formerly known as Shivkrupa Machineries and Engineering Services Ltd) ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss and the cash flow statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone financial statement').

**Management's Responsibility 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and the Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Standalone 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 31 March 2018 and its profit including Other Comprehensive Income, its cash flows and the Statement of changes in Equity for the year ended on that date.

**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 Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

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 including Other Comprehensive Income, the cash flow statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 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”; and
- (g) 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 long term contracts for which they were any material foreseeable losses.
  - (iii) There were no amount which required to be transferred to the Investor Education and Protection Fund by the Company.

*For* **Koshal & Associates**

*Chartered Accountants*

Firm’s registration number: 121233W

**Koshal Maheshwari**

*Proprietor*

Membership number: 043746

Place: Mumbai

Dated: 29.05.2018

## **Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone financial statements of Pritika Auto Industries Ltd (Formerly known as Shivkrupa Machineries and Engineering Services Ltd) for the year ended 31 March 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not hold any immovable property. Accordingly clause 1 (c) of the order is not applicable.
- (ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans to companies, covered in the register maintained under Section 189 of the Act, 2013.
  - (a) No terms and conditions of the grant of such loans as regards to repayment, period etc are not stipulated in writing. However the company has charged the interest, where applicable, on such loans and are not prejudicial to the company's interest having regards to the business relationship with the companies to whom loans have been granted;
  - (b) Due to non-stipulation of schedule of repayment of principal and payment of interest, we are unable to comment on the regularity of repayable of principal and payment of interest.
  - (c) In view of the above we are unable to comment on the overdue amount.
- (iv) According to the information and explanations given to us, the Company has not made any loans which require compliance with the provisions of section 185. However, the Company has complied with the provisions of s.186 of the Act, with respect to loans and advances given, investments made and guarantees and securities given have been complied with by the company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanation given to us, provident fund, employees state insurance, sales-tax, wealth tax, duty of customs, duty of excise, value added tax are not applicable to the company. The Company is regular in depositing undisputed statutory dues including income tax and other statutory dues with the appropriate authorities during the year.

According to the information and explanation given to us, no undisputed amounts payable were in arrears, as at 31st March, 2018 for the period of more than six months from the date they became payable except for profession tax for employees, Rs. 6650.

  - (b) According to the information and explanation given to us, there no material dues of income tax and other cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
  - (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid and provided for managerial remuneration. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has undertaken transactions with the related parties and has complied with section 177 and 188 of the Act and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standard.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made private placement of shares during the year and has complied with the requirements of s.42 of the Act and rules framed in this regard. The amount so raised has been used for the purpose for which it was intended to be raised.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xv) The Company is not required to be registered under section 45 -IA of the Reserve Bank of India Act 1934.

***For Koshal & Associates***

*Chartered Accountants*

Firm's registration number: 121233W

**Koshal Maheshwari**

*Proprietor*

Membership number: 043746

Place: Mumbai

Dated: 29.05.2018

## **Annexure - B to the Auditors' Report**

### **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 **Pritika Auto Industries Ltd (Formerly known as Shivkrupa Machineries and Engineering Services Ltd)** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone 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 ('ICAI'). 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 judgment, 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 unauthorised 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 31 March 2018, 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.

**For Koshal & Associates**

*Chartered Accountants*

Firm's registration number: 121233W

**Koshal Maheshwari**

*Proprietor*

Membership number: 043746

Place: Mumbai

Dated: 29.05.2018

**STANDALONE BALANCE SHEET FOR THE YEAR ENDED 31.03.2018**

**(Amt In Lacs)**

Particulars	Note	March 31, 2018	March 31, 2017
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	0.50	0.67
(b) Capital work in progress		-	-
(c) Financial Assets			
- Investments	4	3,257.42	2,807.42
- Other financial assets	5	3,129.55	500.99
(d) Deferred Tax Assets (net)	6	-	-
(e) Other Non-Current Assets	7	-	-
Total Non Current Assets (A)		6,387.47	3,309.08
<b>2. Current Assets</b>			
(a) Inventories	8	-	-
(b) Financial Assets			
- Trade Receivables	9	-	23.52
-Cash and Cash Equivalents	10	56.88	43.28
-Bank balances other than cash and cash equivalents	11	-	-
-Other Current Financial Assets	12	390.61	415.68
(c) Other Current Assets	13	12.06	0.02
Total Current Assets (B)		459.55	482.50
<b>TOTAL ASSETS ( A+ B)</b>		<b>6,847.02</b>	<b>3,791.58</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	14	1,755.95	1,354.20
(b) Other Equity	15	5,057.21	2,421.26
<b>Total Equity (A)</b>		<b>6,813.16</b>	<b>3,775.46</b>
<b>2. Non Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	16	9.68	-
(b) Provisions	17	-	-
(c) Deferred Tax Liabilities ( net )	18	0.12	0.17
<b>Total Non Current Liabilities ( B)</b>		<b>9.80</b>	<b>0.17</b>
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	19	-	-
-Trade Payables	20	-	10.86
- Other Financial Liabilities	21	0.92	0.60
( b) Other Current Liabilities	22	0.81	1.21
( c ) Provisions	23	22.33	3.28
<b>Total Current Liabilities ( C )</b>		<b>24.06</b>	<b>15.95</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>6,847.02</b>	<b>3,791.58</b>

The accompanying notes are integral part of the financial statements as per our report of even date

**For Koshal & Associates**

**Firm registration number: 121233W**

**Chartered Accountants**

**Koshal Maheshwari**

**Proprietor**

**Membership no.: 043746**

**Place: Mumbai**

**Date: 29-05-2018**

**Place : Mohali**

**Date: 29.05.2018**

**For and on behalf of Board of Directors**

**Sd/-**

**Harpreet Singh Nibber**

**( Managing Director )**

**DIN 00239042**

**Sd/-**

**Ramesh Chander Saini**

**CFO**

**Sd/-**

**Raminder Singh Nibber**

**(Director)**

**DIN 00239117**

**Sd/-**

**Vedant Bhatt**

**Company Secretary**

# STANDALONE PROFIT & LOSS FOR THE YEAR ENDED 31.03.2018

(Amt In Lacs)

Particulars	Note	March 31, 2018	March 31, 2017
I Revenue from operations	24	-	27.00
II Other Income	25	127.88	31.17
<b>III Total Income ( I+II)</b>		<b>127.88</b>	<b>58.17</b>
IV Expenses			
c) Employee benefits expense	26	5.46	7.78
d) Finance costs	27	0.11	-
e) Depreciation and amortization expense	28	0.17	0.17
f) Other Expenses	29	38.27	42.36
<b>Total Expenses (IV)</b>		<b>44.01</b>	<b>50.31</b>
V Profit /(Loss) before exceptional items and tax		83.87	7.86
VI Exceptional Items		-	-
VII Profit / (Loss) before tax		83.87	7.86
VIII Tax Expense:			
a) Current Tax	31	22.59	6.11
b) Adjustment of tax relating to earlier periods		0.60	-
c) Deferred Tax	31	(0.05)	-
<b>Total tax expenses ( VIII )</b>		<b>23.14</b>	<b>6.11</b>
<b>IX Profit / (Loss ) for the period</b>		<b>60.73</b>	<b>1.75</b>
X Other comprehensive income			
Items that will not to be reclassified to profit or loss		-	-
Re-measurement (gains)/ losses on defined benefit plans		-	-
XI Total comprehensive Profit for the period ( IX + X )		60.73	1.75
Earnings per equity share( Nominal value of Rs. 10 /- per share )			
<b>Basic</b>	30	0.41	0.02
<b>Diluted</b>	30	0.41	0.02

The accompanying notes are an integral part of the financial statements.

**For Koshal & Associates**  
**Firm registration number: 121233W**  
**Chartered Accountants**

**Koshal Maheshwari**  
**Proprietor**  
**Membership no.: 043746**  
**Place: Mumbai**  
**Date: 29-05-2018**

**Place: Mohali**

**Date: 29.05.2018**

**For and on behalf of Board of Directors**

**Sd/-**

**Sd/-**

**Harpreet Singh Nibber**  
**( Managing Director )**  
**DIN 00239042**

**Raminder Singh Nibber**  
**( Director )**  
**DIN 00239117**

**Sd/-**  
**Ramesh Chander**  
**Saini**  
**CFO**

**Sd/-**  
**Vedant Bhatt**  
**Company Secretary**

**STATEMENT OF CASH FLOW (STANDALONE) FOR THE YEAR ENDED MARCH 31, 2018**  
(Amount in Lacs.)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per statement of Profit & Loss	83.87	7.86
	<b>Adjustments for:</b>		
	- Depreciation and amortisation expense	0.17	0.17
	- Retained earning Ind As		-
	- Finance costs	0.11	-
	- Foreign Exchange Gain		
	- Gain on sale of Investment		
	- Unrealised Gain on Mutual Fund		
	- Interest income on Security deposits	(127.88)	-
	- Profit on Sale of Fixed Assets		-
	<b>Operating profit before working capital changes</b>	<b>(43.73)</b>	<b>8.03</b>
	<b>Adjustments for :</b>		
	Increase/(Decrease) in Trade Payables	(10.86)	(5.75)
	Increase/(Decrease) in Other financial Liabilities	0.32	3.28
	Increase/(Decrease) in Other current liabilities	(0.40)	-
	(Increase) / Decrease in Trade Receivables	23.52	34.49
	Increase / ( Decrease ) in Inventories		-
	(Increase) / Decrease in other current financial assets	25.01	-
	(Increase) / Decrease in Other Non Current Assets		
	(Increase) / Decrease in Provisions	23.36	
	(Increase) / Decrease in Other Current Assets	(24.03)	-
	<b>Cash generated from operations</b>	<b>(6.82)</b>	<b>40.04</b>
	Taxes paid	(15.44)	(6.11)
	Previous year tax	-	0.09
	<b>Net Cash from Operating Activities</b>	<b>(22.26)</b>	<b>34.02</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Loans given during the year (net)	(2,628.56)	
	New Investments	(450.00)	(2,718.49)
	Interest Income	127.88	-
	<b>Net Cash used in Investing Activities</b>	<b>(2,950.68)</b>	<b>(2,718.49)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Long Term Loans Raised (Net )	9.68	(586.08)
	Issue of Share Capital	401.75	884.95
	Security Premium	2,575.22	2,424.76
	Interest Paid	(0.11)	-
	<b>Net Cash from Financing Activities</b>	<b>2,986.53</b>	<b>2,723.63</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>13.60</b>	<b>39.16</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>43.28</b>	<b>4.12</b>
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>56.88</b>	<b>43.28</b>

Notes:

- 1.) The above Cash Flow Statement has been prepared under the indirect method set out in IND AS - 07 "Statement of Cash Flow".
- 2.) Figures in bracket indicates cash outflow

**As per our report of even date**

**For Koshal & Associates**

**Firm registration number: 121233W**

**Chartered Accountants**

**For and on behalf of the Board of Directors**

**Sd/-**

**Koshal Maheshwari**

**Proprietor**

**Membership no.: 043746**

**Place: Mumbai**

**Date: 29-05-2018**

**Place: Mohali**

**Date: 29-05-2018**

**Sd/-**

**Harpreet Singh Nibber**

**( Managing Director )**

**DIN NO.00239042**

**Sd/-**

**Ramesh Chander Saini**

**CFO**

**Sd/-**

**Raminder Singh Nibber**

**( Director)**

**DIN No. 00239117**

**Sd/-**

**Vedant Bhatt**

**Company Secretary**

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note No. 1: Notes To The Financial Statement

#### 1 GENERAL INFORMATION

Pritika Auto Industries Limited ("the Company") a public company domiciled in India was incorporated on 11.04.1980 and is engaged in the manufacturing of tractor and automobile components. The financial statements were approved for issue by the board of directors on May 29, 2018.

### Note No.2: SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 **Basis of Preparation of Financial Statements**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Upto the year ended March, 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014. These are the Company's first IND AS financial statements. The date of transition to IND AS is April 1, 2016. Refer note 37 for the details of first time adoption exemptions availed by the Company.

- 2.2 The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising assets or liabilities which are not permitted by Ind AS, by reclassifying assets and liabilities from previous GAAP as required by Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company.

#### 2.3 **Summary of Significant Accounting Policies**

##### 2.3.1 **Current versus non - current classification**

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current-non current classification of assets and liabilities.

##### 2.3.2 **Property, Plant and Equipment (PPE)**

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight- line method (“SLM”). Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the revised useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

**Asset Useful live**

Buildings including factory buildings	30 years
General Plant and Machinery	15 years
Furniture and Fixtures	10 years
Office Equipment	05 years
Vehicles	08 years
Computers	06 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

### **2.3.3 Intangible assets**

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss. The Company amortises intangible assets with a finite useful life using the straight-line method over the following range of useful lives:

**Asset Useful life**

Computer software	3 years
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The estimated useful life is reviewed annually by the management.

### **2.3.4 Capital work-in-progress and intangible assets under development**

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

### **2.3.5 Non-derivative financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### **2.3.6 Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



## **Cash flow statement**

'Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

### **2.3.7 Financial Assets**

#### **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

#### **Financial assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

#### **Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

### **2.3.8 Impairment**

#### **Financial assets (other than at fair value)**

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### **PPE and intangibles assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

### **2.3.9 Inventories**

Inventories are valued at lower of cost (First in First out) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including all taxes and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.3.10 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, net of taxes or duties collected on behalf of the government.

However, sales tax/ value added tax (VAT)/Goods and Service tax (GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity/services by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

#### **Sale of goods**

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Interest Income**

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

#### **Dividend**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of inc one can be measured reliably).

#### **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

### 2.3.11 Leases

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

#### **Operating Lease:**

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

#### **Finance Lease:**

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

#### **2.3.12 Employee benefit expenses**

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences.

##### **(i) Post-employment benefit plans**

###### **Defined Contribution plans**

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan for qualifying employees. The provident fund is deposited with the Provident Fund Commissioner which is recognized by the Income Tax authorities.

###### **Defined benefit plans**

The Company operates various defined benefit plans- gratuity fund and Compensated absence. The liability or asset recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income/ (expense) on the net defined benefit liability or as set is recognised in the Statement of Profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

###### **Short term employee benefit**

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

#### **2.3.13 Foreign currency translation**

The functional currency of the Company is Indian rupee. On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

### **2.3.14 Borrowing cost**

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All the other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

### **2.3.15 Income tax**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

#### **Current tax**

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

#### **Deferred tax**

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

### **2.3.16 Accounting of provisions, contingent liabilities and contingent assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

### 2.3.17 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

### 2.3.18 Government Grants

Government Grants are recognised only when there is reasonable assurance that the company will comply with the condition attaching to them and the grants will be received. Government grants are recognised in profit & loss on a systematic basis over the periods in which the company recognise as expenses the related cost of which the grant are intended to compensate.

## 3. Property, Plant and Equipment

*(All amounts in Lacs)*

Particulars	Computer Equipments	Total
<b>Cost or Deemed Cost</b>		
At April 1 , 2016	0.83	0.83
Addition	-	-
Transfer / Sale	-	-
<b>At March 31 , 2017</b>	<b>0.83</b>	<b>0.83</b>
At April 1 , 2017	0.83	0.83
Addition	-	-
Transfer / Sale	-	-
<b>At March 31 , 2018</b>	<b>0.83</b>	<b>0.83</b>
Depreciation and Impairment		
At April 1 , 2016	-	-
Addition	0.17	0.17
Transfer / Sale	-	-
<b>At March 31 , 2017</b>	<b>0.17</b>	<b>0.17</b>
At April 1 , 2017	0.17	0.17
Addition	0.17	0.17
Transfer / Sale	-	-
<b>At March 31 , 2018</b>	<b>0.33</b>	<b>0.33</b>
<b>Net Carrying Amount as on 31/03/2017</b>	<b>0.67</b>	<b>0.67</b>
<b>Net Carrying Amount as on 31/03/2018</b>	<b>0.50</b>	<b>0.50</b>
The Gross block of each class of Property, plant and equipment has been netted off with their respective accumulated depreciation balances as at April 1,2016 under previous GAAP to arrive at the deemed cost for the purpose of opening Ind AS balance sheet.		

**ANNEXURES TO THE BALANCE SHEET**  
**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018**

A. Equity Share Capital									
	Particulars	Balance as on April 1, 2016	Changes during the year	Balance as on March 31,2017	Balance as on April 1, 2017	Changes during the year	Balance as on 31st March 2018		
a)	Authorised Share Capital								
	200,00,000 (PY 1,50,00,000) Equity shares of Rs.10/- each	700	800	1,500	1,500	500	2,000		
b)	Issued, Subscribed And Fully Paid Up								
	1,75,59,500 (PY 1,35,42,000) Equity shares of Rs.10/- each	469	1,354	1,823	1,823	402	2,225		
B Other Equity									
Particulars			Reserves and Surplus				Other comprehensive income		Total
			Equity component of compound financial instruments	Securities premium	Capital Subsidy Reserve	Capital Redemption Reserve	Retained earnings	Actuarial Gain / (Loss)	
Balance as at April 1, 2016									
Balance at the beginning of the reporting period		-	-	-	-	(5)	-	-	(5)
Profit for the Current year		-	2,425	-	-	2	-	-	2,427
Transfer to retained earnings		-	-	-	-	0	-	-	0
Mat Adjustment						-			
Transfer from Other comprehensive income to retained earning		-	-	-	-	-	-	-	-
Balance as at March 31 , 2017		-	2,425	-	-	(3)	-	-	2,421
Balance as at April 1, 2017									
Balance at the beginning of the reporting period		-	2,425	-	-	(3)	-	-	2,421
Profit for the Current year		-	2,575	-	-	61	-	-	2,636
Transfer from Other comprehensive income to retained earning		-	-	-	-	-	-	-	-
Balance as at March 31 . 2018		-	5,000	-	-	57	-	-	5,057

**4. Investments**

Particulars	As At March 31, 2018	As At March 31, 2017
<b><u>Investments carried at Fair Value through Other Comprehensive Income (FVOCI)</u></b>		
<b>Investments in Equity Instruments (Quoted)</b>	-	-
(1252 Eq. Share of Rs. 10/-) Panasonic Carbon India co. Ltd.		
(26,899 Eq. Share of Rs. 10/- ) Tirupati Fincorp Ltd.	-	
(12,500 Eq. Share of Rs. 1/- ) Share Vakrangee Ltd.		
(50,000 Eq. Share of Rs. 10/-) Energy Development Company Ltd.		
(3,000 Eq. Share of Rs. 10/-) Reliance Defence & Engineering Ltd.		
(549 Eq. Share of Rs. 10/-) Indo National Ltd.		
<b><u>Investments carried at cost</u></b>		
Investments in 100 % Subsidiaries Company Fully paid up		
Nibber Casting Pvt Ltd ( 24,99,999 Equity shares of Rs. 10 each)	868.75	868.75
Pritika Autocast Ltd ( 1,20,26,475 Equity shares of Rs. 10 each)	1,938.67	1,938.67
Pritika Engineering Components Pvt Ltd ( 45,00,002 Equity shares of Rs. 10 each)	450.00	-
<b>Total</b>	<b>3,257.42</b>	<b>2,807.42</b>
<b>Aggregate book value/Market value of unquoted investments</b>	3,257.42	2,807.42
<b>Aggregate market value of quoted investments</b>	-	-

**5 Other financial Assets**

Particulars	As At March 31, 2018	As At March 31, 2017
Security Deposits	0.25	-
Loan to Related Parties	3,129.30	500.99
<b>Total</b>	<b>3,129.55</b>	<b>500.99</b>

**6 Deferred tax assets(Net)**

Particulars	As At March 31, 2018	As At March 31, 2017
Opening Balance	-	-
<b><u>Created during the period:</u></b>	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

**7 Other non-current Assets**

Particulars	As At March 31, 2018	As At March 31, 2017
Unamortised Cost	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



## 8 Inventories

Particulars	As At March 31, 2018	As At March 31, 2017
Raw Materials	-	-
Store & Spares	-	-
Work in Process	-	-
Material in Transit	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 9 Trade Receivables

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Outstanding for more than six months from the date they are due for payment</b>		
Unsecured, Considered Good	-	23.52
<b>Others</b>		
Unsecured, Considered Good	-	-
	-	23.52
Less : Provision for Doubtful Debts	-	-
<b>Total</b>	<b>-</b>	<b>23.52</b>

## 10 Cash and Cash Equivalents

Particulars	As At March 31, 2018	As At March 31, 2017
Balances with banks		
- in current accounts	53.07	39.28
Cash on Hand	3.81	4.00
<b>Total</b>	<b>56.88</b>	<b>43.28</b>

## 11 Bank balances other than Cash and Cash Equivalents

Particulars	As At March 31, 2018	As At March 31, 2017
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 12 Other Current Financial Assets

Particulars	As At March 31, 2018	As At March 31, 2017
Loan given to others	390.61	415.44
Advance to Staff	-	-
Mat Credit Entitlement	-	0.24
<b>Total</b>	<b>390.61</b>	<b>415.68</b>

### 13 Other Current Assets

Particulars	As At March 31, 2018	As At March 31, 2017
Unsecured, Considered good		
Prepaid expenses	-	-
Balance with Income tax and other authorities	11.65	-
Advance to Suppliers and others	0.41	0.02
Advance to Related Party	-	-
TDS Recoverable - others	-	-
<b>Total</b>	<b>12.06</b>	<b>0.02</b>

### 14 Equity Share Capital

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Authorised</b>		
2,00,00,000 (PY 1,50,00,000) Equity shares of Rs.10/- each	2,000.00	1,500.00
<b>Total</b>	<b>2,000.00</b>	<b>1,500.00</b>
<b>Issued, subscribed and fully paid-up</b>		
1,75,59,500 (PY 1,35,42,000 ) Equity shares of Rs.10/- each	1,755.95	1,354.20
<b>Total</b>	<b>1,755.95</b>	<b>1,354.20</b>

(a) Reconciliation of shares outstanding at the beginning and at the end of the period		
Particulars	No of shares	Amount
<b>Equity Shares</b>		
At April 1, 2016	46.93	469.25
Add: Issued during the period- Preferential allotment	88.50	884.95
At March 31, 2017	135.42	1,354.20
Add: Issued during the period - Preferential allotment	40.18	401.75
At March 31, 2018	175.60	1,755.95
<b>(b) Term/right attached to equity shares:</b>		
The Company has only one class of equity share having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.		
In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
<b>(c) Details of the shareholders holding more than 5 % of aggregate shares in the Company</b>		

Particulars	As At March 31, 2018	As At March 31, 2018 % of holding	As At March 31, 2017	As At March 31, 2017 % of holding
<b>Equity Shares</b>				
Pritika Industries Limited	49.10253	27.96%	45.60153	33.67%
Harpreet Singh Nibber	20.54934	11.70%	17.56734	12.97%
Raminder Singh Nibber	11.71182	6.67%	10.61182	7.84%

#### 15 Other Equity

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Retained Earnings</b>		
Opening balance	(3.50)	(5.34)
Net Profit / (loss ) for the year	60.73	1.75
Mat Adjustment	-	-
Previous Year Tax Adjustment	-	0.09
	<b>57.23</b>	<b>(3.50)</b>
Security Premium	4,999.98	2,424.76
<b>Total</b>	<b>5,057.21</b>	<b>2,421.26</b>

#### 16 Borrowings

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Secured</b>		
<u><b>Term Loan</b></u>		
<b>Unsecured</b>		
- From Related Parties (Directors)	9.675	0
<b>Total</b>	<b>9.675</b>	<b>0</b>
These loans are repayable as and when company generates surplus cash but not within a period less than 1 year.		

#### 17 Provisions

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Provision for Employee Benefits</b>		
Leave encashment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 18 Deferred Tax Liabilities (net)

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Deferred Tax</b>		
Relating to the origination and reversal of temporary Differences	0.12	0.17
<b>Total</b>	<b>0.12</b>	<b>0.17</b>

## 19 Borrowings

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Secured</b>		
From Bank- Cash Credit - Loan Repayable on Demand	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 20 Trade Payables

Particulars	As At March 31, 2018	As At March 31, 2017
Trade payables	-	10.86
<b>Total</b>	<b>-</b>	<b>10.86</b>

**\*Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006 ('Act').**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum Number as allocated after filing of the said Memorandum. Accordingly, the disclosures below in respect of the amounts payable to such enterprises as at the period end has been made based on information received and available with the Company.

As explained by management there is no outstanding balance related to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006 ('Act') as at year end.

## 21 Other Financial Liabilities

Particulars	As At March 31, 2018	As At March 31, 2017
Current Maturities of Long term Loans	-	-
Interest Accrued but not due on borrowings	-	-
Creditors for Capital Expenditure	-	-
Creditors for Expenses	0.92	-
Payable to Related Parties	-	-
<b>Employee Related Liabilities</b>	<b>-</b>	<b>-</b>
Salaries and Wages payable	-	0.60
Other Employee related payments	-	-
<b>Total</b>	<b>0.92</b>	<b>0.60</b>

## 22 Other Current Liabilities

Particulars	As At March 31, 2018	As At March 31, 2017
Advances from Customers	-	-
Audit Fee Payable	-	-
Electricity Expenses Payable	-	-
Statutory dues payable	0.45	0.62
Other Liabilities	0.36	0.60
<b>Total</b>	<b>0.81</b>	<b>1.21</b>

## 23 Provisions

Particulars	As At March 31, 2018	As At March 31, 2017
Provision for Gratuity	-	-
Provision for Leave encashment	-	-
Provision for Income Tax	22.33	3.27
<b>Total</b>	<b>22.33</b>	<b>3.27</b>

## ANNEXURES TO THE PROFIT & LOSS STATEMENT

### 24 Revenue from Operations

Particulars	As At March 31, 2018	As At March 31, 2017
Sale of Services	-	27.00
<b>Total</b>	<b>-</b>	<b>27.00</b>

### 25 Other Income

Particulars	As At March 31, 2018	As At March 31, 2017
Interest received on deposits with banks and others	127.88	28.98
Dividend Income	-	0.02
Net Gain/ (Loss) on sale of Investments	-	(0.12)
Other Non-Operating Income	-	2.29
<b>Total</b>	<b>128</b>	<b>31</b>

### 26 Employee Benefits Expense

Particulars	As At March 31, 2018	As At March 31, 2017
Salaries and wages	5.20	7.42
Director Remuneration	-	-
Contribution to Provident and ESI Funds	-	-
Bonus and Incentives	-	-
Staff Welfare Expenses	0.26	0.36
<b>Total</b>	<b>5.46</b>	<b>7.78</b>

### 27 Finance Cost

Particulars	As At March 31, 2018	As At March 31, 2017
Interest Expenses	0.11	-
<b>Total</b>	<b>0.11</b>	<b>-</b>

### 28 Depreciation and amortization expenses

Particulars	As At March 31, 2018	As At March 31, 2017
Depreciation on tangible assets	0.17	0.17
<b>Total</b>	<b>0.17</b>	<b>0.17</b>

## 29 Other expenses

Particulars	As At March 31, 2018	As At March 31, 2017
Payment to Auditors	0.50	0.30
AMC Maintenance Paid	-	20.09
Rates & Taxes	3.21	0.49
Directors' Sitting Fees	4.48	0.80
Legal & Professional Charges	2.90	1.37
Communication Expenses	0.16	0.46
Printing & Stationery	2.12	0.43
Rent Expenses	0.61	1.31
Travelling & Conveyance Expenses	0.50	0.36
ROC Expenses	4.44	10.94
Advertisement Expenses	9.94	0.72
Listing and Processing Expenses	5.42	3.25
Security expenses	-	-
Other Expenses	3.99	1.86
<b>Total</b>	<b>38.27</b>	<b>42.36</b>

<b>*Detail of Payment to Auditors</b>		
Particulars	As At March 31, 2018	As At March 31, 2017
Audit Fee (Statutory and Tax Audit Fees)	0.50	0.30
<b>Total</b>	<b>0.50</b>	<b>0.30</b>

## 30 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following data reflects the inputs to calculation of basic and diluted EPS

Particulars	As At March 31, 2018	As At March 31, 2017
Net Profit after tax attributable to equity holders	60.73	1.75
	<b>60.73</b>	<b>1.75</b>
Weighted average no of equity shares outstanding during the year- for Both Basic and Diluted EPS	146.43	0.01
Face value of Equity Share ( INR )	10.00	10.00
Basic ( Reinstated of last year )	0.41	1,291.73
Diluted		

### 31 Current Tax and Deferred Tax

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Current Tax:</b>		
Current income tax:	22.59	6.11
Adjustments in respect of current income tax of previous period	0.60	-
<b>Deferred Tax:</b>		
Relating to origination and reversal of temporary differences	(0.05)	-
<b>Total</b>	<b>23.14</b>	<b>6.11</b>
<b>Income Tax on Other Comprehensive Income</b>		
<b>Particulars</b>	<b>For the Year ended March 31, 2018</b>	<b>For the Year ended March 31, 2017</b>
<b>Current Tax</b>	-	-
<b>Deferred Tax</b>		
Net loss/(gain) on remeasurements of defined benefit plans	-	-
<b>Total</b>	-	-
The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.		

### 32 Related party transactions

**a) Related party and nature of the related party relationship with whom transactions have taken place during the year**

**A) Subsidiary Companies**

Pritika Autocast Limited  
Nibber Castings Private limited  
Pritika Engineering Components  
Private Limited

**B) Key Management Personnel**

Mr. Harpreet Singh Nibber -  
Managing Director  
Mr. Raminder Singh Nibber - Director  
Mr. Ramesh Chander Saini - C.F.O  
Mr. Chetan Shinde (upto 16.05.2017)  
Mr. Vedant Bhat - Company Secretary

**C) Enterprises owned or Significantly influenced by Key Management Personnel or their Relatives**

Pritika Industries Limited



	Nature of Transactions During the year	Related Parties					
		Referred in A Above		Referred in B Above		Referred in C Above	
	<b>Income</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>
	Sales						
	Interest Received	95.80					
	<b>Expenditure</b>						
	Purchases						
	Director Remunerations						
	Salary to KMP's			4.80	2.40		
	Travelling fees						
	Interest Payment						
	Recovery of Other Expenses						
	Job Work						
	Allotment of shares			240.83	-	259.35	
	Reimbursement of expenses					1.05	
	Investment in shares	450.00		-			
	<b>Debtors</b>						
	Balance as at 31st March, 2018						
	Corporate Guarantee Given					65.53	
	<b>Loan &amp; Advances</b>						
	Net Loan Given/ (Taken) during the year - Net	3,739.19		(250.50)	-	1.50	
	Balance as at 31st March 2017-18 Debit/(Credit)	3,129.29		(9.68)	-	-	

### 33 Fair values

The carrying value and fair value of financial instruments by category:

Assets and liabilities carried at amortised cost							
	Particulars	Carrying Value			Fair Value		
		As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
	<b>Financial assets</b>						
	Other financial assets	3,130	501	-	3,130	501	-
	Trade Receivables	-	24	17	-	24	17
	Cash and cash equivalents	57	43	4	57	43	4
	Bank balances other than cash and cash equivalents	-	-	-	-	-	-
	Other current financial assets	391	416	331	391	416	331
	<b>Total</b>	<b>3,577</b>	<b>983</b>	<b>352</b>	<b>3,577</b>	<b>983</b>	<b>352</b>
	<b>Financial liabilities</b>						
	Borrowings	10	-	-	10	-	-
	Trade Payables	-	11	17	-	11	17
	Other Financial Liabilities	1	1	2	1	1	2
	<b>Total</b>	<b>11</b>	<b>11</b>	<b>18</b>	<b>11</b>	<b>11</b>	<b>18</b>

-There are no assets and liabilities which have been carried at fair value through the profit and loss account.

-There are no assets and liabilities which have been carried at fair value through the other comprehensive income.

-The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### 34 Capital Management

The company manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the capital deployment.

The company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirement are met through equity and long-term/short-term borrowings.

The company monitors the capital structure on the basis of total debt to equity ratio and maturity of the overall debt portfolio of the Company.

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
Debt	34	16	19
Less: cash and cash equivalents	(57)	(43)	(4)
<b>Net Debt (A)</b>	<b>-23</b>	<b>-27</b>	<b>15</b>
<b>Equity (B)</b>	<b>1,756</b>	<b>1,354</b>	<b>469</b>
<b>Gearing ratio (A/B)</b>	<b>-1%</b>	<b>-2%</b>	<b>3%</b>

### 35 First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2015 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

#### Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

Since there is no change in the functional currency, the company has elected to continue with the carrying value measured under the previous GAAP and use that carrying values as the deemed cost for property, plant and equipment on the transition date.

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Group has elected to measure all of property, plant and equipment at the previous GAAP carrying value.

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI at the date of transition to Ind AS.

The Group has elected to apply this exemption for its investment in equity instruments.

Ind AS 101 permits a first-time adopter to elect to continue with carrying value for all of its investments in subsidiaries as recognised in the financial statements as at the date of transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the company has elected to measure all of its investments in subsidiaries at their previous GAAP carrying value.

**36** The amounts and disclosures included in the financial statements of the previous year have been reclassified and regrouped where ever necessary.

37 The board of Directors vide Board meeting dated 29th May ,2018 has recommended Equity Dividend of Rs. 35.12 lakhs (0.20 per share of Rs. 10 each fully paid up ) and 7.22 lakhs of dividend distribution tax for the year ended 31st , March 2018 subject to approval of shareholders.

38 **Contingent Liabilities**

The Company has given Corporate Guarantee to Banks/Financial Institutions/Others on behalf of Subsidiaries Companies. The outstanding amount is Rs. 65.53 Crores.

As per our report of even date

For Koshal & Associates

Firm registration number:

121233W

Chartered Accountants

Sd/-

Koshal Maheshwari

Proprietor

Membership no.: 043746

Place: Mumbai

Date: 29-05-2018

Place: Mohali

Date: 29-05-2018

For and on behalf of Board of Directors

Sd/-

Harpreet Singh Nibber

(Managing Director)

DIN No. 00239042

Sd/-

Ramesh Chander Saini

C.F.O

Sd/-

Raminder Singh Nibber

(Director)

DIN No. 00239117

Sd/-

Vedant Bhatt

Company Secretary

M.No. A38641

**Independent Auditor's Report To the Members  
of PRITIKA AUTO INDUSTRIES LIMITED  
(Formerly known as Shivkrupa Machineries and Engineering Services Ltd)**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Pritika Auto Industries Ltd (Formerly known as Shivkrupa Machineries and Engineering Services Ltd) (hereinafter referred to as 'the holding Company'), which comprise the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss (including Other Comprehensive income), the consolidated cash flow statement and consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone financial statement').

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in s.134(5) of the companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and change in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective board of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the directors of the holding company, aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the auditors, referred to in the Other Matters paragraph below, the aforesaid consolidated Ind AS 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 including Ind AS, of the consolidated state of affairs of the group as at 31 March 2018 and its consolidated profit including other comprehensive income and their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

## Other Matters

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total net assets of Rs. 17566lakhs as on March 31, 2018, total revenues of Rs. 17458.76 lakhs and net cash flows amounting to Rs. 390.04 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose report have been furnished to us by the management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary companies, and our report in terms of Sub-Sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary companies, is based solely on such report of the other auditors.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

## Report on Other Legal and Regulatory Requirements

3. As required by Section 143 (3) of the Act, we report that:

- (h) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements.
- (i) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books and the report of the other auditors;
- (j) the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements;
- (k) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act;
- (l) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the group companies is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (m) 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 A"; which is based on the auditor's report of the subsidiary companies incorporated in India and
- (n) 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:
  - (j) the Group Companies does not have any pending litigations which would impact its financial position.

- (iv) The Group Companies did not have any long term contracts including long term contracts for which they were any material foreseeable losses.
- (v) There were no delay in amount which required to be transferred to the Investor Education and Protection Fund wherever applicable by the Group Companies.

**For Koshal & Associates**

*Chartered Accountants*

Firm's registration number: 121233W

**Koshal Maheshwari**

Proprietor

Membership number: 043746

Place: Mumbai

Dated: 29.05.2018

## **Annexure - A to the Auditors' Report**

### **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 **Pritika Auto Industries Ltd (Formerly known as Shivkrupa Machineries and Engineering Services Ltd)** ("the Holding Company") as of 31 March 2018 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company 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 ('ICAI'). 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 judgment, 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 unauthorised 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 Holding Company and its subsidiary company, which are incorporated in India, have, 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 31 March 2018, 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.

## **Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to consolidated financial statements of three subsidiaries which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

**For Koshal & Associates**

*Chartered Accountants*

Firm's registration number: 121233W

**Koshal Maheshwari**

*Proprietor*

Membership number: 043746

Place: Mumbai

Dated: 29.05.2018



**CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2018**

Particulars	Note	As At March 31, 2018	As At March 31, 2017
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	4,708.69	3,405.03
(b) Capital work in progress		726.18	241.24
-Intangible Assets		-	
(c) Financial Assets			
- Investments	4	1.00	1.00
- Other financial assets	5	71.19	34.56
(d) Deferred Tax Assets (net)	6	-	-
(e) Other Non-Current Assets	7	26.57	-
<b>Total Non Current Assets (A)</b>		<b>5,533.63</b>	<b>3,681.83</b>
<b>2. Current Assets</b>			
(a) Inventories	8	4,809.93	4,256.80
(b) Financial Assets			
- Trade Receivables	9	3,770.24	3,834.51
-Cash and Cash Equivalents	10	446.91	103.68
-Bank balances other than cash and cash equivalents	11	199.88	187.70
-Other Current Financial Assets	12	420.65	141.94
(c) Other Current Assets	13	2,721.56	952.11
<b>Total Current Assets (B)</b>		<b>12,369.17</b>	<b>9,476.74</b>
<b>TOTAL ASSETS ( A+ B)</b>		<b>17,902.80</b>	<b>13,158.57</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	14	1,755.95	1,354.20
(b) Other Equity	15	6,408.15	2,727.38
<b>Total Equity (A)</b>		<b>8,164.10</b>	<b>4,081.58</b>
<b>2. Non Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	16	1,911.07	753.07
(b) Provisions	17	-	-
(c) Deferred Tax Liabilities ( net )	18	121.66	172.60
<b>Total Non Current Liabilities ( B)</b>		<b>2,032.73</b>	<b>925.67</b>
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	19	3,332.30	3,340.35
-Trade Payables	20	1,712.67	1,567.25
- Other Financial Liabilities	21	1,927.66	2,618.88
( b) Other Current Liabilities	22	318.64	327.76
( c ) Provisions	23	414.70	297.06
<b>Total Current Liabilities ( C )</b>		<b>7,705.98</b>	<b>8,151.30</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>17,902.80</b>	<b>13,158.57</b>

As per our report of even date  
For Koshal & Associates  
Firm registration number: 121233W  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Sd/-

Koshal Maheshwari  
Proprietor  
Membership no.: 043746  
Place: Mumbai  
Date: 29-05-2018  
Place: Mohali

Harpreet Singh Nibber  
( Managing Director )  
DIN NO.00239042  
Sd/-  
Ramesh Chander Saini  
CFO

Raminder Singh Nibber  
( Director )  
DIN No. 00239117  
Sd/-  
Vedant Bhatt  
Company Secretary

**CONSOLIDATED PROFIT AND LOSS STATEMENT AS AT 31<sup>st</sup> MARCH, 2018**

Particulars	Note	For the Year ended March 31, 2018	For the Year ended March 31, 2017
I Revenue from operations	24	17,004.21	14,556.58
II Other Income	25	61.48	42.88
<b>III Total Income ( I+II)</b>		<b>17,065.69</b>	<b>14,599.47</b>
IV Expenses			
a) Cost of material consumed	26	10,738.09	9,055.80
b) Changes in inventories of finished goods , Work in progress and stock in trade	26(a)	(516.12)	(178.02)
c) Excise Duty		-	-
d) Employee benefits expense	27	1,024.40	961.72
e) Finance costs	28	559.39	657.51
f) Depreciation and amortization expense	29	568.04	501.96
g) Other Expenses	30	3,283.01	2,944.70
<b>Total Expenses (IV)</b>		<b>15,656.81</b>	<b>13,944.68</b>
V Profit /(Loss) before exceptional items and tax		<b>1,408.88</b>	<b>654.79</b>
VI Exceptional Items		-	-
VII Profit / (Loss) before tax		<b>1,408.88</b>	<b>654.79</b>
VIII Tax Expense:			
a) Current Tax	32	261.59	194.14
b) Adjustment of tax relating to earlier periods		(19.14)	5.08
c) Deferred Tax	32	(50.93)	(7.23)
d) Mat Credit Entitlement		110.87	38.71
Total tax expenses ( VIII )		302.39	230.71
IX Profit / (Loss ) for the period		<b>1,106.49</b>	<b>424.08</b>
X Other comprehensive income			
Items that will not to be reclassified to profit or loss		-	-
Re-measurement (gains)/ losses on defined benefit plans		-	-
<b>XI Total comprehensive loss for the period ( IX + X )</b>		<b>1,106.49</b>	<b>424.08</b>
Earnings per equity share( Nominal value of Rs. 10 /- per share )			
Basic	31	7.56	3.15
Diluted	31	7.56	3.15

As per our report of even date

For Koshal & Associates

Firm registration number: 121233W

Chartered Accountants

Koshal Maheshwari

Proprietor

Membership no.: 043746

Place: Mumbai

Date: 29-05-2018

Place: Mohali

Date: 29-05-2018

For and on behalf of the Board of Directors

Sd/-

Harpreet Singh Nibber

( Managing Director )

DIN NO.00239042

Sd/-

Ramesh Chander Saini

CFO

Sd/-

Raminder Singh Nibber

( Director)

DIN No. 00239117

Sd/-

Vedant Bhatt

Company Secretary

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2018**  
(Amount in INR in Lakhs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per statement of Profit & Loss	1,408.88	654.79
	Adjustments for:		
	- Depreciation and amortisation expense	568.04	501.96
	- Finance costs	559.39	657.51
	- Adjustment of earlier Year	(24.23)	
	- Profit on Sale of Fixed Assets	-	(1.02)
	<b>Operating profit before working capital changes</b>	<b>2,512.08</b>	<b>1,812.24</b>
	Adjustments for :		
	Increase/(Decrease) in Trade Payables	145.42	57.78
	Increase/(Decrease) in Other Current Liabilities	(706.20)	(142.00)
	Increase/(Decrease) in Short Term Provisions	47.60	24.21
	(Increase) / Decrease in Trade Receivables	64.27	(432.71)
	Increase / ( Decrease ) in Inventories	(553.14)	(366.33)
	(Increase) / Decrease in Short Term Advances	(278.71)	(607.72)
	(Increase) / Decrease in Other Current Assets	(1,832.66)	43.96
	<b>Cash generated from operations</b>	<b>(601.33)</b>	<b>389.43</b>
	Taxes paid	(261.59)	(71.34)
	<b>Net Cash from Operating Activities</b>	<b>(862.92)</b>	<b>320.09</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant & Equipment	(2,355.25)	(667.03)
	Sale of Property, Plant & Equipment	-	4.14
	Movement in fixed deposits (having original maturity of more than three months)	(12.17)	(187.70)
	Increase in other non-current investments	-	(2,718.49)
	<b>Net Cash used in Investing Activities</b>	<b>(2,367.42)</b>	<b>(3,569.08)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Long Term Loans Raised (Net )	1,158.00	298.34
	Short Term Loans Raised	-	4.66
	Increase in Share Capital	401.75	899.94
	Share premium	2,575.22	2,462.25
	Interest Paid	(559.39)	(657.51)
	<b>Net Cash from Financing Activities</b>	<b>3,575.58</b>	<b>3,007.68</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>345.24</b>	<b>(241.31)</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>101.68</b>	<b>342.99</b>
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>446.91</b>	<b>101.68</b>

**Notes:**

1.) The above Cash Flow Statement has been prepared under the indirect method set out in IND AS - 07 "Statement of Cash Flow".

2.) Figures in bracket indicates cash outflow

**As per our report of even date  
For Koshal & Associates  
Firm registration number: 121233W  
Chartered Accountants**

**Koshal Maheshwari  
Proprietor  
Membership no.: 043746  
Place: Mumbai  
Date: 29-05-2018  
Place: Mohali**

**Date: 29-05-2018**

**For and on behalf of the Board of Directors**

**Sd/-**

**Harpreet Singh Nibber  
( Managing Director )  
DIN NO.00239042**

**Sd/-**

**Ramesh Chander Saini  
CFO**

**Sd/-**

**Raminder Singh Nibber  
( Director)  
DIN No. 00239117**

**Sd/-**

**Vedant Bhatt  
Company Secretary**

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

## Note No. 1: Notes To The Financial Statement

### 1 GENERAL INFORMATION

Pritika Auto Industries Limited ( " the Company ") ( formerly known as Shivkrupa Machineries and Engineering Services Limited ) a Listed company domiciled in India was incorporated on 11.04.1980 and is engaged in the manufacturing of tractor and automobile components .The financial statements were approved for issue by the board of directors on May 29,2018.

### Note No. 2 : SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of Preparation of Financial Statements

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Upto the year ended March , 31, 2017 , the Company prepared its financial statements in accordance with the requirements of previous GAAP , which includes Standards notified under Section 133 of the Companies Act , 2013 read together with paragraph 7 of the Companies ( Accounts ) Rules , 2014 . These are the Company's first IND AS financial statements. The date of transition to IND AS is April 1 ,2016 Refer note 37 for the details of first time adoption exemptions availed by the Company. The subsidiary companies considered in these consolidated financial statements are as follows:

Name of the Company	Proportion of Ownership
Nibber Castings Private Limited	Wholly owned Subsidiaries
Pritika Engineering Components Private Limited	
Pritika Autocast limited	

2.2 The Company has prepared the opening balancesheet as per Ind AS as of April 1 ,2016 ( the transition date ) by recognising all assets and liabilities whose recognition is required by Ind AS , not recognising assets or liabilities which are not permitted by Ind AS, by reclassifying assets and liabilities from previous GAAP as required by Ind AS , and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company.

#### Principles of consolidation:

The financial statements are the first financial statements of the Group under Ind AS. Refer note 37 for an explanation of how the transition from previous GAAP to Ind AS has affected the group's financial performance and cashflows.

The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line-by-line basis by adding together like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and any unrealized profits/ losses unless the transaction provides evidence of an impairment of the transferred asset.

#### 2.3 Summary of Significant Accounting Policies

##### 2.3.1 Current versus non - current classification

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current-non current classification of assets and liabilities.

### 2.3.2

#### **Property, Plant and Equipment (PPE)**

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight-line method ("SLM"). Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.) that the revised useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

##### **Asset Useful life**

Buildings including factory buildings	30 years
General Plant and Machinery	15 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 years
Computers /servers and Network	3/6 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

### 2.3.3

#### **Intangible assets**

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss. The Company amortises intangible assets with a finite useful life using the straight-line method over the following range of useful lives:

##### **Asset Useful life**

Computer software	3 years
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The estimated useful life is reviewed annually by the management.

### 2.3.4

#### **Capital work-in-progress and intangible assets under development**

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

### 2.3.5

#### **Non-derivative financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### 2.3.6

#### **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

#### **Cash flow statement**

'Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

### 2.3.7

#### **Financial Assets**

##### **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income. Financial instruments (unquoted instruments) subsequent measurement are done through fair value through other comprehensive income (FVTOCI)

##### **Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

### 2.3.8

#### **Impairment**

##### **Financial assets (other than at fair value)**

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

##### **PPE and intangibles assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

### **2.3.9 Inventories**

Inventories are valued at lower of cost (First in First out) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including all taxes and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and net off recoverable taxes incurred in bringing them to their respective present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### **2.3.10 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, net of taxes or duties collected on behalf of the government.

However, sales tax/ value added tax (VAT)/Goods and Service tax (GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity/services by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

#### **Sale of goods**

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Interest Income**

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

#### **Dividend**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of inc one can be measured reliably).

#### **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

### **2.3.11 Leases**

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

#### **Operating Lease:**

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.



**Finance Lease:**

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

**2.3.12 Employee benefit expenses**

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences.

**(i) Post-employment benefit plans****Defined Contribution plans**

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan for qualifying employees. The provident fund is deposited with the Provident Fund Commissioner which is recognized by the Income Tax authorities.

**Defined benefit plans**

The Company operates various defined benefit plans- gratuity fund and Compensated absence.

The liability or asset recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income/ (expense) on the net defined benefit liability or as set is recognised in the Statement of Profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**Short term employee benefit**

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availing of encashment of such accrued benefit or where the availing or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

**2.3.13 Foreign currency translation**

The functional currency of the Company is Indian rupee. On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

**2.3.14****Borrowing cost**

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All the other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

**2.3.15****Income tax**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

**Current tax**

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**Deferred tax**

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**2.3.16****Accounting of provisions, contingent liabilities and contingent assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

### **2.3.17 Earnings per share (EPS)**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

### **2.3.18 Government Grants**

Government Grants are recognised only when there is reasonable assurance that the company will comply with the condition attaching to them and the grants will be received. Government grants are recognised in profit & loss on a systematic basis over the periods in which the company recognise as expenses the related cost of which the grant are intended to compensate.

## Annexures to Balance Sheet

A Equity Share Capital							
	Particulars	Balance as on April 1, 2016	Changes during the year	Balance as on March 31, 2017	Balance as on April 1, 2017	Changes during the year	Balance as on 31st March 2018
a)	<b>Authorised Share Capital</b>						
	2,00,00,000 (PY 1,50,00,000) Equity shares of Rs.10/- each	700	800	1,500	1,500	500	2,000
	<b>Total</b>	<b>700</b>	<b>800</b>	<b>1,500</b>	<b>1,500</b>	<b>500</b>	<b>2,000</b>
b)	<b>Issued, Subscribed And Fully Paid Up</b>						
	1,75,59,500 (PY 1,35,42,000) Equity shares of Rs.10/- each	469	885	1,354	1,354	402	1,756
	<b>Total</b>	<b>469</b>	<b>885</b>	<b>1,354</b>	<b>1,354</b>	<b>402</b>	<b>1,756</b>

B Other Equity								
Particulars	Equity component of compound financial instruments	Reserves and Surplus				Other comprehensive income		Total
		Securities premium	Capital Subsidy Reserve	Capital Reserve	Retained earnings	Actuarial Gain / (Loss)	Unrealised Gain	
<b>Balance as at April 1, 2016</b>								
Balance at the beginning of the reporting period	-	-	-	-	(5.34)	-	-	(5.34)
Profit / Addition during the year	-	2,424.76	-	-	20.46	-	-	2,445.22
Transfer to retained earnings	-	-	-	288.58	-	-	-	288.58
Mat Adjustment					(1.08)			(1.08)
Transfer from Other comprehensive income to retained earning	-	-	-	-	-	-	-	-
<b>Balance as at March 31 , 2017</b>	-	<b>2,424.76</b>	-	<b>288.58</b>	<b>14.04</b>	-	-	<b>2,727.38</b>
<b>Balance as at April 1, 2017</b>								
Balance at the beginning of the reporting period	-	2,424.76	-	288.58	14.04	-	-	2,727.38
Profit / Addition during the year	-	2,575.22	-	-	1,106.49	-	-	3,681.71
Capital reserve to retained earning				(0.96)				(0.96)
Transfer from Other comprehensive income to retained earning	-	-	-	-	-	-	-	-
<b>Balance as at March 31 , 2018</b>	-	<b>4,999.98</b>	-	<b>287.62</b>	<b>1,120.53</b>	-	-	<b>6,408.15</b>

3. Property,Plant and Equipment

Particulars	Air Conditioner	Computers	D.G Set	Furniture & Fixtures	Office Equipment	Vehicle	Weigh Bridge	Free hold Land	Site Development	Building	Electric Fitting	Plant & Machinery	Building Other Than Factory Building	Total	Building under Construction	Capital Work in Progress	Total CWIP
Cost or Deemed Cost																	
At April 1 , 2016		0.83												0.83			-
Addition/ Adjustment	2.24	3.15	38.69	8.54	6.54	158.29	0.88	-	69.31	646.83	159.94	2,791.05	23.82	3,909.27	39.73	201.52	241.24
Transfer / Sale	-	-	-	-	-	(25.80)	-	-	-	-	-	-	-	(25.80)	-	-	-
At March 31 , 2017	2.24	3.98	38.69	8.54	6.54	132.48	0.88	-	69.31	646.83	159.94	2,791.05	23.82	3,884.31	39.73	201.52	241.24
At April 1 , 2017	2.24	3.98	38.69	8.54	6.54	132.48	0.88	-	69.31	646.83	159.94	2,791.05	23.82	3,884.31	39.73	201.52	241.24
Addition/ Adjustment	-	0.56	-	2.94	0.54	0.67	-	696.10	-	95.65	97.06	995.50	-	1,889.02	40.04	1,069.46	1,109.50
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	(18.71)	-	(18.71)	(61.70)	(562.87)	(624.57)
At March 31 , 2018	2.24	4.54	38.69	11.47	7.09	133.16	0.88	696.10	69.31	742.48	257.01	3,767.85	23.82	5,754.62	18.07	708.11	726.18
Depreciation and Impairment																	
At April 1 , 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Addition	0.52	0.75	8.70	1.56	2.43	30.40	0.26	-	-	35.58	24.46	395.77	1.52	501.96	-	-	-
Transfer / Sale	-	-	-	-	-	(22.69)	-	-	-	-	-	-	-	(22.69)	-	-	-
At March 31 , 2017	0.52	0.75	8.70	1.56	2.43	7.71	0.26	-	-	35.58	24.46	395.77	1.52	479.28	-	-	-
At April 1 , 2017	0.52	0.75	8.70	1.56	2.43	7.71	0.26	-	-	35.58	24.46	395.77	1.52	479.28	-	-	-
Addition	0.54	0.93	5.80	2.62	1.30	33.95	0.26	-	-	37.77	62.81	421.05	1.01	568.04	-	-	-
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	(1.38)	-	(1.38)	-	-	-
At March 31 , 2018	1.06	1.68	14.50	4.18	3.73	41.66	0.53	-	-	73.34	87.28	815.43	2.54	1,045.94	-	-	-
Net Carrying Amount as on 31/03/2017	1.71	3.22	30.00	6.97	4.11	124.77	0.61	-	69.31	611.25	135.48	2,395.29	22.30	3,405.03	39.73	201.52	241.24
Net Carrying Amount as on 31/03/2018	1.18	2.85	24.19	7.29	3.35	91.49	0.35	696.10	69.31	669.14	169.73	2,952.41	21.28	4,708.69	18.07	708.11	726.18

The Gross block of each class of Property , plant and equipment has been netted off with their respective accumulated depreciation balances as at April 1,2016 under previous GAAP to arrive at the deemed cost for the purpose of opening Ind AS balance sheet.

**4 Investments****(Amt In Lacs)**

Particulars	As At March 31, 2018	As At March 31, 2017
Investments carried at Fair Value through Other Comprehensive Income (FVOCI)		
Investments in Equity Instruments fully paid up (Quoted)	-	-
Investments in Equity Instruments fully paid up (Unquoted)		
Shares in Shivalik Solid Waste Management Limited ( 10,000 Equity shares of Rs. 10/- )	1	1
<b>Total</b>	<b>1</b>	<b>1</b>
Aggregate book value/Market value of unquoted investments	1	1
Aggregate market value of quoted investments	-	-

**5 Other financial Assets**

Particulars	As At March 31, 2018	As At March 31, 2017
Security Deposits	71.19	34.56
<b>Total</b>	<b>71.19</b>	<b>34.56</b>

**6 Deferred tax assets(Net)**

Particulars	As At March 31, 2018	As At March 31, 2017
Opening Balance	-	-
Created during the period:	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

**7 Other non-current Assets**

Particulars	As At March 31, 2018	As At March 31, 2017
Unamortised Cost	21.35	-
Pre-operative Expense	5.22	-
<b>Total</b>	<b>26.57</b>	<b>-</b>

**8 Inventories**

Particulars	As At March 31, 2018	As At March 31, 2017
Raw Materials	1,129.90	1,053.99
Store & Spares	140.85	185.65
Work in Process	3,533.28	3,017.16
Material in Transit ( raw material )	5.91	-
<b>Total</b>	<b>4,809.93</b>	<b>4,256.80</b>

Inventories are carried at lower of cost and net realizable value.

## 9 Trade Receivables

Particulars	As At March 31, 2018	As At March 31, 2017
Unsecured, Considered Good.	3,770.24	3,834.51
<b>Total</b>	<b>3,770.24</b>	<b>3,834.51</b>
Note :- No amounts are receivable from directors or other officers of the company either severally or jointly with any other person or from by the firms or private companies in which any director is a partner or a director or a member.		

## 10 Cash and Cash Equivalents

Particulars	As At March 31, 2018	As At March 31, 2017
Balances with banks		
- in current accounts	437.86	93.90
Cash on Hand	9.06	9.77
<b>Total</b>	<b>446.91</b>	<b>103.68</b>

## 11 Bank balances other than Cash and Cash Equivalents

Particulars	As At March 31, 2018	As At March 31, 2017
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months)	199.88	187.70
<b>Total</b>	<b>199.88</b>	<b>187.70</b>

## 12 Other Current Financial Assets

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Unsecured Considered Good</b>		
Loan given to others	390.63	-
Advance to Staff	0.85	1.66
Mat Credit Entitlement	29.17	140.28
<b>Total</b>	<b>420.65</b>	<b>141.94</b>

## 13 Other Current Assets

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Unsecured , Considered good</b>		
Prepaid expenses	6	7
Balance with Income tax and other authorities	314.09	87.97
Advance to Suppliers and others	2,338.46	854.67
Advance to Related Party	-	-
Other Receivable	63.50	2.10
<b>Total</b>	<b>2,721.56</b>	<b>952.11</b>

## 14 Equity Share Capital

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Authorised</b>		
2,00,00,000 (PY 1,50,00,000) Equity shares of Rs.10/- each	2,000.00	1,500.00
<b>Issued, subscribed and fully paid-up</b>		
1,75,59,500 (PY 1,35,42,000 ) Equity shares of Rs.10/- each	1,755.95	1,354.20
<b>Total</b>	<b>1,755.95</b>	<b>1,354.20</b>

### (a) Reconciliation of shares outstanding at the beginning and at the end of the period

Particulars	No of shares	Amount
<b>Equity Shares</b>		
<b>At April 1, 2016</b>	46.93	469.25
Add: Issued during the period	88.50	-
<b>At March 31, 2017</b>	135.42	1,354.20
Add: Issued during the period	40.18	-
<b>At March 31, 2018</b>	<b>175.60</b>	<b>1,755.95</b>

### (b) Term/ right attached to equity shares:

The Company has only one class of equity share having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (c ) Details of share held by each shareholder holding more than 5 % shares ;

Particulars	As At March 31, 2018	As At March 31, 2018	As At March 31, 2017	As At March 31, 2017
	<b>Amount</b>	<b>% of holding</b>	<b>Amount</b>	<b>% of holding</b>
<b>Equity Shares</b>				
Harpreet Singh Nibber	205.49	11.70%	175.67	12.97%
Raminder Singh Nibber	117.12	6.67%	106.12	7.84%
Pritika Industries Limited	491.03	27.96%	456.02	33.67%

## 15 Other Equity

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Retained Earnings</b>		
Opening balance '	14.04	(5.34)
Net Profit / (loss ) for the year	1,106.50	20.46
Mat Adjustment	-	(1.08)
Trf to retained earning		
<b>Closing balance</b>	<b>1,120.54</b>	<b>14.04</b>
<b>(B) Securities Premium</b>		
Opening Balance (SP)	2,424.76	
Securities Premium during the year	2,575.22	2,424.76
<b>Closing balance (B)</b>	<b>4,999.98</b>	<b>2,424.76</b>
<b>( C ) Capital reserve</b>	<b>288.58</b>	<b>288.58</b>
During the year	(0.96)	
<b>Closing Capital Reserve</b>	<b>287.62</b>	<b>288.58</b>
<b>Total</b>	<b>6,408.15</b>	<b>2,727.38</b>



## 16 Borrowings

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Secured</b>		
<b>Term Loan</b>		
<b>(a) Secured *</b>		
- From Banks	1,380.61	324.34
- From Financial Institutions / NBFC	383.99	298.71
<b>(b) Unsecured</b>		
- From Financial Institutions / NBFC '	71.41	109.45
- From Directors	75.06	20.58
<b>Total</b>	<b>1,911.07</b>	<b>753.07</b>

### Note No.16: Details of Securities and Terms of Repayment

#### I. Secured : Term loans from Banks

##### Canara Bank

Secured by first charge by way of hypothecation of Trade receivables, Inventories, other current assets and Plant and Machinery of the company including land & Building. These loans are also personally guaranted by directors Namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber. Moreover Pritika Industries Limited and Nibber Castings Private Limited had given separate corporate guarantee amounting to Rs 26.59 Cr each to Canara Bank was given on 05-03-2013 and still alive. Moreover Pritika Auto Industries Limited (Formerly known as Shivkrupa Machineries and Engineering Services Limited) had given separate corporate guarantee amounting to Rs 14.86 Cr to Canara Bank on 28-03-2018 and still alive.

Particulars	As At March 31, 2018	As At March 31, 2017
1.The Vehicle loan of Rs 8.30 lacs repayable in 44 monthly installments of Rs 0.23 lacs including interest.Current rate of interest is 10.50%	-	-
2.The term loan of Rs 112 lacs repayable in 72 monthly installments comprising of 71 monthly installments of Rs 1.56 lacs and last monthly installment of Rs 1.24 lacs. (Interest rate is base rate plus 2.25%, Presently 13.75%.)	26.20	44.92
3. The term loan of Rs 200 lacs repayable in 60 monthly installments of Rs 3.33 lacs. Interest rate is base +3.25%	80.00	120.00
4.The term loan of Rs 125 lacs repayable in 84 monthly installments comprising of first 83 monthly installemnts of Rs 1.50 lacs and one installement of 0.50 Lacs . Current rate of interest is 14.45%.	12.03	30.09
5. The Vehicle loan of Rs 6.50 lacs repayable in 48 monthly installments of Rs 0.17 lacs. (Base Rate +0.50%, Presently 10.70%)	2.16	3.72
6. The Vehicle loan of Rs 3.00 lacs repayable in 60 monthly installments of Rs 0.06 lacs. (Base Rate +0.30%, Presently 10.30%)	1.49	2.07
7. The Term Loan of Rs 75 lacs repayable in 72 Installments of Rs 1.05 Lacs and one monthly installment of 0.45 lacs excluding interest part (Base rate +3.25%)	28.39	41.49
8. The Term Loan of Rs 2.73 lacs repayable in 36 Installments of Rs 0.09 Lacs current rate of interest is 9.95%	1.11	1.98
9.The Term Loan of Rs. 96.00 lacs repayable in 60 monthly installments of Rs.1.60 lacs excluding interest part @ 12.90%	9.62	28.88
10. The Term Loan of Rs. 150 lacs repayable in 20 quarterly Installments of Rs. 7.50 lac each excluding interest part @ 13.85%	-	-
11. Vehicle Loan of Rs.6.30 lacs repayable in 60 Monthly Installments of Rs. 13,610/- each including interest part @9.65%.	0.94	2.38
12. Working Capital Term Loan of Rs. 220.00 lacs repayable in 72 Monthly Installments of Rs.3.06 lacs each excluding interest part @12.90% having 12 month moratorium period.	110.85	147.84

13. Working Capital Term Loan of Rs. 150.00 lacs repayable in 60 monthly installment of Rs. 2.50 lacs each excluding interest part @ 13.85 % .	150.00	-
14. The Term Loan of Rs. 265.00 lacs repayable in 60 monthly installments of Rs.2.50 lacs excluding interest part @ 13.50% with a moratorium period of 6 Months .	104.25	-
15. The Term loan of Rs 1286 lacs repayable in 107 monthly installments .Current rate of interest is 12.40% p.a with a monotoriaum period 8 month from the date of COD:31.07.2018	985.07	-
16. Vehicle Loan of Rs.50.00 lacs repayable in 60 Monthly Installments of Rs.1,05,866/- each including interest part @8.90%.	36.97	45.62
<b>TOTAL</b>	<b>1,549.09</b>	<b>468.98</b>
Less: Amount shown in Other Financial liabilities in Note No. 21 towards Current Maturities of Loans.	177.77	158.50
<b>Amount shown as Loan</b>	<b>1,371.31</b>	<b>310.49</b>

## II Secured Loans from others

Secured by first charge by way of hypothecation of vehicles purchased out these loan funds.		
Particulars	As At March 31, 2018	As At March 31, 2017
1. <b>ICICI Bank</b> : The Vehicle loan of Rs 5.65 lacs repayable in 60 monthly installments comprising of 59 monthly installments of Rs 0.116 lacs each and last monthly installments of Rs 0.09 Lacs (including interest part).current Interest rate is 8.75%.	4.70	5.65
2. <b>ICICI Bank</b> : Vehicle Loan of Rs. 4.50 lacs repayable in 60 Monthly Installments of Rs.11,500/- each including interest part @11.70%) .	1.99	2.94
3. <b>HDFC Bank</b> : Vehicle Loan of Rs.12.00 lacs repayable in 60 Monthly Installments of Rs.25,179/- each including interest part	7.14	9.39
<b>Total</b>	<b>13.83</b>	<b>17.98</b>
Less: Amount shown in Other Financial liabilities in Note No. 21 towards Current Maturities of Loans.	4.53	4.13
Amount shown as Loan	9.30	13.85
<b>GRAND TOTAL OF SECURED LOANS FROM BANKS</b>	<b>1,380.61</b>	<b>324.34</b>

## I(II) Secured Loans

A. Loans from Financial Institutions ( SIDBI )		
Secured by first charge by way of hypothecation of all the moveable including plant, machinery and equipment acquired/to be acquired under the project/scheme. These loans are personally guaranteed by directors namely S. Raminder Singh Nibber and S. Harpreet Singh Nibber.		
Particulars	As At March 31, 2018	As At March 31, 2017
1. The term loan of Rs 850.00 lacs repayable in 87 monthly installments comprising of first 12 monthly installments of comprising of Rs 0.25 lacs Each, the next 12 monthly installments comprising of Rs 2.00 lacs each the next 12 Monthly installments of comprising of Rs 5.00 lacs each the next 12 Monthly installments of comprising of Rs 8.00 lacs each the next 39 Monthly Instalment of Rs. 15.35 lac (excluding interest part). Current Interest rate is 10.50%).	-	-
2. The term loan of Rs 125 lacs repayable in 48 monthly installments comprising of first 47 installments of Rs 2.60 lacs and last installments being Rs 2.80 lacs, Total 48th Instalment. Current Interest rate is 14.00%.	-	-

3. The term loan of Rs 90 lacs repayable in 72 monthly installments of Rs 1.25 lacs (excluding interest part). Current Interest rate is 12.15%.	90.00	-
4. The term loan of Rs 225 lacs repayable 54 monthly installments comprising of 53 monthly installments of Rs 4.15 lacs and 1 monthly installments of Rs 5.05 lacs (excluding interest part). Current Interest rate is 12.95%.	150.30	200.10
5. The term loan of Rs 130 lacs repayable in 72 monthly installments comprising of 24 monthly installments of Rs 0.25 lacs and 12 monthly installments of Rs 0.50 lacs each and next 12 monthly installments of Rs 2.00 lacs each and next 12 monthly installment of Rs 3.00 lacs each and next 11 installment of rs.5.00 lacs each and the last installment of rs.3.00 lacs (excluding interest part). Current Interest rate is 9.35%.	129.25	130.00
6. The term loan of Rs 20 lacs repayable in 72 monthly installments comprising of 71 monthly installments of Rs 0.28 lacs each and 1 monthly installments of Rs 0.12lacs (excluding interest part). Current Interest rate is 9.35%.	19.16	20.00
7. SIDBI: Term Loan of Rs. 75 Lacs repayable in 54 monthly installments comprising of first 53 installments of Rs. 1.39 lacs each and last i.e 54th Installment of Rs. 1.33 lacs @ 9.60 %	69.79	-
8. SIDBI: Soft Loan of Rs. 10 Lacs repayable in 54 monthly installments comprising of first 53 installments of Rs. 18,500 each and last i.e 54th Installment of Rs. 19500 @ 8.95 %	9.30	-
<b>Total</b>	<b>467.80</b>	<b>350.10</b>
Less: Amount shown in Other Financial liabilities in Note No. 21 towards Current Maturities of Loans.	83.81	51.39
Amount shown as Loan	383.99	298.71
<b>GRAND TOTAL OF UNSECURED LOANS FROM OTHERS</b>	<b>383.99</b>	<b>298.71</b>

## II Unsecured Loans

### A. From NBFC/Financial Institutions

Particulars	As At March 31, 2018	As At March 31, 2017
(1) <b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 2.5 Cr. repayable 18 monthly installments comprising of Rs 15.56 lacs each (Including interest part). Current Interest rate is 14.75%	-	-
(2) <b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 100 lacs repayable 24 monthly installments comprising of Rs 4.80 lacs each (Including interest part). Current Interest rate is 14.00%	33.17	74.82
(3) <b>Punjab Reliable Investment Ltd:</b> Loan of Rs 16.50 Lacs for machinery repayable in 47 installments comprising of first 16 installments of Rs 0.60 lacs each, next 16 installments of Rs 0.46 lacs each, last 15 installments of Rs 0.28 lacs each (Including interest part). Interest rate is 7.16% flat	7.23	11.90
(4) <b>Punjab Reliable Investment Ltd:</b> Loan of Rs 20 Lacs for machinery repayable in 47 installments comprising of first 16 installments of Rs 0.75 lacs each, next 15 installments of Rs 0.58 lacs each, last 16 installments of Rs 0.35 lacs each (Including interest part). Interest rate is 8.51%	-	-
(5) <b>Hero Fincorp Ltd.:</b> The Loan of Rs. 93.00 lacs repayable in 120 Monthly Installments of Rs.1,41,616/- each including interest part @13.50%).	75.64	82.08
(6). Neo Growth Credit Private Ltd: Loan of Rs 51 Lacs repayable in 24 fortnightly installments comprising of Rs 2.40 lacs each (Including interest part).	37.36	-
Less: Amount shown in Other Financial liabilities in Note No. 21 towards Current Maturities of Loans.	81.99	59.35
<b>Amount shown as Loan</b>	<b>71.41</b>	<b>109.45</b>

**17 Provisions**

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Provision for Employee Benefits</b>		
Leave encashment	-	-
Provision for Gratuity	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**18 Deferred Tax Liabilities (net)**

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Deferred Tax</b>		
Relating to the origination and reversal of temporary Differences	121.66	172.60
<b>Total</b>	<b>121.66</b>	<b>172.60</b>

**19 Borrowings**

Particulars	As At March 31, 2018	As At March 31, 2017
<b>Secured</b>		
From Bank- Cash Credit - Loan Repayable on Demand	3,332.30	3,340.35
<b>Total</b>	<b>3,332.30</b>	<b>3,340.35</b>

**20 Trade Payables**

Particulars	As At March 31, 2018	As At March 31, 2017
Trade payables	1,712.67	1,567.25
<b>Total</b>	<b>1,712.67</b>	<b>1,567.25</b>

**21 Other Financial Liabilities**

Particulars	As At March 31, 2018	As At March 31, 2017
Current Maturities of Long term Loans	348.11	396.19
Interest Accrued but not due on borrowings	4.05	2.49
Creditors for Capital Expenditure	164.12	183.41
Creditors for Expenses	1,319.20	1,009.08
Payable to Related Parties	-	937.46
<b>Employee Related Liabilities</b>		
Salaries and Wages payable	57.55	62.13
Other Employee related payments	34.64	28.12
<b>Total</b>	<b>1,927.66</b>	<b>2,618.88</b>

**22 Other Current Liabilities**

Particulars	As At March 31, 2018	As At March 31, 2017
Advances from Customers	0.18	6.20
Statutory dues payable	159.63	161.55
Other Liabilities	158.83	160.01
<b>Total</b>	<b>318.64</b>	<b>327.76</b>

## 23 Provisions

Particulars	As At March 31, 2018	As At March 31, 2017
Provision for Gratuity '	136.40	86.30
Provision for Leave encashment	16.97	19.46
Provision for Income Tax	261.33	191.30
Other provision	-	-
<b>Total</b>	<b>414.70</b>	<b>297.06</b>

## SCHEDULES TO PROFIT AND LOSS STATEMENT

### 24 Revenue from Operations

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Sale of Products ( Net of Sales Returns )	19,806.60	15,794.18
Less :- Indirect Taxes (Service Tax , VAT and GST )	3,014.95	1,237.59
<b>Total</b>	<b>16,791.66</b>	<b>14,556.58</b>
Other Operating Income	212.55	-
<b>Total</b>	<b>17,004.21</b>	<b>14,556.58</b>

### 25 Other Income

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Interest received on deposits with banks and others	58.40	39.49
Misc Receipt	3.08	2.37
Profit on Sale of Fixed Asset	-	1.02
<b>Total</b>	<b>61.48</b>	<b>42.88</b>

### 26 Cost of materials consumed

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>Raw material and components consumed</b>		
Inventory at the beginning of the year-Raw Materials	1,053.99	904.66
Inventory at the beginning of the year-Stores ,Spares, Packing Material	185.65	139.91
<b>Total</b>	<b>1,239.64</b>	<b>1,044.57</b>
<b>Purchases</b>		
Raw Materials	10,573.88	8,496.96
Others-include consumables	195.31	751.90
<b>Total</b>	<b>10,769.20</b>	<b>9,248.86</b>
Less: Inventory at the end of the year - Raw Materials	1,129.90	1,053.99
Less: Inventory at the end of the year- Stores, Spares and Packing Material	140.85	185.65
<b>Total</b>	<b>10,738.09</b>	<b>9,055.80</b>

### 26(a) Changes in inventories of finished goods , Work in progress and stock in trade

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>1. Opening inventories</b>		
Stock in Process	3,017.16	2,839.14
Finished Goods	-	-
<b>2. Closing inventories</b>		
Stock in Process '	3,533.28	3,017.16
Finished Goods	-	-
	<b>(516.12)</b>	<b>(178.02)</b>

### 27 Employee Benefits Expense

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Salaries and wages	615.12	606.13
Director Remuneration	112.00	102.00
Contribution to Provident and ESI Funds	55.33	47.30
Bonus and Incentives	140.94	141.27

Staff Welfare Expenses	39.69	20.39
Group Gratuity & Earned Leave	54.29	35.35
Other Expenses	7.03	9.26
<b>Total</b>	<b>1,024.40</b>	<b>961.72</b>

## 28 Finance Cost

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Interest Expenses	432.02	633.27
Other Interest Expenses	127.37	24.24
<b>Total</b>	<b>559.39</b>	<b>657.51</b>

## 29 Depreciation and amortisation expenses

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Depreciation on tangible assets	568.04	501.96
<b>Total</b>	<b>568.04</b>	<b>501.96</b>

## 30 Other Expenses

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>(a) Manufacturing Expenses</b>		
Cartage & Forwarding	14.41	15.37
Power & Fuel	1,606.95	1,436.44
Contractual Job Work Expenses	352.22	355.28
Repair & Maintenance		
– Building	2.87	7.78
– Machinery	36.51	31.33
Workshop expenses\Foundry expenses	560.55	569.76
Calibration Expenses	2.18	2.90
Factory Rent	1.32	2.63
Other Manufacturing Expenses	69.77	63.17
<b>Total</b>	<b>2,646.77</b>	<b>2,484.65</b>
<b>(b) Administrative &amp; Selling Expenses</b>		
Payment to Auditors	4.60	2.95
Rates & Taxes	35.59	77.40
Directors' Sitting Fees	4.48	-
Insurance	22.28	16.29
Legal & Professional Charges	37.09	38.57
Communication Expenses	9.20	11.25
Printing & Stationery	10.72	8.46
Vehicle Running Expenses	37.38	35.67
Travelling & Conveyance Expenses	78.62	48.13
Rent Expenses	0.61	-
ROC Expenses	4.44	-
Advertisement Expenses	9.94	-
Listing and Processing Expenses	5.42	3.25
Rebates and Discount	90.51	95.74
Freight Outward	198.29	10.40
Repairs and Maintenance others	2.10	2.83
Security expenses	17.81	17.89
AMC Paid	-	20.09
Other Expenses	67.16	71.14
<b>Total</b>	<b>3,283.01</b>	<b>2,944.70</b>

### 31 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>Net Profit after tax attributable to equity holders</b>	<b>1,106.49</b>	<b>424.08</b>
Weighted average no of equity shares outstanding during the year- for Both Basic and Diluted EPS	146.43	135.42
Face value of Equity Share ( INR )	10.00	10.00
Basic and Diluted	7.56	3.13

### 32 Current Tax and Deferred Tax

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>Current Tax:</b>		
Current income tax:	353	238
Adjustments in respect of current income tax of previous period	-	-
<b>Deferred Tax:</b>		
Relating to origination and reversal of temporary differences	(51)	(7)
<b>Total</b>	<b>302</b>	<b>231</b>

### Income Tax on Other Comprehensive Income

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>Current Tax</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax</b>		
Net loss/(gain) on re-measurements of defined benefit plans	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

### 33 Related party transactions

**a) Related party and nature of the related party relationship with whom transactions have taken place during the year**

#### **A) Key Management Personnel**

Mr. Harpreet Singh Nibber - Managing Director

Mr. Raminder Singh Nibber - Director

Mr. Ramesh Chander Saini - C.F.O

Mr. Vedant Bhatt - Company Secretary

#### **B) Subsidiary Companies**

Pritika Autocast Limited

Nibber Castings Private limited

Pritika Engineering Components Private Limited

#### **C) Enterprises owned or Significantly influenced by Key Management Personnel or their Relatives**

Pritika Industries Limited



	Nature of Transactions During the year	Related Parties (Rs. in lac)					
		Referred in A Above		Referred in B Above		Referred in C Above	
	Income	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
	Sales	-	-	-	-	1,514.07	1,307.66
	Other Income	-	-	-	-	-	-
	<b>Expenditure</b>	-	-	-	-	-	-
	Purchases	-	-	-	-	8,476.07	7,167.59
	Director Remunerations	112.00	102.00	-	-	-	-
	Salary to KMP's	59.74	30.97	-	-	-	-
	Travelling Expenses	43.87	11.58				
	Interest Payment	-	-	-	-	-	-
	Recovery of Other Expenses	-	-	-	-	-	-
	Job Work	-	-	-	-	-	-
	<b>Debtors</b>	-	-	-	-	-	-
	Balance as at 31st March, 2018	-	-	-	-	(2,475.54)	(125.56)
	Corporate Guarantee given					42.82	42.82
	<b>Loan &amp; Advances</b>	-	-	-	-	-	-
	Net Loan Given/ (Taken) during the year - Net	22.76	-	-	-	-	46.27
	Balance as at 31st March 2017-18 Debit/(Credit)	22.76	-	-	-	-	-

34	<b>Disclosure pursuant to Accounting Standard 15 (Revised 2005) on Employee benefit</b>
	The employees gratuity fund scheme is managed by Life Insurance Corporation of India (LIC) a defined benefit plans. Detailed disclosure requirement as per Ind AS 19 "Employee Benefits" for Gratuity is not provided due to non-availability of requisite information for the presentation as no such information is available. The present value of obligation for leave encashment is determined based on actuarial valuation using projected unit credit method, which recognize each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for short term compensated absences is recognized on basis for the accumulated leave which an employee can encash.

Defined Contribution Plan:	Current Year	Previous Year
Employer's Contribution to Provident Fund	45.43 Lacs	35.12 Lacs

35	Fair values						
	The carrying value and fair value of financial instruments by category:						
	Assets and liabilities carried at amortised cost						
	Particulars	Carrying Value			Fair Value		
		As At March 31, 2018	As At March 31, 2017	As At April 01, 2016	As At March 31, 2018	As At March 31, 2017	As At April 01, 2016
	Financial assets						
	Other financial assets	71	35	-	71	35	-
	Trade Receivables	3,770	3,835	17	3,770	3,835	17
	Cash and cash equivalents	447	104	4	447	104	4
	Bank balances other than cash and cash equivalents	200	188	-	200	188	-
	Other current financial assets	421	142	0	421	142	0
	Total	4,909	4,302	21	4,909	4,302	21
	Financial liabilities						
	Borrowings	5,243	4,093	-	5,243	4,093	-
	Trade Payables	1,713	1,567	17	1,713	1,567	17
	Other Financial Liabilities	1,928	2,619	-	1,928	2,619	-
	Total	8.884	8.280	17	8.884	8.280	17

- There are no assets and liabilities which have been carried at fair value through the profit and loss account.
- There are no assets and liabilities which have been carried at fair value through the other comprehensive income.
- The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### 36 Capital Management

The company manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the capital deployment.

The company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirement are met through equity and long-term/ short-term borrowings.

The company monitors the capital structure on the basis of total debt to equity ratio and maturity of the overall debt portfolio of the Company.

Particulars	As At March 31, 2018	As At March 31, 2017
Debt	5,243	4,093
Less: cash and cash equivalents	(647)	(291)
<b>Net Debt (A)</b>	<b>4,597</b>	<b>3,802</b>
<b>Equity (B)</b>	<b>8,164</b>	<b>4,082</b>
<b>Gearing ratio (A/B)</b>	<b>0.56</b>	<b>0.93</b>

### 37 First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2015 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

#### Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following:

Since there is no change in the functional currency, the company has elected to continue with the carrying value measured under the previous GAAP and use that carrying values as the deemed cost for property, plant and equipment on the transition date.

Appendix C to Ind AS17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS17, this assessment should be carried out at the inception of the contract or arrangement. However, the company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Group has elected to measure all of property, plant and equipment at the previous GAAP carrying value.

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI at the date of transition to Ind AS. The Group has elected to apply this exemption for its investment in equity instruments.

### 38. Contingent Liabilities

The Company has given Corporate Guarantee to Banks/Financial Institutions/Others on behalf of its Subsidiary Companies. The outstanding amount is Rs. 65.53 Crores.

39. The amounts and disclosures included in the financial statements of the previous year have been reclassified and regrouped where ever necessary.

**As per our report of even date**

**For Koshal & Associates**

**Firm registration number: 121233W**

**Chartered Accountants**

**Koshal Maheshwari**

**Proprietor**

**Membership no.: 043746**

**Place: Mumbai**

**Date: 29-05-2018**

**Place: Mohali**

**Date: 29-05-2018**

**For and on behalf of the Board of Directors**

**Sd/-**

**Harpreet Singh Nibber**

**( Managing Director )**

**DIN NO.00239042**

**Sd/-**

**Ramesh Chander Saini**

**CFO**

**Sd/-**

**Raminder Singh Nibber**

**( Director)**

**DIN No. 00239117**

**Sd/-**

**Vedant Bhatt**

**Company Secretary**

**Pritika Auto Industries Limited**

Regd off: Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar Mohali Punjab - 160055

**CIN: L45208PB1980PLC046738**

**ATTENDANCE SLIP**

To be handed over at the entrance of the Meeting Hall

For Physical Holding	For Electronic Form (Demat) NSDL/CDSL		No. of Shares Held
LF No.	DP ID	CLIENT ID	

I hereby record my presence at the Annual General Meeting of the Company, being held on Thursday, the 27th September, 2018 at 11:30 A.M. at Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar Mohali Punjab - 160055.

<b>FULL NAME AND ADDRESS OF THE MEMBER/JOINT MEMBER(S) / PROXY (IN CAPITAL LETTERS):</b>

<b>IF PROXY, FULL NAME AND ADDRESS OF MEMBER/JOINT MEMBER(S) (IN BLOCK CAPITAL LETTERS):</b>

\_\_\_\_\_  
**Name of the Member/ Proxy**  
**(in Block Letters)**

**Signature of the Member/ Proxy**

**Note:**

1. Please complete the Folio/DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report including notice of Annual General Meeting for the financial year ended on 31.03.2018 and Attendance Slip alongwith Proxy Form is being sent to all the members whose e-mail address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for the financial period ended on 31.03.2018 and Notice of Annual General Meeting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

## Pritika Auto Industries Limited

Regd off: Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar Mohali Punjab - 160055  
CIN: L45208PB1980PLC046738

### PROXY FORM Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**Name of the Company: Pritika Auto Industries Limited**

**CIN: L45208PB1980PLC046738**

**Registered Office:** Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar Mohali Punjab - 160055

Website: [www.pritikaautoindustries.com](http://www.pritikaautoindustries.com) Email: [compliance@pritikaautoindustries.com](mailto:compliance@pritikaautoindustries.com)

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email Id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38<sup>th</sup> Annual General Meeting of Pritika Auto Industries Limited to be held on the 27<sup>th</sup> day of September, 2018 at 11.30 A.M. on Thursday at Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar Mohali Punjab - 160055 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No.	Resolution
<b>Ordinary Business</b>	
1.	To receive, consider and adopt the Audited Standalone & Consolidated Financial Statements for the year ended 31st March, 2018, together with the Reports of the Board of Directors and the Auditors thereon.
2.	To declare a final dividend of 20 paise per equity share for the year ended March 31, 2018
3.	To appoint a director in place of Mr. Raminder Singh Nibber (DIN: 00239117), who retires by rotation and, being eligible, seeks reappointment
4.	To appoint M/s. Sunil Kumar Gupta & Co., Chartered Accountants as Statutory Auditors of company for five years from the conclusion of this AGM
<b>Special Business</b>	
5.	To Re-Classify The Promoters Of The Company.
6.	To take the approval of the Shareholders for borrowing monies under section 180(1)(c).
7.	To take the approval of the Shareholders for creating charge(s)/hypothecation(s) under section 180(1)(a).
8.	To take the approval of the Shareholders to give loan(s), guarantee(s)/provide any security(ies) in connection with loan(s), and/or to acquire under section 186.
9.	To Appoint Mrs. Neha (holding DIN 08109734) as an Independent Woman Director of the Company.

Signed this..... day of..... 2018

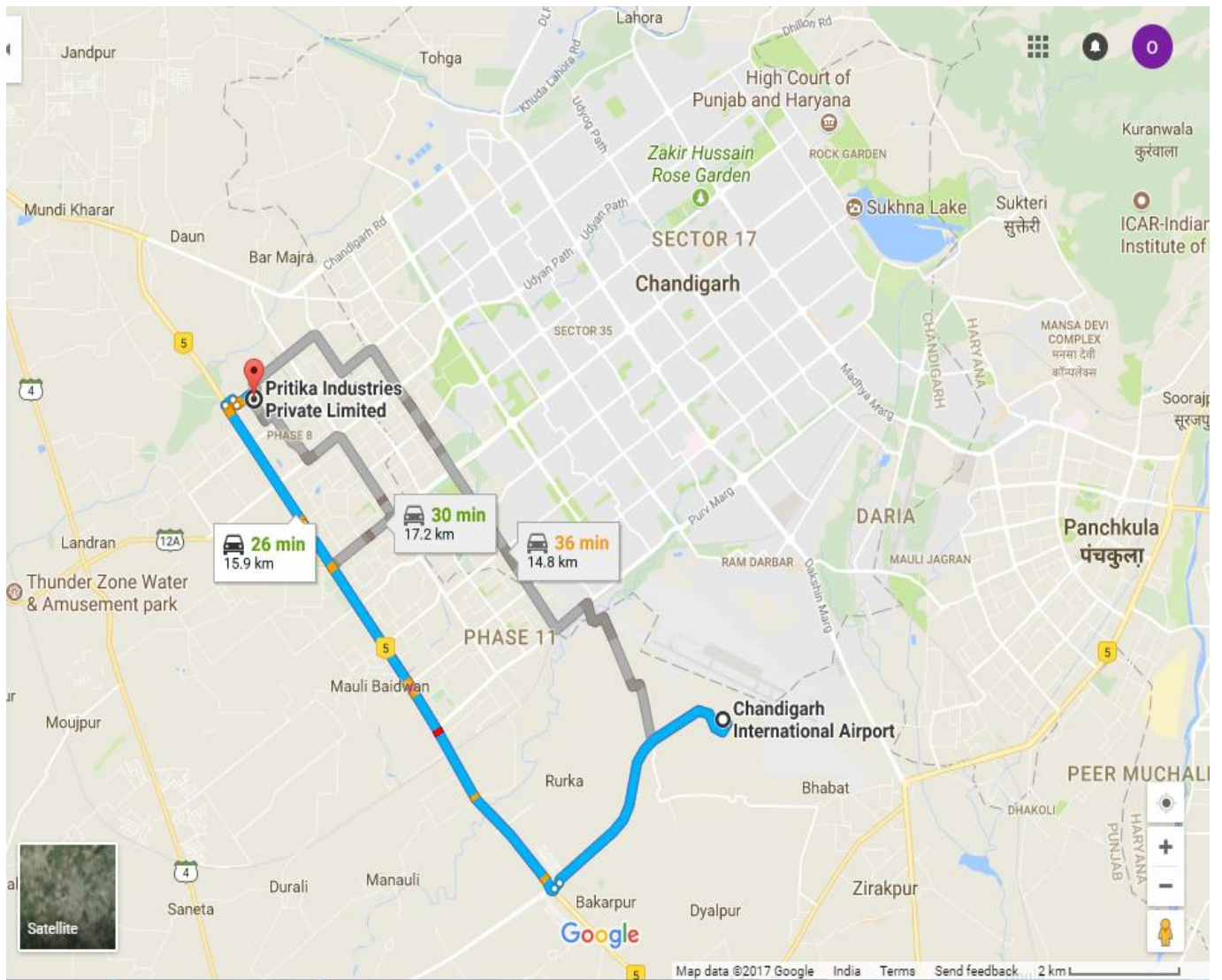
Signature of shareholder .....

Signature of Proxy holder(s) .....

#### Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details including details of member(s) before submission.

### ROUTE MAP TOWARDS THE VENUE



**BOOK-POST**

If undelivered please return to:

**Pritika Auto Industries Limited**

Regd off: Plot No. C-94, Phase-VII, Industrial Focal Point,  
S.A.S. Nagar, Mohali Punjab - 160055