



# PRITIKA AUTO INDUSTRIES LTD.

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: 2<sup>nd</sup> September, 2022

To Department of Corporate Services, National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	To Department of Corporate Services, BSE Limited P.J. Towers, Dalal Street, Mumbai --400 001
---	--

**NSE SYMBOL: PRITKAUTO**

**BSE Scrip Code: 539359**

**Sub. Corrigendum to Annual Report for FY 2021-22**

**Sub: Submission of Annual Report for FY 2021-22 pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam

This is furtherance to our letter dated 2<sup>nd</sup> September, 2022 submitting Annual Report of the company for the Financial Year 2021-22 along with Notice of 42<sup>nd</sup> Annual General Meeting of the company to be held on Thursday, the 29<sup>th</sup> September, 2022 at the Registered Office of the Company i.e. Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S.Nagar, Mohali, Punjab-160055 at 10:00 a.m. .

In this regard we have come across that through inadvertence Secretarial Audit Report of Material Subsidiary of the company, issued by the company secretary in practice, was not annexed with the Annual Report.

In view of above, we are enclosing herewith Annual Report of the company for the Financial Year 2021-22 along with Notice of 42<sup>nd</sup> Annual General Meeting of the company, after inserting the Secretarial Audit Report of Material Subsidiary of the company, issued by the company secretary in practice.

There is no other change except as mentioned herein above. All other facts and figures mentioned in the Annual Report and Notice of 42<sup>nd</sup> AGM and explanatory statement remains same.

The said Annual Report of the company for the Financial Year 2021-22 is also available on the website of the company at <https://www.pritikaautoindustries.com/annual-reports.html>.

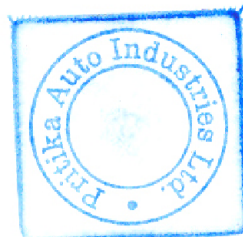
We request you to take it on your record.

Inconvenience caused is regretted.

Thanking you.

Yours sincerely,  
For Pritika Auto Industries Ltd.

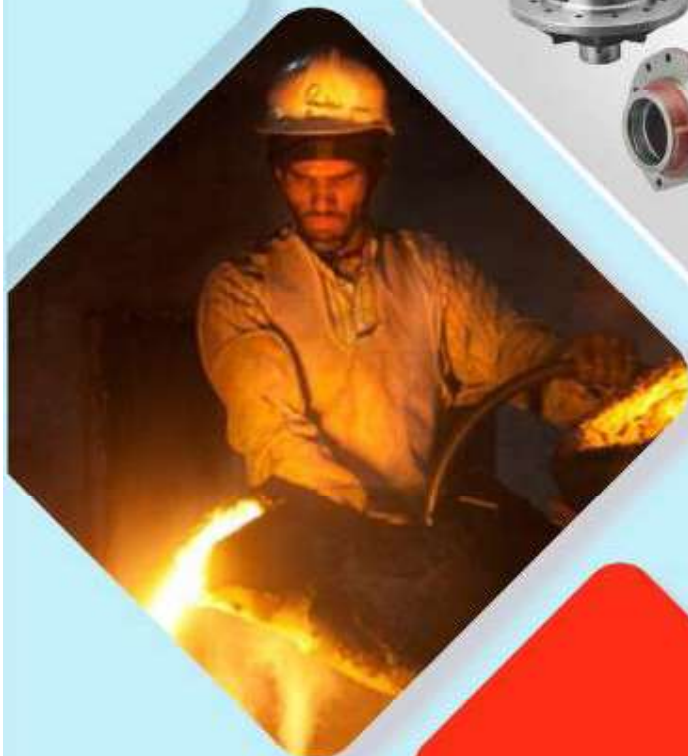
C B Gupta  
Company Secretary



Encl. a.a.

42<sup>ND</sup>

# ANNUAL REPORT 2022



# PRITIKA

Auto Industries Ltd.

### **Board of Directors**

Mr. Raminder Singh Nibber

Mr. Harpreet Singh Nibber

Mr. Ajay Kumar

Mr. Yudhisthir Lal Madan

Mrs. Neha

Mr. Subramaniyam Bala

Chairman & WTD

Managing Director & CEO

Whole Time Director

Independent Director

Independent Director

Independent Director

### **Statutory Auditors**

M/s. Sunil Kumar Gupta & Co.

Chartered Accountants

### **Bankers**

Canara Bank

ICICI Bank

### **Chief Financial Officer**

Mr. Narinder Kumar Tyagi

### **Registrar & Transfer Agents**

Satellite Corporate Services Pvt. Ltd.

Office no.106 & 107,

Dattani Plaza, East West Compound,

Andheri Kurla Road, Safedpul,

Sakinaka- Mumbai-400072

### **Company Secretary**

Mr. Chander Bhan Gupta

### **Registered Office**

Plot No, C-94, Phase-VII

Industrial Focal Point

S.A.S Nagar, Mohali

Punjab - 160055

### **Works**

Vill-Batheri, Teh Haroli

Tahliwala-Garhshankar

Road, Distt. Una

Himachal Pradesh-174301

### **Works**

Village Saidomajra

Post Office Mubarkpur,

Near Focal Point, Derabassi

Distt. S.A.S. Nagar, Punjab-140507

### **CIN**

L45208PB1980PLC046738

### **Website**

[www.pritikaautoindustries.com](http://www.pritikaautoindustries.com)

### **E-mail**

[compliance@pritikaautoindustries.com](mailto:compliance@pritikaautoindustries.com)

# Contents

Notice.....	01
Chairman’s Message.....	18
Directors’ Report.....	19
Corporate Governance Report.....	29
Secretarial Audit Report.....	48
Management Discussion and Analysis.....	51
Standalone Financial Statements	
Independent Auditors Report.....	61
Standalone Balance Sheet.....	72
Standalone Statement of Profit and Loss.....	73
Standalone Statement of Cash Flows.....	74
Notes forming part of the Standalone	
Financial Statements.....	76
Consolidated Financial Statements	
Independent Auditors Report.....	101
Consolidated Balance Sheet.....	110
Consolidated Statement of Profit and Loss.....	111
Consolidated Statement of Cash Flows.....	112
Notes forming part of the Consolidated	
Financial Statements.....	114
Secretarial Audit Report of Material Subsidiary.....	141
Proxy Form.....	144
Attendance Slip.....	146
Route Map.....	147



## **NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 42<sup>ND</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF PRITIKA AUTO INDUSTRIES LIMITED 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, 29<sup>TH</sup> SEPTEMBER, 2022 AT 10.00 A.M. TO TRANSACT FOLLOWING BUSINESS**

### **ORDINARY BUSINESS:**

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

To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and auditors thereon.

#### **ITEM NO. 2 – ADOPTION OF CONSOLIDATED FINANCIAL STATEMENTS**

To consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the auditors thereon.

#### **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.

### **SPECIAL BUSINESS:**

#### **ITEM NO. 4: - RATIFICATION OF REMUNERATION OF COST AUDITOR**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), payment of remuneration of Rs. 65,000 and applicable taxes and out of pocket expenses, if any, to M/s. Khushwinder Kumar & Co., Cost Accountants (Registration Number 100123), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31 March 2023, be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**ITEM NO. 5: RE-APPOINTMENT OF MR. YUDHISTHIR LAL MADAN (DIN: 05123237) AS INDEPENDENT DIRECTOR**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 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, and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto, for the time being in force, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the company and considering the report of his performance evaluation, Mr. Yudhisthir Lal Madan (holding DIN:05123237), who was appointed as an Independent Director of the company for a term of five year up to 31/7/2022 and is eligible for being reappointed as an independent director and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner, be and is hereby re-appointed as an independent director on the Board of the company for a second term of three consecutive years effective from 1/08/2022 to 31/7/2025 and that he shall not be liable to retire by rotation.

Resolved Further that pursuant to the provisions of section 149, 197 and other applicable provisions of the Act and rules made there under, Mr. Yudhisthir Lal Madan be paid such fees and remuneration as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time"

**ITEM NO. 6: APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH PRITIKA INDUSTRIES LTD.**

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

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (Act) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Company's policy on Related Party Transactions and pursuant to approval of Audit Committee and Board of Directors dated 24th August, 2022, approval of Shareholders be and is hereby accorded for entering into/continue the agreements/contract(s)/ arrangement(s)/ transaction(s) with Pritika Industries Ltd. (CIN: U85100PB1997PLC038216), the related party of the company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations 2015, for the Financial year 2023-24, with relation to i) purchase and sale of Auto components/ parts, castings, scrap; ii) availing/providing services; iii) doing and/or getting done job work; iv) reimbursement of expenses; v) payment of dividend on investment in securities; vi) taking/giving inter-corporate loans/advances; vii) selling/disposing/buying/leasing property of any kind (hereinafter collectively referred to as 'related party transactions') for the Cumulative value of transactions not exceeding Rs. 250.00 crore, on the terms and conditions mentioned in the explanatory statement, provided herein, however that the contracts, agreements, arrangements and transactions so carried out shall be at arm's length basis and in Company's ordinary course of business.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise and to undertake all such acts, deeds, matters and things to finalize and execute such documents, deeds, agreements, arrangements and writings as may be deemed necessary, proper and desirable in its absolute discretion to give effect to the aforesaid Resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution."



**ITEM NO. 7: APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH PRITIKA ENGINEERING COMPONENTS LTD.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (Act) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Company's policy on Related Party Transactions and pursuant to approval of Audit Committee and Board of Directors dated 24<sup>th</sup> August, 2022 approval of Shareholders be and is hereby accorded for entering into/continue the agreements/contract(s)/ arrangement(s)/ transaction(s) with Pritika Engineering Components Ltd. (CIN: U28999PB2018PLC047462), the related party of the company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations 2015, for the Financial year 2023-24, with relation to i) purchase and sale of Auto components/ parts, castings, scrap; ii) availing/providing services; iii) doing and/or getting done job work; iv) reimbursement of expenses; v) taking/giving inter-corporate loans/advances vi) selling/disposing/buying/leasing property of any kind (hereinafter collectively referred to as 'related party transactions') for the Cumulative value of transactions not exceeding Rs. 100.00 crore, on the terms and conditions mentioned in the explanatory statement, provided herein, however that the contracts, agreements, arrangements and transactions so carried out shall be at arm's length basis and in Company's ordinary course of business.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise and to undertake all such acts, deeds, matters and things to finalize and execute such documents, deeds, agreements, arrangements and writings as may be deemed necessary, proper and desirable in its absolute discretion to give effect to the aforesaid Resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution."

**ITEM NO. 8 APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH MEETA CASTINGS LTD.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (Act) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Company's policy on Related Party Transactions and pursuant to approval of Audit Committee and Board of Directors dated 24<sup>th</sup> August, 2022 approval of Shareholders be and is hereby accorded for entering into/continue the agreements/contract(s)/ arrangement(s)/ transaction(s) with Meeta Castings Limited (CIN: U27100PB2022PLC055438), the related party of the company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations 2015, for the Financial year 2023-24, with relation to i) purchase and sale of Auto components/ parts, castings, scrap; ii) availing/providing services; iii) doing and/or getting done job work; iv) reimbursement of expenses; v) taking/giving inter-corporate loans/advances vi) selling/disposing/buying/leasing property of any kind (hereinafter collectively referred to as 'related party transactions') for the Cumulative value of transactions not exceeding Rs. 50.00 crore, on the terms and conditions mentioned in the explanatory statement, provided herein, however that the contracts, agreements, arrangements and transactions so carried out shall be at arm's length basis and in Company's ordinary course of business.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise and to undertake all such acts, deeds, matters and things to finalize and execute such documents, deeds, agreements, arrangements and writings as may be deemed necessary, proper and desirable in its absolute discretion to give effect to the aforesaid Resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer (s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution."

**ITEM NO. 9 APPROVAL OF LOANS, INVESTMENTS, GUARANTEE OR SECURITY UNDER SECTION 185 OF COMPANIES ACT, 2013**

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

**"RESOLVED THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, and other applicable rules and provisions, if any, of Companies Act, 2013, approval of members of the Company be and is hereby accorded for making of loan(s) including loan represented by way of Book Debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/ to be taken by Pritika Engineering Components Ltd., being entity covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Subsection 2 of the said Section, of an aggregate outstanding amount not exceeding ₹100 Crores (Rupees One Hundred Crores only) at any time, as may be decided by the Board of Directors, from time to time."

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee thereof) be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loan/ Guarantee/ security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable."

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

**Sd/-**

**Date: 24th August, 2022**

**Place: Mohali**

**Harpreet Singh Nibber  
Managing Director**



**Notes:**

- 1) Explanatory statement pursuant to sub-section (1) of Section (102) is annexed to the Notice.
- 2) **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.**
- 3) 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.
- 4) In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, for conducting its Annual General Meeting with physical presence of members after following the advisories issued from authorities.
- 5) 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. They can also send the copy of the said Resolution/Authorization to the Scrutinizer by email through its registered email address to [sikkasushil@gmail.com](mailto:sikkasushil@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 6) Members are requested to claim dividends for the year ended 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2019 that remain unclaimed by corresponding with the Registrar and Share Transfer Agents. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act 2013, be transferred to the Investor Education and Protection Fund (IEPF). The detail of Unclaimed Dividend is available on the website of the company at <http://www.pritikaautoindustries.com/investors.html>.
- 7) 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.
- 8) The members whose bank particulars are not updated with their Depositories are requested to update their details.
- 9) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and 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 AGM. All documents referred to in the Notice will also be available for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2022.
- 10) The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from 26<sup>th</sup> day of September 2022 to 29<sup>th</sup> day of September, 2022 (both days inclusive).
- 11) 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.
- 12) 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.
- 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 holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification.

15) 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.

16) 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.

17) 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 Office no.106 & 107, Dattani Plaza, East West Compound, Andheri Kurla Road, Safedpul, Sakinaka- Mumbai-400072. Website: [www.satellitecorporate.com](http://www.satellitecorporate.com). Phone no.022-28520461, 022-28520462, e-mail: [info@satellitecorporate.com](mailto:info@satellitecorporate.com).

18) 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. 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.

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. 01.04.2019. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

19) Members seeking any information or clarification on the Annual Report are requested to write to the company at least ten days in advance from the date of Annual General Meeting, so as to enable the company to compile the information and provide replies at the meeting.

20) Pursuant to the prohibition imposed vide Secretarial Standards on General Meetings (SS2) issued by ICSI and MCA Circular, no gifts/coupons shall be distributed at the meeting.

21) In line with the MCA General Circular No. 20/2020 dated 5/5/2020 and 02/2021 dated 13/1/2021, 02/2022 dated 5/5/2022 and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12/5/2020, SEBI/HO/CFD/CMD 2/CIR/P/2021/11 dated 15/1/2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13/5/2022 Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.pritikaautoindustries.com/annual-reports.html](http://www.pritikaautoindustries.com/annual-reports.html) websites of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and NSE Limited at [www.nseindia.com](http://www.nseindia.com), and on the website of NSDL at <https://www.evoting.nsdl.com>. Even after e-communication, members are entitled to receive copy of Notice of AGM and Annual Report 2021-22 in physical form, upon making a request for the same, by post free of cost. The Shareholders may send requests to the Company's investor email id: [compliance@pritikaautoindustries.com](mailto:compliance@pritikaautoindustries.com) for the same.

22) Adopting green initiatives, copies of the Annual Reports and Accounts will not be distributed at the Meeting.

**23) Additional information on director recommended for appointment/reappointment as required under Regulation 36 of the Listing Regulations**

**Mr. Raminder Singh Nibber**

Mr. Raminder Singh Nibber aged 80 years, is a Mechanical Engineer. He has more than 54 years of experience in the industry. He is the founder of the group and is serving as the Chairman and Whole time director of the company. He has extensive knowledge of company's operations. He has been awarded Udyog Patra for Self Made Industrialists by the Institute of Trade and Industrial Development.

Disclosure of relationship between directors inter-se: He is father of Mr. Harpreet Singh Nibber, Managing Director.

Mr. Raminder Singh Nibber does not hold directorship or membership of committees of the board in any other listed entity and has not resigned from any listed entity in the past three years.

He is holding 59,20,002 shares of the company

#### **Mr. Yudhisthir Lal Madan**

Mr. Yudhisthir Lal Madan was appointed as Independent Director on the Board for a period of five years w.e.f. 1/08/2017. His term as director expired on 31/7/2022. Considering the report of his performance evaluation and recommendation of Nomination & Remuneration Committee and subject to the approval of members of the company in the general meeting by Special Resolution, the Board has reappointed him as an Independent Director for second term of three years w.e.f. 1/8/2022.

Mr. Madan is a retired General Manager from Canara Bank with more than 38 years of rich and varied experience. He has expertise in Corporate Financing. He has very good understanding of external and domestic economic scenario, business environment and of factors affecting various business segments. He is good administrator and executor of plans of action to achieve results in appropriate time frame.

Disclosure of relationship between directors inter-se: Mr. Yudhisthir Lal Madan is not related with any other director of the company.

Mr. Yudhisthir Lal Madan holds directorship and membership of committees of the board in Ramkrishna Forgings Limited, a listed entity and has not resigned from any listed entity in the past three years.

He is not holding any share of the company

#### **24) Voting through electronic means:**

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the Annual General Meeting (AGM). For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system for AGM will be provided by NSDL.
2. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.pritikaautoindustries.com/shareholders-meeting.html](http://www.pritikaautoindustries.com/shareholders-meeting.html). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Saturday, the 24<sup>th</sup> September, 2022 at 9:00 A.M. and ends on Wednesday, the 28<sup>th</sup> September, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22<sup>nd</sup> September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22<sup>nd</sup> September, 2022.



## **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

### **Step 1: Access to NSDL e-Voting system**





#### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>Existing IDeAS user can visit the e-Services website of NSDL Viz.<a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</li><li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li><li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li></ol>



	<p><b>NSDL Mobile App is available on</b></p> <p>  App Store          Google Play       </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> of NSDL.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Individual Shareholders holding securities in demat mode with CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

c) If you are still unable to get the password by aforesaid two options, you can send a request at



[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After ensuring your password, tick on Agree to "Terms and Conditions" by selecting on check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-voting system**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sikkasushil@gmail.com](mailto:sikkasushil@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. 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 download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [compliance@pratikaautoindustries.com](mailto:compliance@pratikaautoindustries.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self

attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [compliance@pratikaautoindustries.com](mailto:compliance@pratikaautoindustries.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Please note the following:**

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22<sup>nd</sup> September, 2022, may obtain the login ID and password by sending a request at [compliance@pratikaautoindustries.com](mailto:compliance@pratikaautoindustries.com) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@satellitecorporate.com](mailto:info@satellitecorporate.com).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

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

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

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

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

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

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

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 on all working days, upto and including the date of the Annual General Meeting of the Company.

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

**Sd/-**

**Harpreet Singh Nibber**  
**Managing Director**

**Date: 24/08/2022**

**Place: Mohali**



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

### **Item No. 4**

#### **Ratification of remuneration of Cost Auditor**

The Board, on the recommendation of the Audit Committee, has approved the re appointment of M/s. Khushwinder Kumar & Co., Cost Accountants as Cost Auditor of the Company for the financial year ending on 31 March 2023, to conduct audit of cost accounting records of the Company as may be required for cost audit under the Companies Act, 2013, and Rules made there under, at a remuneration of Rs. 65,000 /-, and applicable taxes and out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in the Notice for ratification of the remuneration payable to the Cost Auditors. None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board has recommended the approval of said item by the members of the company by Ordinary Resolution.

### **Item No. 5**

#### **Appointment of Independent Director**

Mr. Yudhisthir Lal Madan was appointed as Independent Director on the Board for a period of five years w.e.f. 1/08/2017. His term as director expired on 31/7/2022. Considering the report of his performance evaluation and recommendation of Nomination & Remuneration Committee and subject to the approval of members of the company in the general meeting by Special Resolution, the directors have reappointed him as an Independent Director for a second term of three years w.e.f. 1/8/2022.

Mr. Madan (DIN: 05123237) aged 72 years is a retired General Manager from Canara Bank with more than 38 years of rich and varied experience. He has expertise in Corporate Financing. He has very good understanding of external and domestic economic scenario, business environment and of factors affecting various business segments. He is good administrator and executor of plans of action to achieve results in appropriate time frame.

He is not holding any shares in the company and holds directorship and the membership of committees of the board of Ramkrishna Forgings Ltd., a listed entity. He is not related or concerned with the directors or promoters of the company and meets the criteria of Independent Director. He has also given his consent to act as Independent Director of the company.

In the opinion of the Board, Mr. Yudhisthir Lal Madan fulfils the conditions for appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015') and is independent of the management. His experience and guidance will be of immense value for the company. The Board of Directors at its meeting held on 7<sup>th</sup> May, 2022, on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, considers that given his background and experience and contributions made by him during his tenure, the association of Mr. Yudhisthir Lal Madan would be beneficial to the Company and it is desirable to re-appoint him as an Independent Director of the Company, not liable to retire by rotation, for a second term of three consecutive years w.e.f. 1/8/2022.

The provisions of section 149(10) of the Companies Act, 2013 require approval of members by Special Resolution for reappointment of an Independent Director.

The Board of Directors recommends the resolution at Item No. 5 of this Notice for your approval by Special Resolution.

None of the Directors, Key Managerial Personnel and relatives thereof except Mr. Yudhisthir Lal Madan and his relatives, has any concern or interest, financial or otherwise, in the resolution at Item No. 5 of this Notice.

**ITEM NO. 6,7& 8**

Pritika Industries Ltd., Pritika Engineering Components Ltd. and Meeta Castings Ltd. are 'related party' of the company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"), hence the contracts, agreements, arrangements and transactions between Pritika Auto Industries Ltd. with Pritika Industries Ltd., Pritika Engineering Components Ltd. and Meeta Castings Ltd. fall under the category of a related party transaction of the Company in terms of the provisions of Section 188 of the Companies Act, 2013, rules framed there under and Regulation 23 of the Listing Regulations, 2015.

In accordance with the Explanation to Regulation 23(1) of the Listing Regulations, 2015, a transaction with a related party is considered as material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company. The Company had entered into Agreement for related party transactions with Pritika Industries Ltd. and Pritika Engineering Components Pvt. Ltd. for a period of one year w.e.f. 1<sup>st</sup> April, 2022. Meeta Castings Ltd., a step down subsidiary of the company is under process of establishing its unit in Village Simbli, Distt Hoshiarpur (Pb.). The Company may enter into material related party transactions with this company during 2023-24.

The Audit Committee and the Board of Directors of the Company at their meeting held on 24<sup>th</sup> August, 2022, subject to approval by the members of the company, have approved entering into the related party contracts, agreements, arrangements and transactions w.e.f. 1<sup>st</sup> April, 2023 for a period of one year as more particularly described in table below. It is envisaged that considering the threshold limits prescribed under the Listing Regulations, 2015 and the policy on material related party transactions as adopted by the Company, the related party transactions with Pritika Industries Ltd., Pritika Engineering Components Ltd. and Meeta Castings Ltd. may be classified as material and may require approval of the members.

**The key details pursuant to Explanation 3 to clause 3 of Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are as below:**

**Item No. 6**

Sr. No.	Particulars	Details
1	Name of the Related Party	Pritika Industries Ltd. (PIL)
2	Name of the Director or KMP who is related	Mr. Raminder Singh Nibber, Mr. Harpreet Singh Nibber and Mr. Ajay Kumar, directors
3	Nature of Relationship	Mr. Raminder Singh Nibber, Mr. Harpreet Singh Nibber and Mr. Ajay Kumar, directors of company are also director and member of PIL. The Company is an Associate of PIL
4	Nature, material terms, monetary value and particulars of contract or arrangements of Services/ transactions	<p>Nature of transactions:</p> <ul style="list-style-type: none"> <li>i) purchase and sale of Auto components/ parts, castings, scrap</li> <li>ii) availing/providing services</li> <li>iii) doing and/or getting done job work etc</li> <li>iv) reimbursement of expenses</li> <li>v) payment of dividend on investment in securities</li> <li>vi) taking/giving inter-corporate loans/advances</li> <li>vii) selling/disposing/buying/leasing property of any kind</li> </ul> <p>Duration: one year (1/4/2023 to 31/03/2024)</p> <p>The cumulative value of all transactions with PIL shall not exceed Rs. 250.00 crore per annum.</p> <p>Terms: Consideration for each of the transactions shall be determined mutually between the parties, depending on the process and product involved and shall be at an arm's length basis considering prevalent market conditions.</p>
5	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of contract	The pricing/ commercial terms will be determined based on the transactions with unrelated parties for similar nature of transaction, if any. The prices/commercial terms will be determined on arm's length basis.

6	Any other information relevant or important for the members to take a decision on the proposed transaction.	The company is an Associate of Pritika Industries Ltd.
---	---	--

**Item No. 7**

Sr. No.	Particulars	Details
1	Name of the Related Party	Pritika Engineering Components , Ltd. (PECL)
2	Name of the Director or KMP who is related	Mr. Raminder Singh Nibber, Mr. Harpreet Singh Nibber and Mr. Ajay Kumar, directors
3	Nature of Relationship	Mr. Raminder Singh Nibber , Mr. Harpreet Singh Nibber and Mr. Ajay Kumar, directors of company are also director of PECL. PECL is material subsidiary of the company
4	Nature, material terms, monetary value and particulars of contract or arrangements of Services/ transactions	<p>Nature of transactions:</p> <ul style="list-style-type: none"> <li>i) purchase and sale of Auto components/ parts, castings, scrap</li> <li>ii) availing/providing services</li> <li>iii) doing and/or getting done job work etc</li> <li>iv) reimbursement of expenses</li> <li>v) taking/giving inter-corporate loans/ advances</li> <li>vi) selling/disposing/buying/leasing property of any kind</li> <li>vii) payment of dividend on investment in securities</li> </ul> <p>Duration: One year (1/04/2023 to 31/03/2024)</p> <p>The cumulative value of all transactions with PECL shall not exceed Rs. 100.00 crore per annum.</p> <p>Terms: Consideration for each of the transactions shall be determined mutually between the parties, depending on the process and product involved and shall be at an arm's length basis considering prevalent market conditions.</p>
5	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of contract	The pricing/ commercial terms will be determined based on the transactions with unrelated parties for similar nature of transaction, if any. The prices/commercial terms will be determined on arm's length basis.
6	Any other information relevant or important for the members to take a decision on the proposed transaction.	Pritika Engineering Components Ltd. is material subsidiary of the company.

**Item No. 8**

Sr. No.	Particulars	Details
1	Name of the Related Party	Meeta Castings Ltd. (MCL)
2	Name of the Director or KMP who is related	Mr. Raminder Singh Nibber and Mr. Harpreet Singh Nibber , directors
3	Nature of Relationship	Mr. Raminder Singh Nibber and Mr. Harpreet Singh Nibber , directors of company are also director of MCL. MCL is Step down subsidiary of the company

4	Nature, material terms, monetary value and particulars of contract or arrangements of Services/ transactions	<p>Nature of transactions:</p> <p>i) purchase and sale of Auto components/ parts, castings, scrap</p> <p>ii ) availing/providing services</p> <p>iii) doing and/or getting done job work etc</p> <p>iv) reimbursement of expenses</p> <p>v) taking/giving inter-corporate loans/ advances</p> <p>vi) selling/disposing/buying/leasing property of any kind</p> <p>vii) payment of dividend on investment in securities</p> <p>Duration: One year (1/04/2023 to 31/03/2024)</p> <p>The cumulative value of all transactions with MCL shall not exceed Rs. 50.00 crore per annum.</p> <p>Terms: Consideration for each of the transactions shall be determined mutually between the parties, depending on the process and product involved and shall be at an arm's length basis considering prevalent market conditions.</p>
5	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of contract	The pricing/ commercial terms will be determined based on the transactions with unrelated parties for similar nature of transaction, if any. The prices/commercial terms will be determined on arm's length basis.
6	Any other information relevant or important for the members to take a decision on the proposed transaction.	Meeta Castings Limited step down subsidiary of the company.

The contracts, agreements, arrangements and transactions so carried out shall be at arm's length basis and in Company's ordinary course of business. No advances have been paid for the said transactions as of now. However if required in future, the advances will be paid as per industry norms, customs and usages. Further all the factors of the contract have been considered.

Pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all entities falling under the definition "Related Party" shall not vote to approve the resolution proposed at item no. 6,7 and 8 of the notice, irrespective of whether the entity is a party to the particular transaction or not. Accordingly, the promoters and promoter group will not vote to approve the proposed resolutions.

Mr. Raminder Singh Nibber and Mr. Harpreet Singh Nibber together with their relatives hold in aggregate 1,77,99,947 Equity shares and M/s Pritika Industries Limited holds 2,48,74,208 Equity shares of the company and being promoters are concerned or interested in the Ordinary resolutions to this notice.

Except Mr. Raminder Singh Nibber, Mr. Harpreet Singh Nibber and Mr. Ajay Kumar, none of the Directors and Key Managerial persons of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No 6, 7 & 8.

The Board has recommended Ordinary Resolutions at Item No. 6, 7 & 8 for approval by the Members.



## ITEM No. 9

### Approval Under Section 185 of Companies Act 2013

Pursuant to the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities. The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities in the Pritika Group of Companies.

The Company may be required to make loan(s) including loan represented by way of Book Debt (the "loan") to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan, including loan represented by way of Book debt, if any (the "Loan") taken/ to be taken by Pritika Engineering Components Ltd (PECL). PECL is subsidiary of the company and an entity covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2 of the Section 185 of Companies Act, 2013. The said Loan(s)/ guarantee(s)/security(ies) shall be utilised by PECL for their principal business activities and the matters connected and incidental thereto (the "Principal Business Activities"). Hence, consent of the members is being sought by way of a special resolution pursuant to Section 185 of the Companies Act, 2013 (as amended by the Companies (Amendment) Act, 2017) for making of Loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/ to be taken by PECL of an aggregate outstanding amount not exceeding Rs.100 Crores (Rupees hundred crore only) at any time and necessary delegation of authority to the Board for this purpose. Your Directors recommend the resolution set out at Item no. 9 to be passed as a special resolution by the members. Following are the brief particulars of Loan proposed to be given or guarantee to be given or security to be provided by your Company to PECL.

Name of the Company	Particulars of loans to be given, or guarantee to be given or security to be provided	Purpose
Pritika Engineering Components Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of ₹100 Crores at any time.	Procurement of Plant and machineries, sale and purchase of goods/ services, Fixed Assets or any other expense including working capital requirements to support its Principal Business Activities

Except Mr. Raminder Singh Nibber, Mr. Harpreet Singh Nibber & Mr. Ajay Kumar, being common Directors of PECL and the Company and having shareholding in Pritika Auto Industries Ltd. including their relatives to the extent of their shareholding in the Company, if any, none of the other Directors or the Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise in this Resolution.

The Board recommends the special resolution set forth at Item No.9 of the Notice for the approval of the members by Special Resolution.

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

**Date: 24/08/2022**  
**Place: Mohali**

**Sd/-**  
**Harpreet Singh Nibber**  
**Managing Director**

## **Chairman's Message to Shareholders**

Dear All,

We all are aware about the turmoil that the COVID-19 pandemic brought over the last two years. The lockdowns to curb the pandemic impacted every aspect of our lives and every industry. After the second wave of the pandemic subsided, we have seen a strong recovery in the market, as demand regained momentum.

In the year ended 31<sup>st</sup> March 2022, our revenue grew 20.2% year-on-year to Rs. 271.2 cr, while EBITDA and PAT grew 26.3% and 145.5% to Rs. 30.0 cr and Rs. 14.4 cr, respectively. Despite the market upheavals, we improved our realizations as well as EBITDA. Sustaining through these turbulent times has been possible because of our long-standing customer relationships, diversified portfolio and our skilled and competent workforce, which make Pritika Auto resilient to industry cycles.

In the post-COVID scenario, a boost in the agriculture sector based on healthy monsoons, has triggered growth in the tractor market. Infact in August 2021, we registered our highest ever monthly dispatches at 3,450 tons and the highest monthly revenue at Rs. 30 cr. This reflects a strong order book backed by existing long-standing clients as well as new orders. The proposed merger of Automotive/Tractor/Engineering Components Business Undertaking of Pritika Industries Ltd. with us, for whom we are already suppliers, is also expected to boost our bottom line.

We continue to expand our client-base with new additions and aggressively aim for new orders. Based on the Company's growth trajectory and the anticipated demand in the future, we are planning to expand our production capacity by 1,500 tons per month through a new facility in Punjab. By 2023, we aim to have a total installed capacity of 68,000 tons per annum. As with our existing facilities, the new one would be fully equipped with state-of-the-art machinery capable of manufacturing our entire suite of products.

Complementing our domestic expansion, we are also continuing to explore new avenues to grow our export business. Our recent association with a US-based client gives us access and recognition in the international markets as well. We are proud that our customers trust us for quality products and on-time delivery, and we strive towards becoming the supplier of choice for more and more OEMs going forward. With new production facilities in the works, we are well positioned to capitalize on new opportunities as they arise. I would like to thank the entire team of Pritika Auto for their hard work and dedication during these turbulent times, as well as all the stakeholders for their undeterred faith in our Company, which drives the Company forward.

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



## **DIRECTOR'S REPORT**

Dear Shareholders,

The Directors have pleasure in presenting their 42<sup>nd</sup> 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, 2022.

### **1. FINANCIAL RESULTS**

The Financial results are briefly indicated below:

(In Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations (net)	23772.73	19687.73	27122.51	22568.93
Other Income	402.13	112.01	780.96	149.21
Profit before Interest, Depreciation and Tax (PBI DT)	2770.44	2174.07	3783.25	2526.98
Interest	679.36	631.16	898.70	821.69
Profit before Depreciation and Tax (PBIT)	2091.08	1542.91	2884.55	1705.29
Depreciation	885.37	745.65	1091.73	849.78
Profit before Tax Expenses	1205.71	797.26	1792.82	855.51
Tax Expenses	313.90	245.69	352.04	268.51
Profit after Tax	891.81	551.57	1440.78	587.00
Other Comprehensive Income	(154.78)	146.54	(310.45)	146.70
Total Comprehensive Income	737.03	698.11	1130.33	733.70
EPS- Basic	1.01	0.62	1.62	0.66
Diluted	1.01	0.62	1.62	0.66

The Standalone Revenue from the operations (net) for the Financial Year 2021-22 was Rs. 23772.73 lac (Previous year Rs. 19687.73 lac). The company earned Net Profit of Rs. 891.81 lac (Previous Year Rs. 551.57 lac). The Total Comprehensive Income for the year was Rs. 737.03 lac.

The Consolidated Revenue from the operations (net) for the Financial Year 2021-22 was Rs. 27122.51 lac (Previous Year Rs. 22568.93 lac). The company earned Consolidated Net Profit Rs. 1440.78 lac (Previous Year Rs. 587.00 lac). The Consolidated Total Comprehensive Income for the year was Rs. 1130.33 lac.

There was no change in the nature of business of the company during the year.

The previous year figures have been restated, rearranged, regrouped and consolidated, to enable comparability of the current year figures of accounts with the relative previous year's figures.

### **2. INDUSTRIAL SCENARIO**

The auto components industry in India has been growing steadily over the past several years. Barring intermittent slowdowns such as that in 2019, the industry grew at a CAGR of 3.28% during FY2016 to FY2020, reaching \$45.9 billion in FY21. The industry is forecast to reach \$200 billion by FY2026. Some of the factors driving investments in this sector include a large domestic market (rise in working population), a stable and supportive government framework and rising development in infrastructure. This sector alone accounts for around 2.3% of the country's GDP, driven by the automotive industry which is India's fourth largest industry.

The Indian automotive sector was just recovering from a slowdown due to financing difficulties in the supply chain, when the global markets were hit by the outbreak of the COVID-19 pandemic. The pandemic disrupted operations across the supply chain and hampered production and distribution of non-essential products. The industry turnover declined 3% year on year in FY21. However, post reopening of the lockdowns, the markets have recovered at a good pace, the industry is expected to touch \$200 billion by FY26.

Moreover, as per the Automobile Component Manufacturers Association (ACMA), exports in the auto components sector have grown at a CAGR of 7.6% during 2014-19, to USD 14.5 billion, and are further projected to reach \$80 billion by 2026. India exports auto components to several parts of the world, the major markets being developed countries such as the US, Germany and the UK. This augurs well for the overall industry.

The tractor industry, a part of the farm equipment market, has been growing significantly in India. Demand for tractors has risen in tandem with increasing mechanization in farming across India. As per industry estimates, the tractor market in India registers annual sales of 600,000 – 700,000 units on an average. Tractors find application not only in agriculture, but also in rural haulage, partially reducing the seasonal nature of demand.

The Indian agricultural tractors market is projected to witness a CAGR of 4.5% over 2021 – 2026. Tractor demand continues to be robust with good monsoons, supported by healthy reservoir levels and higher liquidity with farmers among others. Unit sales are expected to reach one million by mid of the next decade.

The Indian Automobile industry is expected to reach a turnover of approximately \$300 billion by 2026, growing at a CAGR of 15% from its current revenue of around \$74 billion. In November 2020, the Union Cabinet approved PLI scheme in automobile and auto components with an approved financial outlay over a five-year period of Rs. 57,042 crore (\$8.1 billion).

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

- Contribution of auto industry in the country's GDP will rise to over 12%
- More than 65 million jobs will be created
- End of Life Policy would be implemented for old vehicles.

### **3. SHARE CAPITAL**

During the year under review, there was no change in the Share Capital of the company. As at March 31, 2022, the total paid-up share capital of the company stood at Rs. 1773.45 lacs.

However, during the financial year, the company with the approval of shareholders and other requisite authorities has sub divided each equity share of the face value of Rs. 10 into five equity shares of Rs. 2 each. Consequently, the Issued Capital of the company has been changed from 17734500 equity shares of Rs. 10/- each to 88672500 equity shares of Rs. 2/- each.

### **4. LISTING ON NATIONAL STOCK EXCHANGE OF INDIA LTD. (NSE)**

We feel pleasure in informing you that your company has listed its securities (equity shares) on NSE w.e.f. 10/8/2021. It will create more investment opportunities, enabling access and empowering our stakeholders. The Stock Code with NSE is: PRITKAUTO.

### **5. SCHEME OF ARRANGEMENT**

To consolidate and synchronize the business structure, the Board of Directors, subject to the approval/consent of the Stock Exchanges (BSE Limited and National Stock Exchange of India Limited), Securities and Exchange Board of India (SEBI), members, creditors, National Company Law Tribunal of Punjab, Chandigarh Bench, (NCLT) and other relevant Authorities, approved: -

- Scheme of Arrangement between Pritika Industries Limited, the Demerged Company and Pritika Auto Industries Limited, the Resulting Company, for demerger and vesting of the Automotive/Tractor/Engineering Components Business Undertaking' (Demerged Undertaking) of Pritika Industries Ltd. (PIL - the demerged company) into Pritika Auto Industries Ltd. (PAIL - the Resulting Company).
- The Appointed date is 1<sup>st</sup> April, 2021.
- The "Effective Date" will be the dates on which the certified copies of the orders sanctioning this Scheme, passed by the National Company Law Tribunal, are filed with the Registrar of Companies, Punjab & Chandigarh, by PIL and PAIL.
- Upon the Scheme coming into effect, 63 equity shares of PAIL ("Resulting Company") of INR 2/- each fully paid up be issued to equity shareholders of PIL ("Demerged Company"), in addition to, not substitution of, for every 10 equity shares of INR 10/- each fully paid of PIL ("Demerged Company") as consideration for Demerger.



- The company has received No Objection from NSE & BSE vide their Observation Letter for the draft Scheme of Arrangement. The company has filed application under Section 230/232 of the Companies Act, 2013 for approval of Scheme before the Honorable NCLT Bench Chandigarh. The Hon'ble NCLT has ordered to convene the meetings of the Shareholders, Secured Creditors and Unsecured Creditors of the company.

## **6. DIVIDEND**

Considering the financial results and to plough back surplus of the Company, the Board did not recommend payment of any dividend for the year ended 31<sup>st</sup> March, 2022.

## **7. TRANSFER TO RESERVE**

During the financial year, there was no amount proposed to be transferred to the Reserves.

## **8. AUDITORS & AUDITORS' REPORT**

M/s. Sunil Kumar Gupta & Co., Chartered Accountants, New Delhi were appointed as statutory auditors of the company for a period of five years in the 38<sup>th</sup> AGM i.e. till the conclusion of the 43<sup>rd</sup> Annual General Meeting to be held for the FY 2022-23.

The Auditors' Report for the fiscal 2022 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.

## **9. 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. . Hence company need not to give details related to deposits. There is no non-compliance of the provisions of Chapter V of the Companies Act 2013.

## **10. 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**.

## **11. 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.

-The policy can be viewed at company's website at <http://www.pritikaautoindustries.com/investors.html>

## **12. CORPORATE GOVERNANCE**

Report on Corporate Governance and Certificate of the Secretarial 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**.

## **13. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

There was no company which have become or ceased to be company's Subsidiaries, joint ventures or associate companies during the year. However a new company 'Meeta Castings Limited' has been incorporated as Step Down Subsidiary of the company.

## **14. SUBSIDIARIES**

'Pritika Engineering Components Pvt. Ltd.' the wholly owned subsidiary of the company was converted into public limited on 21.04.2022.

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 the subsidiary is attached as **Annexure C** to this Report.

Pritika Engineering Components Limited has incorporated a wholly owned subsidiary in the name of Meeta Castings Limited on 16.03.2022 which is a step down subsidiary of the company.

## **15. STATEMENTS OF PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE**

Information in accordance with the provisions of Section 134 (3)(m) of the Act read with the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo during the reporting period is attached herewith and marked as **Annexure-D**.

## **16. 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 Form AOC-2 and forms part of this report as **Annexure- E**.

## **17. ANNUAL RETURN**

The copy of Annual Return as at 31<sup>st</sup> March, 2022, is available on the company's website at <http://www.pritikaautoindustries.com/annual-return.html>.

## **18. SECRETARIAL AUDIT REPORT**

As required under section 204(1) of the Companies Act, 2013 and Rules made there under, the Company has appointed Mr. Sushil K Sikka, Prop. S K Sikka & Associates, Company Secretary as Secretarial Auditor of the Company for the Financial Year 2021-22. The Secretarial Audit Report forms part of the Annual Report.

The Copy of Secretarial Audit Report for the Financial Year 2021-22 issued by Mr. Sushil K Sikka, Company Secretary in Practice has been attached and marked as **Annexure – F**. The Secretarial Auditors' Report for the fiscal 2022 does not contain any qualification, reservation or adverse remark.



## **19. MANAGEMENT DISCUSSION ANALYSIS REPORT**

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

## **20. 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**

During the year under review, there is no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

However, in the matter of Scheme of Arrangement and application under sections 230 to 232 read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016, made by the company, the Hon'ble National Company Law Tribunal, Bench Chandigarh vide its order dated 29<sup>th</sup> June, 2022 as rectified vide order dated 8<sup>th</sup> July, 2022, has directed to hold the meetings of the Shareholders, Secured Creditors and Unsecured Creditors of the company on 10<sup>th</sup> September, 2022 through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

## **21. 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.

## **22. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The details about the policy developed and implemented by the company on CSR initiatives taken during the year is enclosed at **Annexure H**. The company has also developed a policy on Corporate Social Responsibility which can be viewed at the company's website at <http://www.pritikaautoindustries.com/investors.html>.

## **23. MEETINGS OF BOARD OF DIRECTORS**

The Board met five 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.

## **24. 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 till the date of this report.

## **25. CORPORATE ACTIONS DURING THE YEAR 2021-22**

During the Financial Year 2021-22, the Company with the approval of shareholders and other requisite authorities has sub divided each equity share of the face value of Rs. 10 into five equity shares of Rs. 2 each. Consequently, the Issued Capital of the company has been changed from 17734500 equity shares of Rs. 10/- each to 88672500 equity shares of Rs. 2/- each.

## **26. 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.

## **27. 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.

## **28. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **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.

### **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. In the opinion of the Board our Independent Directors possesses requisite qualification, experience and hold high standards of integrity for the purpose of Rule 8(5)(iii a) of the Companies (Accounts) Rules, 2014.

### **Change in Composition of Board**

During the Financial Year 2021-22 there were following changes in the composition of Board of Directors:

Mr. Subramaniyam Bala (DIN 00461697) was reappointed as an Independent Director on the Board for second term of five years w.e.f. August 29, 2021.

During the current Financial year the Board on the recommendation of Nomination & Remuneration Committee and subject to the approval of members of the company by Special Resolution, has reappointed Mr. Yudhisthir Lal Madan (DIN: 00461697) as Independent Director for the second term of three years w.e.f. August 1, 2022.

### **Key Managerial Personnel**

During the Financial Year under review the members of the company in their Annual General Meeting held on 29<sup>th</sup> September 2021 has re appointed

Mr. Raminder Singh Nibber (DIN: 00239117) as Whole time director of the company for a period of three years on the terms & conditions stated in the resolution, w.e.f. 1/4/2022.

Mr. Harpreet Singh Nibber (DIN: 00239042) as Managing Director of the company for a period of three years on the terms & conditions stated in the resolution, w.e.f. 1/4/2022.

Mr. Ajay Kumar (DIN: 02929113) as Whole time director of the company for a period of three years on the terms & conditions stated in the resolution, w.e.f. 1/4/2022.

## **29. 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:

- a. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2022 the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. 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 under review.



- c. 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.
- d. The Directors had prepared the accounts for the financial year ended 31st March, 2022 on a going concern basis.
- e. 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.
- f. 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.

### **30. COST AUDITORS**

As per requirement of the Regulation 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, M/s. Khushwinder Kumar & Co., Cost Accountants, (Firm Registration No. 100123) was appointed as Cost Auditor to audit the Cost Accounts of the company for the Financial Year 2021-22.

On the recommendation of Audit Committee, the Board has reappointed M/s. Khushwinder Kumar & Co., Cost Accountants, (Firm Registration No. 100123) as Cost Auditor to audit the Cost Accounts of the company for the Financial Year 2022-23.

As required under the Act, a resolution seeking members' approval for remuneration payable to the Cost Auditor, forms part of the notice convening the Annual General Meeting for their ratification.

### **31. INTERNAL AUDITORS**

The Company has reappointed M/s. PVNS & Co., Chartered Accountants, Chandigarh as Internal Auditors of the Company for financial year 2022-23.

### **32. COST RECORDS**

As specified by the Central government under sub section (1) of section 148 of the Companies Act, 2013, the company has been maintaining cost records.

### **33. INTERNAL FINANCIAL CONTROLS & RISK MANAGEMENT**

Pursuant to the provisions of Section 177(4) & Section 134(3)(n) of the Companies Act, 2013, the Board has developed Internal Finance Control Policy to identify and mitigate risks. The provisions of Regulation 21 of SEBI Listing Regulations 2015 pertaining to Risk Management Committee are not applicable to the company.

### **34. 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.

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

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. The details pertaining to complaints are mentioned in the Corporate Governance Report placed at Annexure B.

36. During the year under review no application was made and no proceeding was pending against the company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) .

37. During the year under review there was no One Time settlement with any bank or Financial Institution.

### **38. 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.

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

**Sd/-**

**Date: 24/8/2022**

**Place: Mohali**

**Raminder Singh Nibber  
Chairman**

## **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**

- 1. Particulars of top 10 employees in terms of remuneration drawn, pursuant to Rule 5 of Cos. (Appt. & Remuneration of Managerial Personnel) Rules, 2014, as amended, as on 31.03.2022**

Sr. No	Name	Designation	Remuner-ation received (Rs. per annum)	Nature of employment	Qualification & Experience	Date of commencement of employment	Age of employee	Last employment before joining the company/ amalgamation	%age of equity shares held in company	If employed through out year or part thereof	Whether relative of any director/ manager of the company
1.	Mr. Harpreet Singh Nibber	Managing Director	12255000	Contractual	B.E (Mech.) 26 Yrs	30/05/2017	50 Yrs.	Pritika Autocast Ltd.	11.59	Through out year	Yes, son of Mr. Raminder Singh Nibber, Chairman
2.	Mr. Raminder Singh Nibber	Chairman	7740000	Contractual	Mech. Engineer 57 years	30/05/2017	81 Yrs.	Nibber Castings Pvt. Ltd.	6.68	Through out year	Yes, father of Mr. Harpreet Singh Nibber, MD
3.	Mr. Ajay Kumar	Executive Director	5033625	Contractual	B.Tec., M.B.A 27 yrs.	01/08/2017	48 Yrs.	Pritika Autocast Ltd.	Nil	Through out year	No
4.	Mr. Narinder Kumar Tyagi	Chief Financial Officer	3000036	Permanent	Chartered Accountant 31 years	01/06/2018	58 Yrs.	Lark Non Ferrous Metals Ltd.	Nil	Throuh out year	No
5.	Mr. S.K. Sharma	AVP Foundry	1800000	Permanent	Diploma (Mech) 32 years	09/02/2021	56 Yrs.	Jagdambay Furnaces Pvt. Ltd.	Nil	Throuh out year	No
6.	Mr. P. Narayan	GM Foundry	1593300	Permanent	ITI Moulder Trade 16 years	01/12/1998	55 Yrs.	AB Tools Ltd.	Nil	Through out year	No
7.	Mr. Gurnam Singh	GM	1546824	Permanent	Diploma in Mech. Engg. 30 yrs.	01/04/2008	54 Yrs.	Pritika Autocast Limited	Nil	Through out year	No
8.	Mr. Rajesh Rattan	DGM	1530828	Permanent	Diploma in Mech. Engg. 34 yrs.	12/04/2006	53 Yrs.	DCM Engg. Products Ltd.	Nil	Through out year	No
9.	Mr. Chander Bhan Gupta	Company Secretary	1467967	Permanent	B.Com., LL.B., FCS 35 yrs.	01/07/2014	60 Yrs.	Pritika Autocast Ltd.	Nil	Through out year	No
10.	Mr. Rakesh Aggarwal	Sr. Manager Accounts & Finance	1262898	Permanent	CA, B.Com (H) 10 yrs.	16/02/2018	34 Yrs.	Sunil Kumar Gupta & Co.	Nil	Through out year	No



**2. Detail of 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:**

S. No	Name	Designation	Remuneration received (Rs. per annum)	Nature of employment	Qualification & Experience	Date of commencement of employment	Age of employee	Last employment before joining the company/ amalgamation	%age of equity shares held in company	If employed throughout year or part thereof	Whether relative of any director/ manager of the company
1.	Mr. Harpreet Singh Nibber	Managing Director	12255000	Contractual	B.E (Mech.) 26 Yrs	30/05/2017	50 Yrs.	Pritika Autocast Ltd.	11.59	Through out year	Yes, son of Mr. Raminder Singh Nibber, Chairman

**3. Ratio of remuneration of each director to median remuneration of employees**

Name of Director	Designation	Ratio of remuneration to median remuneration of employees
Mr. Harpreet Singh Nibber	Managing Director	77.21
Mr. Raminder Singh Nibber	Chairman & WTD	48.76
Mr. Ajay Kumar	Executive Director	31.72
Mr. Yudisthir Lal Madan	Independent Director	3.78
Ms. Neha	Independent Director	1.89
Mr. Subramaniyam Bala	Independent Director	1.89

Independent Directors were paid sitting fees.

**4. Percentage increase in remuneration of Directors and KMP**

Name of Director	Designation	Percentage increase in remuneration
Mr. Harpreet Singh Nibber	Managing Director	17.81
Mr. Raminder Singh Nibber	Chairman & WTD	17.81
Mr. Ajay Kumar	Executive Director	23.89
Mr. Yudisthir Lal Madan	Independent Director	N.A. (Sitting fees was paid)
Ms. Neha	Independent Director	N.A. (Sitting fees was paid)
Mr. Subramaniyam Bala	Independent Director	N.A. (Sitting fees was paid)
Mr. Narinder Kumar Tyagi	Chief Financial Officer	28.20
Mr. Chander Bhan Gupta	Company Secretary	30.91

5. In the financial year, there was a decrease of 1.57% in the median remuneration of employees.

6. There were 413 permanent employees on the rolls of the Company as on March 31, 2022.

7. Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year i.e 2021-22 was 11.52 % whereas the percentile increase in the managerial remuneration for the same financial year was 18.98%.

8. 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 of the company.

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

Date: 24/8/2022  
Place: Mohali

Sd/-  
Raminder Singh Nibber  
Chairman

## **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 (hereinafter referred to as "Listing Regulations"), the Company submits the report for the year ended 31<sup>st</sup> March, 2022 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 Corporate Governance is a reflection of its value system that emphasizes on ethical dealings, transparency, fairness, disclosure and accountability. The Company has adopted a Code of Conduct for Directors and Senior Management. In addition, the Company has issued guidelines for appointment of Independent directors containing Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). The commitment of the company to the highest standards of good corporate governance ensures that we gain and retain the trust of our stakeholders at all times.

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

The Board of Directors of your Company as on 31<sup>st</sup> March, 2022 comprised of six 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>
Mr. Raminder Singh Nibber	Chairman, Executive Director, Promoter	Father of Mr. Harpreet Singh Nibber
Mr. Harpreet Singh Nibber	Managing Director, Promoter	Son of Mr. Raminder Singh Nibber
Mr. Ajay Kumar	Executive Director, Non-Promoter	-
Mr. Yudhisthir Lal Madan	Independent Director	-
Mr. Subramaniam Bala	Independent Director	-
Mrs. Neha	Independent Director	-

During the financial year under review, Five (5) Board Meetings were held on the following dates: (i) 16<sup>th</sup> June, 2021 (ii) 14<sup>th</sup> August, 2021 (iii) 11<sup>th</sup> November, 2021 (iv) 12<sup>th</sup> February, 2022 and (v) 31<sup>st</sup> March 2022,

<b>Name of Director</b>	<b>Board Meetings attended</b>	<b>Attendance at last AGM</b>	<b>No. of Directorships held in Companies (including PAIL)</b>	<b>Other Listed Entities where person is director</b>		<b>No. of Committees of Public Ltd Company in which director is Member or Chairperson (including PAIL)*</b>	
				<b>Name of Listed Entity</b>	<b>Category</b>	<b>Members</b>	<b>Chairperson</b>
Mr. Raminder Singh Nibber	05	Yes	05	None	NA	02	-
Mr. Harpreet Singh Nibber	05	Yes	05	None	NA	02	-
Mr. Ajay Kumar	05	Yes	03	None	NA	-	-
Mr. Yudhisthir Lal Madan	04	No	02	Ramkrishna Forgings Ltd.	Independent Director	03	02
Mrs. Neha	05	Yes	02	None	NA	03	01
Mr. Subramaniam Bala	05	Yes	02	None	NA	02	01



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

Details of Board Meeting attended, attendance at AGM, and number of directorship held position of membership/ chairmanship of Committees as on 31st March, 2022 is explained in the above table.

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

• **Key Board Qualifications**

Area of Expertise	Financial	Leadership & Administration	Technical Knowledge	Sales & Marketing
Availability of expertise with the Board				
Mr. Raminder Singh Nibber	✓	✓	✓	✓
Mr. Harpreet Singh Nibber	✓	✓	✓	✓
Mr. Ajay Kumar	–	✓	✓	✓
Mr. Yudhisthir Lal Madan	✓	✓	–	–
Mrs. Neha	✓	✓	–	–
Mr. Subramaniyam Bala	–	✓	✓	✓

- None of the non-executive directors hold shares or convertible instruments.
- The details of familiarization program imparted to independent directors can be found at <http://www.pritikaautoindustries.com/investors.html>
- In the opinion of the Board, the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the management.

### 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 31.03.2022 and the number of meetings attended by members is given herein below:

Member's Name	Category	Designation	No. of meetings attended
Mr. Yudhisthir Lal Madan	Independent Director	Chairperson	04
Mrs. Neha	Independent Director	Member	04



Mr. Raminder Singh Nibber	Executive Director, Promoter	Member	04
Mr. Subramaniyam Bala	Independent Director	Member	04

During the financial year under review, Four (4) Audit Committee Meetings were held on (i) 16<sup>th</sup> June 2021 (ii) 14<sup>th</sup> August 2021 (iii) 11<sup>th</sup> November 2021 and (iv) 12<sup>th</sup> February 2022.

#### 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 31.03.2022 and the attendance of members is given below:

Member's Name	Category	Designation	No. of meetings attended
Mr. Subramaniyam Bala	Independent Director	Chairperson	02
Mr. Raminder Singh Nibber	Executive Director	Member	02
Mr. Yudhisthir Lal Madan	Independent Director	Member	02
Mrs. Neha	Independent Director	Member	02

During the financial year under review, Two (02) Nomination and Remuneration Committee meetings were held on 16<sup>th</sup> June 2021 and 14<sup>th</sup> August 2021.

#### **Performance Evaluation criteria for Independent/Non-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 judgment. 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.

The remuneration paid to the Executive Directors i.e. Managing Director 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. Also, there are no performance linked incentives.

Details of remuneration paid to Directors for the Financial Year 2021-22 are as follows:

Sr No.	Name of Director	Sitting Fees	Salary	Perquisites	Benefits	Commission	Bonus	Stock Option	Total
01	Mr. Harpreet Singh Nibber	-	12255000	-	-	-	-	-	12255000
02	Mr. Raminder Singh Nibber	-	7740000	-	-	-	-	-	7740000
03	Mr. Ajay Kumar	-	5033625	-	-	-	-	-	5033625
04	Mr. Yudhisthir Lal Madan	600000	-	-	-	-	-	-	600000
05	Mrs. Neha	300000	-	-	-	-	-	-	300000
06	Mr. Subramaniyam Bala	300000	-	-	-	-	-	-	300000
	<b>Total</b>	<b>1200000</b>							<b>26228625</b>

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

The company has not issued any stock options during the year to any person including the directors.

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

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

The composition of Stakeholders Relationship Committee as on 31.03.2022 was as under:

Member's Name	Category	Designation	No. of meetings attended
Mrs. Neha	Non-Executive, Independent Director	Chairperson	02
Mr. Raminder Singh Nibber	Executive Director	Member	02
Mr. Harpreet Singh Nibber	Executive Director	Member	02

During the financial year under review, Two (2) Stakeholder Relationship Committee meetings were held on 16<sup>th</sup> June 2021 and 11<sup>th</sup> November 2021.

Mr. Chander Bhan Gupta, Company Secretary of the Company has been designated as the Compliance Officer of the Company.

**The details of Complaints received; resolved/pending during the financial year 2021-22 are given below:**  
Brought Forward: NIL Received: NIL Resolved NIL Pending: NIL

## 7. **RISK MANAGEMENT COMMITTEE**

The company is not required to constitute Risk Management Committee.

## 8. **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
2018-19	30 <sup>th</sup> September 2019	9.30 A.M.	Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab	YES - Approval of alteration of Article 150 (the Seal) in Articles of Association of the company
2019-20	29 <sup>th</sup> September 2020	10.00 A.M.	Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab	NO
2020-21	29 <sup>th</sup> September 2021	10.00 A.M.	Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab	YES - Reappointment of Mr. Ajay Kumar (DIN: 02929113) as Whole Time Director and payment of remuneration. - Reappointment of Mr. Harpreet Singh Nibber (00239042) as Managing Director and payment of remuneration. - Reappointment of Mr. Raminder Singh Nibber (DIN: 00239117) as whole time Director and payment of remuneration. - Reappointment of Mr. Subramaniam Bala (DIN: 00461697) as an Independent 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 2021-22, no Extra-ordinary General Meeting was held.

### **Special Resolutions passed through Postal Ballot during FY 2021-22**

During the Year 2021-22, no Postal Ballot process was conducted, hence, no Special Resolutions were passed through Postal Ballot.

- In the forthcoming Annual General Meeting, the Company does not have any proposal to pass any special resolution through Postal Ballot.

Procedure for Postal Ballot: Pursuant to provisions of Section 110 of Companies Act, 2013, any item of business required to be transacted by means of postal ballot under clause (a) of Section 110, may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under section 108. Hence, the requirement to conduct Postal Ballot is not applicable on the company.



## 9. 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, NSE & CSE) 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 its financial results by way of newspaper advertisement pursuant to SEBI (LODR) Regulation 47 in English Newspaper (Financial Express) and Vernacular (Punjabi) Newspaper (Rozana Spokesman).
- The Company's financial results are also displayed on the Company's Website [www.pritikaautoindustries.com](http://www.pritikaautoindustries.com).
- The Company communicates Official Media Releases and Presentations made to Investors to the Stock Exchange(s) and also uploads the same on its website.

## 10. GENERAL SHAREHOLDERS' INFORMATION

### • **42<sup>nd</sup> Annual General Meeting:**

Day & Date: Thursday, 29<sup>th</sup> day of September 2022

Time : 10.00 AM

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

Financial year: 1st April, 2021 to 31st March, 2022

### • **Dates of Book Closure:**

The register of members and share transfer books of the company will remain closed from Monday, 26<sup>th</sup> September, 2022 to Thursday, 29<sup>th</sup> September, 2022 (both days inclusive), for the purpose of Annual General Meeting.

### • **Dividend Payment Date:**

No dividend was declared for the financial year ended 31.03.2022.

### • **Listing on Stock Exchanges:**

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

BSE Limited  
Stock Code :539359  
P.J.Towers, Dalal Street  
Mumbai -400 001

\*Calcutta Stock Exchange Limited (CSE)  
Stock Code: 18096  
7, Lyons Range,  
Calcutta - 700 001

\*\*National Stock Exchange of India  
Exchange Plaza, C-1, Block G  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400051

\* Application for delisting of the Company's Shares from CSE has already been submitted which is pending with CSE.

\*\*Listed on 10/08/2021

### **Listing Fees:**

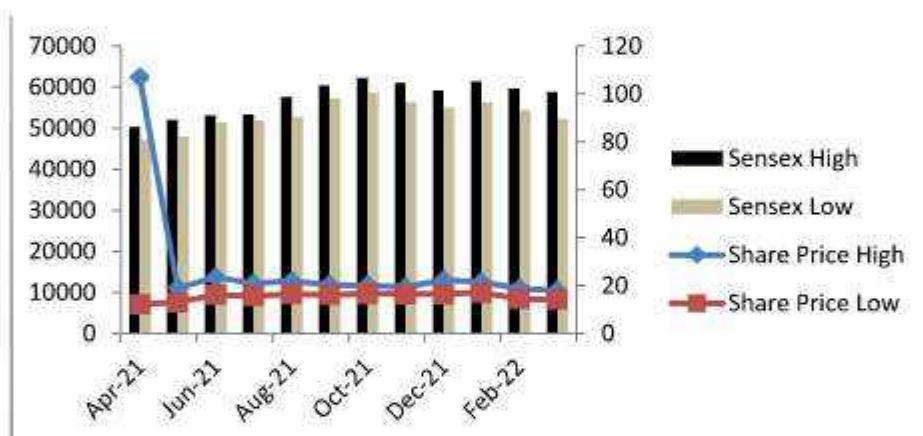
The Annual Listing Fees for the Financial Year 2022-23 have been paid to the Stock Exchanges where the securities of the company are listed.

- **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 (Sensex):

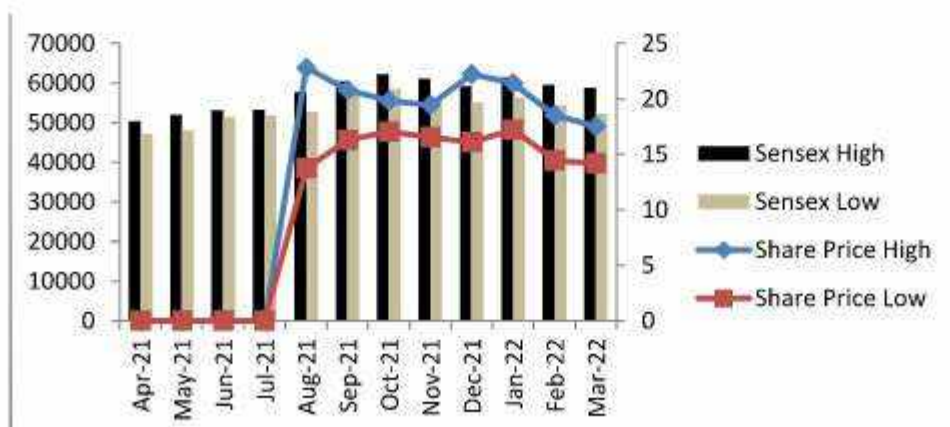
Month	BSE Share Price		NSE Share Price		Sensex	
	High	Low	High	Low	High	Low
Apr 2021	106.9*	12.1	-	-	50375.77	47204.5
May 2021	18.94	13.01	-	-	52013.22	48028.07
Jun 2021	23.4	16.1	-	-	53126.73	51450.58
Jul 2021	20.9	15.65	-	-	53290.81	51802.73
Aug 2021	21.8	16.45	22.80	13.75	57625.26	52804.08
Sept 2021	20.3	16.15	20.80	16.30	60412.32	57263.9
Oct 2021	19.95	16.65	19.80	17.05	62245.43	58551.14
Nov 2021	19.35	16.35	19.45	16.55	61036.56	56382.93
Dec 2021	22.25	16.4	22.20	16.10	59203.37	55132.68
Jan 2022	21.45	17.05	21.40	17.25	61475.15	56409.63
Feb 2022	18.75	14.3	18.50	14.45	59618.51	54383.2
Mar 2022	17.85	14.25	17.50	14.20	58890.92	52260.82

**Share Price vis-à-vis BSE Sensex**



\*During the financial year 2021-22 the company with the approval of shareholders and other requisite authorities has sub divided each equity share of the face value of Rs. 10 into five equity shares of Rs. 2 each w.e.f. 14<sup>th</sup> April 2021. The high price of share in the month of April 2021 pertains to equity share of Rs. 10/.

**Share Price vis-à-vis NSE Sensex**



The equity shares of the company were listed on NSE w.e.f. 10<sup>th</sup> August, 2021.



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

M/s. Satellite Corporate Services Pvt. Ltd., the Registrar and Share Transfer Agent of the Company is handling the share related work both in physical and electronic form.

All correspondence relating to share transfer, transmission, dematerialization, dematerialization etc. can be made at the following address:

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

Office no.106 & 107,

Dattani Plaza, East West Compound,

Andheri Kurla Road, Safedpul,

Sakinaka- Mumbai-400072.

Ph Nos: 022 28520461/462

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

- **Share Transfer System:**

SEBI vide Press Release No. 49/2018 dated Dec. 03, 2019 has mandated that transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository w.e.f. April 1, 2019.

- **Distribution of Share Holding as on March 31, 2022:**

Sl. No.	Share holding of nominal value of	Share Holders		Shareholding		
	Rs.	Number	% to Total	Number of shares	Amount (Rs.)	% of share capital
1	UPTO - 5000	16220	92.978	6116957	12233914	6.898
2	5001 - 10000	638	3.6572	2489799	4979598	2.808
3	10001 - 20000	287	1.6452	2148812	4297624	2.423
4	20001 - 30000	81	0.4643	1005834	2011668	1.134
5	30001 - 40000	40	0.2293	720690	1441380	0.813
6	40001 - 50000	54	0.3095	1256925	2513850	1.417
7	50001 - 100000	61	0.3497	2335037	4670074	2.633
8	100001 & Above	64	0.3669	72598446	145196892	81.87
	<b>TOTAL</b>	<b>17445</b>	<b>100</b>	<b>88672500</b>	<b>177345000</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. INE583R01029 has been allotted for the Company. 99.52% of the Company's Paid-up Share Capital is in dematerialized form on 31<sup>st</sup> March, 2022 and balance 0.48% 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/ Warrants:**

The Company has not issued any Global Depository Receipts/ American Depository receipts.

- The company has not issued any debt instruments/fixed deposits during the year, hence no credit ratings were obtained for that purpose.

- **Plant Locations:**

**Unit I**

Village Saidomajra

Post Office Mubarakpur,

Near Focal Point, Derabassi

Distt. S.A.S. Nagar, Punjab

**Unit II**

Village -Batheri, Teh. Haroli

Tahliwala- Garhshankar Road

Distt. Una, Himachal Pradesh



- **Address for Correspondence:**

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

# 11. **OTHER DISCLOSURES:**

- No transaction of a material nature with the related parties which may have a potential conflict with the interest of the Company at large has been entered into by the Company. 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 and no penalties/strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority during the last three financial years.
- The Company has a Whistle Blower Policy and has 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. During the year no person has approached under the said policy.
- During the year the Company has not adopted any discretionary requirements as specified in Part E of Schedule II of Listing Regulations.
- 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.
- Web link of the policy for determining 'material subsidiaries is <http://www.pritikaautoindustries.com/investors.html>.
- 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 hedging activities in the Company. However, the company keeps close watch on the price risk of input materials.
- There are no funds raised by the company through preferential allotment or qualified institutions placement, of which utilization is pending.
- M/s. Sushil Kumar Sikka & Co., Practicing Company Secretary, has issued a certificate as required under the Listing Regulations that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies, by SEBI/Ministry of Corporate Affairs or any such statutory authority.
- There was no instance where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.
- Audit Fees Paid during the FY 2021-22.

Company	Audit Firm	Audit Fee (Rs. in lac)
Pritika Auto Industries Ltd.	M/s. Sunil Kumar Gupta & Co.	13.70
Pritika Engineering Components Pvt. Ltd., Wholly Owned Subsidiary	M/s. Sunil Kumar Gupta & Co.	1.60

- 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. The company has constituted Internal Complaints Committee in compliance with the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year ended 31<sup>st</sup> March, 2022, no complaint pertaining to sexual harassment was received by the Company.

Number of cases pending as on the beginning of the financial year	Nil
Number of complaints filed during the financial year	Nil
Number of cases pending for more than 90 days	Nil
Number of cases pending at the end of end of the financial year	Nil
Nature of action taken by the employer or District Officer	NA

- There are no shares in demat suspense account or unclaimed suspense account.
- Disclosure under Schedule V, Regulation 10(m) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the year under review the Company and its subsidiary has not given Loans and Advances to firms/companies in which directors of the company are interested

## 12. **COMPLIANCE WITH THE REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:**

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.

## 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.

## 14. **COMPLIANCE WITH THE REQUIREMENTS OF CORPORATE GOVERNANCE:**

The company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

For and on behalf of the Board of Directors

Date: 24/08/2022  
Place: Mohali

Sd/-  
Raminder Singh Nibber  
Chairman

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

In compliance with the requirements of regulation 17(5) of the SEBI (LODR) Regulations, the company has laid Code of Conduct which, inter alia, incorporates the duties of all members of Board of Directors and Senior Management and Independent Directors as laid down in the Companies Act, 2013. All the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management, as applicable to them for the year ended March 31, 2022.

Date: 24/08/2022  
Place: Mohali

Sd/-  
Harpreet Singh Nibber  
Managing Director & CEO

## **PRACTICING COMPANY SECRETARY'S CERTIFICATE**

**To,  
The Members of  
Pritika Auto Industries Limited**

I have examined the compliance of the conditions of Corporate Governance by **Pritika Auto Industries Limited** for the year ended 31<sup>st</sup> March, 2022, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations (including any statutory modification(s) or enactment thereof for the time being in force).

The Compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

I, further state that compliance is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For S. K. SIKKA & ASSOCIATES**

Company Secretaries

Sd/-

Place: Chandigarh  
Date: 03.08.2022

(Sushil K. Sikka)

Prop.

FCS 4241, CP 3582

UDIN: F004241D000737490

Peer Review Cert. No. 1057/202



**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

Statement containing salient features of the financial statements of subsidiaries/associates companies/joint ventures.

**Part 'A' - Subsidiaries**

<b>Amount (Rs. in lacs)</b>	
<b>Name of the Subsidiary Company</b>	<b>Pritika Engineering Components Pvt. Ltd.</b>
<b>Year</b>	<b>2021-22</b>
Share Capital	763.45
Reserves and Surplus	889.20
Total Assets	7113.81
Total Liabilities	7113.81
Details of Current and Non Current Investments	0.06
Net Turnover	5739.57
Profit/(Loss) before taxation	587.08
Provision For taxation	38.13
Profit/(Loss) after taxation	548.95
Proposed Dividend	--
% of Share-holding	100%

Name of Subsidiaries which are yet to commence operations	None
Name of Subsidiaries which have been liquidated or Sold during the year	NA

For and on behalf of the Board of Directors

Sd/-  
Raminder Singh Nibber  
(Chairman)  
DIN 00239117

Sd/-  
Harpreet Singh Nibber  
(Managing Director)  
DIN 00239042

Sd/-  
Narinder Kumar Tyagi  
C.F.O.

Sd/-  
Chander Bhan Gupta  
Company Secretary  
M. No. F2232

Date: 24/8/2022  
Place: Mohali

## **ANNEXURE D**

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

#### **A) Conservation of energy:**

##### **(i) The steps taken or impact on conservation of energy;**

The Company is engaged in the castings and machining sector and is substantial energy consumer. The Company is taking all possible measures to conserve energy.

The Company is regularly conducted Energy Audit through CII. The various recommendations suggested by CII like Compressed Air saving Improvement in Power Factor are under process.

Also the Company has initiated process of ISO 50001 (Energy Management System) Certification for continual improvement in the field of Energy Conservation.

#### **Unit-1 (Derabassi-Punjab)**

a) The Company is taking all possible measures to conserve energy. The company has upgraded Automatic Power Factor Controller to improve the Power Factor & monitoring Power Factor on Regular Basis for better Energy Management System. The company has initiated steps to convert Sand Dryer & Core Oven from Diesel to LPG which is cleaner & cheaper fuel. Regular Interactions with Employees are being done to make them aware for Power Saving Opportunities & regular Suggestions are invited in this Area.

b) The company has installed Runner Riser Cleaning machine which will consume low energy.

c) The company by eliminating of non-value activities saved energy under WOW.

d) Laddle preheating introduced to reduce heat loss and reduce energy consumption.

e) Multilayer core heating racks designed to increase volume of core hence results into low energy consumption /MT of castings.

f) Replacement of Raw water pump with energy efficient pumps.

#### **Unit 2 (Bathri-Himachal Pradesh)**

The company has upgraded Automatic Power Factor Controller to improve the Power Factor. The company is continuously upgrading to CNC Machines from conventional machines which is better, efficient and more productive. The company has added 8 Nos. of machines namely HMC, CNC and VMC.

To save heat energy, the liquid metal transfer ladle are covered with blankets. The company by eliminating of non-value activities saved energy under WOW.

Reduction in fettling activities results into low/less energy consumption /MT of gross production.

Replacement of Raw water pump with energy efficient pumps.

Enhanced the maintenance periodicity of air conditioners.

The company has removed bottlenecks to improve the smooth operation of plant.

**(ii) The steps taken by the Company for utilising alternate sources of energy;**

The conventional Electric core ovens have been replaced with continuous oven operated through LPG/LNG, which has reduced energy consumption and improved efficiency of the equipments.

The company has installed Induction Furnace instead of Cupola, shifting from coal consumption to electric in Unit-1.

The company is drying up sand with natural sun heat in summer and manual grinding machine operations converted to chipping with diesel hammers resulting in less energy consumption in Unit-2.

**iii) The capital investment on energy conservation equipments;**

Although the company has acquired misc. energy equipments as and when required during the year. The investment made was not major and cannot be quantified.

**(B) Technology absorption:**

**(i) The efforts made towards technology absorption;**

The management keeps itself abreast of the adaptation and innovation technological advancements in the industry and ensures continued and sustained efforts towards absorption as well as development of the same to meet business needs and objectives. The company is going extensively on machine made core from conventional hand made.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;**

The technological absorption has resulted in improvement, cost reduction, product development, improvement in services, import substitution, etc. However, the benefits derived from the technological advancements are not quantifiable.

The yield improved and weight reduction is on going to save energy to melt the metal which cannot be quantified.

In Unit-1, the company has started making briquetting of CI Boring resulting into Dense scrap to save energy and avoid wastage in shape of slag. The rejected core/sand mix being recycled by crushing to save new sand which is taken from mines.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

The company has not absorbed any imported technology.

(a) the details of technology imported; Not applicable

(b) the year of import Not applicable

(c) whether the technology been fully absorbed; Not applicable

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not applicable



**(iv) The expenditure incurred on Research and Development.**

The Company has not carried out any specific research and development activities during the year. As such expenditures on Research & Development cannot be quantified. The Management team visited different countries to absorb the latest technologies to upgrade technology which are under consideration and hence cannot be quantified at this stage.

**C. Foreign Exchange Earnings and Outgo**

The total inflow in Foreign Exchange was equivalent to Rs. 824.76 lac and the total expenses in Foreign Exchange was equivalent to Rs. 6.69 lac.

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

**Sd/-**

**Raminder Singh Nibber  
Chairman**

**Date: 24/08/2022**

**Place: Mohali**

**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 transactions entered into ordinary course of business and at an arms length basis under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis: NONE**

- (a) Name(s) of the related party and nature of relationship  
(b) Nature of contracts/arrangements/transactions  
(c) Duration of the contracts / arrangements/transactions  
(d) Salient terms of the contracts or arrangements or transactions including the value, if any  
(e) Justification for entering into such contracts or arrangements or transactions  
(f) date(s) of approval by the Board  
(g) Amount paid as advances, if any:  
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement 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) Directors & Key Management Personnel**

Mr. Harpreet Singh Nibber	Managing Director
Mr. Raminder Singh Nibber	Whole Time Director
Mr. Ajay Kumar	Whole Time Director
Mr. Yudhisthir Lal Madan	Independent Director
Mr. Subramaniam Bala	Independent Director
Mrs. Neha	Independent Director
Mr. Narinder Kumar Tyagi	Chief Financial Officer
Mr. Chander Bhan Gupta	Company Secretary

**B) Subsidiary Companies**

Pritika Engineering Components Private Limited

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

Pritika Industries Limited

- b) Nature of contracts/arrangements/transactions:

(In Lacs)

Nature of Transactions During the year	Related Parties					
	Referred in A Above		Referred in B Above		Referred in C Above	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Income</b>						
Sales net of tax	-	-	227.36	57.98	10,713.02	9,152.44
Interest received	-	-	-	-	-	-
<b>Expenditure</b>						
Purchases	-	-	1,783.60	267.97	1,774.36	2,272.89
Director Remunerations	250.29	210.36	-	-	-	-
Director Sitting Fees to independent Directors	12.00	14.75	-	-	-	-
Salary to KMP's	44.68	34.61	-	-	-	-
Investment made	-	-	-	685.00	-	-
Balance as at 31st March, 2022 Debit / ( Credit)	-	-	1,083.51	509.97	4,954.34	4,563.27
Corporate Guarantee given	-	-	4,313.00	2,359.00	2,350.00	-

<b>Loan &amp; Advances</b>						
<b>Loan taken</b>						
Loan taken during the year	-	-	-	-	-	-
Repayment of Loan during the year	-	-	-	-	-	-
<b>Loan Given</b>						
Loan given during the year	-	-	-	176.00	-	-
Conversion of Loan into Equity Shares	-	-	-	685.00	-	-
Repayment of Loan during the year	-	-	-	1.14	-	-
Loan balance as at 31st March ,2022	(14.16)	(14.16)	-	-	-	-
Debit/(Credit)						

**c) Duration of the contracts / arrangements/transactions**

- i) PECPL - Contract/Arrangement for two years w.e.f. 01.04.2020
- ii) PIL - Contract/Arrangement for two years w.e.f. 01.04.2020

**d) Salient terms of the contracts or arrangements or transactions including the value, if any:**

- i) PECPL: After approval of the Board of Directors of the company, the members accorded their approval to the company for entering into the Related Party Transactions u/s 188 of the Companies Act, 2013, with Pritika Engineering Components Pvt. Ltd. not exceeding Rs. 25.00 crore during the Financial Year 2021-22.
- ii) PIL: After approval of the Board of Directors of the company, the members accorded their approval to the company for entering into the Related Party Transactions u/s 188 of the Companies Act, 2013, with Pritika Industries Ltd. not exceeding Rs. 200.00 crore during the Financial Year 2021-22.

**e) Date(s) of approval by the Board, if any:** Prior approval by Board of Directors in its meeting held on 12/2/2020. The shareholders approved Related Party Agreement/Transactions by way of Postal Ballot on 26/3/2020.

**f) Amount paid as advances, if any:** Nil

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

**Date: 24/8/2022**  
**Place: Mohali**

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



**CEO/CFO 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),

We Harpreet Singh Nibber, Managing Director and Narinder Kumar Tyagi, CFO certify that

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2022 and that to the best of our 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 our 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) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we 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 we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We 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 we 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**

<b>Sd/-</b>	<b>Sd/-</b>
<b>Harpreet Singh Nibber</b>	<b>Narinder Kumar Tyagi</b>
<b>Managing Director</b>	<b>Chief Financial Officer</b>
<b>DIN: 00239042</b>	

**Date: 7<sup>th</sup> May, 2022**  
**Place: Mohali**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Part C of Schedule V of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015** read with regulation 34(3) of the said Listing Regulations).

To

The Members,

**Pritika Auto Industries Limited**

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Pritika Auto Industries Limited** ("Company") having CIN: L45208PB1980PLC046738 and having its registered office at Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar Mohali, Punjab, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the financial year ended 31st March, 2022, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority

Sr. No.	Name of Director	DIN
1.	Mr. Harpreet Singh Nibber	00239042
2.	Mr. Raminder Singh Nibber	00239117
3.	Mr. Subramaniyam Bala	00461697
4.	Mr. Ajay Kumar	02929113
5.	Mr. Yudhisthir Lal Madan	05123237
6.	Ms. Neha	08109734

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the financial year ended 31st March, 2022.

For **S. K. SIKKA & ASSOCIATES**

Sd/-

Company Secretaries  
(Sushil K. Sikka)

Prop.

FCS 4241, CP 3582

UDIN NO: F004241D000737481

Peer Review Cert. No. 1057/2021

Place: Chandigarh

Date: 03.08.2022

**Annexure - F**  
**SECRETARIAL AUDIT REPORT**  
**FORM NO. MR-3**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**PRITIKA AUTO INDUSTRIES 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). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Pritika Auto Industries Limited's 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, 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 Company, which were shared with me, for the financial year ended on 31 March, 2022 according to the provisions of the following Acts/Laws/Regulations and the amendments thereof, if any:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 2018 and the Regulations and bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
  - (d) 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- **Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable as there was no reportable event during the financial year under review;**



(f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not applicable as there was no reportable event during the financial year under review;**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable as there was no reportable event during the financial year under review;**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable as there was no reportable event during the financial year under review; and**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(6) The Company has complied with the following laws applicable specifically to the Company:

(a) Hazardous Waste (Management & Handling) Rules 1989 under EP Act, 1986.

(b) Factories Act, 1948 and allied State Laws.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**I further report that**

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors including a Woman Independent Director. 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.

(ii) Adequate notice was given to all Directors to schedule 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 clarifications on agenda items before the meeting and for meaningful participation at the meeting;

(iii) All the Decisions at the Board Meetings were taken unanimously.

**I, 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** the Board in its meeting held on 14th August, 2021 considered and approved subject to the approval of Stock Exchanges, SEBI, Shareholders, Creditors, NCLT and other authorities, 'Scheme of Arrangement' pursuant to section 230 to 232 read with other applicable provisions of Companies Act, 2013, for demerger and vesting of the 'Automotive/Tractor/Engineering Components Business Undertaking' (Demerged Undertaking) of Pritika Industries Ltd. (the demerged company) into Pritika Auto Industries Ltd. (the Resulting Company). The company has initiated the process and filed the Joint Application u/s 230-232 of the Companies Act, 2013 for approval of Scheme before National Company Law Tribunal, Chandigarh on 27.03.2022.

**I, further report that** during the audit period, there were no instances of:

(i) Public / Rights / Preferential Issue of Shares /Sweat Equity.

- (ii) Redemption / Buy-Back of Securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Foreign Technical Collaborations.

This Report is to be read with our letter of even date which is annexed as **Annexure-A** and forms an integral part of this report.

Place: Chandigarh  
Date: 30.07.2022

**For S. K. SIKKA & ASSOCIATES**  
Company Secretaries  
Sd/-  
(Sushil K. Sikka)  
Company Secretary  
FCS 4241, CP 3582  
UDIN: F004241D000714126  
Peer Review Cert. No. 1057/2021

#### **Annexure-A**

To,  
The Members  
**Pritika Auto Industries Limited**

My 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 as opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever 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 management. My examination was limited to the verification of procedures on test 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.

Place: Chandigarh  
Date: 30.07.2022

**For S. K. SIKKA & ASSOCIATES**  
Company Secretaries  
Sd/-  
(Sushil K. Sikka)  
Company Secretary  
FCS 4241, CP 3582

## **ANNEXURE G**

### **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 as per the IND AS guidelines and comply with the Indian Accounting Standards notified under Section 211(3C) of the Act read with the Companies (Accounting Standards) Rules, 2015. 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 Auto-Components Industry**

The auto components industry in India has been growing steadily over the past several years. Barring intermittent slowdowns such as that in 2019, the industry grew at a CAGR of 3.28% during FY2016 to FY2020, reaching \$45.9 billion in FY21. The industry is forecast to reach \$200 billion by FY2026. Some of the factors driving investments in this sector include a large domestic market (rise in working population), a stable and supportive government framework and rising development in infrastructure. This sector alone accounts for around 2.3% of the country's GDP, driven by the automotive industry which is India's fourth largest industry.

The Indian automotive sector was just recovering from a slowdown due to financing difficulties in the supply chain, when the global markets were hit by the outbreak of the COVID-19 pandemic. The pandemic disrupted operations across the supply chain and hampered production and distribution of non-essential products. The industry turnover declined 3% year on year in FY21. However, post reopening of the lockdowns, the markets have recovered at a good pace, the industry is expected to touch \$200 billion by FY26.

Moreover, as per the Automobile Component Manufacturers Association (ACMA), exports in the auto components sector have grown at a CAGR of 7.6% during 2014-19, to USD 14.5 billion, and are further projected to reach \$80 billion by 2026. India exports auto components to several parts of the world, the major markets being developed countries such as the US, Germany and the UK. This augurs well for the overall industry.

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



## Indian Agriculture Industry – an overview

Agriculture is a key industry in India and plays a pivotal role in the nation's economy. The Gross Value Added (GVA) by agriculture, forestry and fishing was estimated to be Rs. 19.48 lakh crore (\$276.37 billion) in FY2020. Share of agriculture and allied sectors in GVA of India at current prices stood at 17.8% in FY20.

The Indian food industry is one of the largest, and is poised for huge growth, supported by domestic as well as export demand. In FY20, food grain production was reported at 296.65 million tons, up by 11.44 million tons over FY19. For FY22, the government has set a record target for farmers to raise food grain production by 2% with 307.31 million tones of food grains. In FY21, production was recorded at 303.34 million tones against a target of 301 million tones.

This growth is being driven by strong domestic demand (owing to rising population) as well as global exports. India is among the 15 leading exporters of agricultural products globally.

Consequently, investments into this sector have grown significantly. From 2017 to 2020, India received ~\$ 1 billion in agritech funding. By 2025, Indian agritech companies are likely to witness investments worth \$ 30-35 billion. For instance, Nestle recently announced plans to invest Rs. 700 crore to construct its ninth factory in Gujarat. In March 2020, F&E, the oldest large-scale fertilizer manufacturer in the country, crossed one million production and sales mark. Moreover, investments worth Rs. 8,500 crore (\$1.19 billion) have been announced in India for ethanol production.

The agriculture sector also receives significant support from the Government of India, some of the recent initiatives include:

- In October 2021, the Union Minister of Home Affairs and Cooperation launched the 'Dairy Sahakar' scheme in Anand, Gujarat
- In November 2020, the government inaugurated a mega food park in Punjab worth Rs. 107.83 crore (\$14.6 million) that will be spread across over 55 acres of land
- In October 2020, Agri-lender NABARD (National Bank for Agriculture and Rural Development) proposed plans to set up a subsidiary to provide guarantee for loans under agriculture and rural development
- The Government came out with Transport and Marketing Assistance (TMA) scheme to provide financial assistance for transport and marketing of agriculture products in order to boost agriculture exports
- Under Union Budget 2020-21, Rs 2.83 lakh crore (\$40.06 billion) was allocated for the Ministry of Agriculture. Ministry of Food Processing was allocated Rs 1,233 crore (\$176.42 million).
- The Government launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs. 50,000 crore (\$7.7 billion) aimed at development of irrigation sources for providing a permanent solution from drought.

Source: IBEF, <https://www.ibef.org/industry/agriculture-india.aspx#:~:text=According%20to%20Inc42%2C%20the%20Indian,%2C%20groundnuts%20and%20fruits%20%26%20vegetables.>

<https://www.ibef.org/industry/agriculture-india.aspx>

<https://www.ibef.org/industry/agriculture-presentation>

## Indian Tractor Industry

The tractor industry, a part of the farm equipment market, has been growing significantly in India. Demand for tractors has risen in tandem with increasing mechanization in farming across India. As per industry estimates, the tractor market in India registers annual sales of 600,000 – 700,000 units on an average. Tractors find application not only in agriculture, but also in rural haulage, partially reducing the seasonal nature of demand.

The Indian agricultural tractors market is projected to witness a CAGR of 4.5% over 2021 – 2026. Tractor demand continues to be robust with good monsoons, supported by healthy reservoir levels and higher liquidity with farmers among others. Unit sales are expected to reach one million by mid of the next decade.

Various tractor OEMs are optimistic based on strong domestic demand as well as export growth. A



sustained focus by the government on the promotion of farmer welfare and rural development along with

mechanization in agriculture would support this growth trajectory. Moreover, the budget's emphasis on doubling farmers' income by 2022, loan waivers and finance availability, as well as rising use of tractors in construction and other fields, would bode well for the production and sale of tractors going forward.

Source: <https://www.mordorintelligence.com/industry-reports/india-agricultural-tractor-machinery-market>  
<http://www.tmaindia.in/consolidated-monthly-reports-2020.php>  
<https://www.globenewswire.com/news-release/2019/05/06/1817241/0/en/Indian-Agricultural-Tractor-Market-Report-2019-2023-with-a-Focus-on-Key-Industry-Players.html>  
<https://auto.economictimes.indiatimes.com/news/commercial-vehicle/indian-tractor-market-to-grow-8-10-in-fy19/64483327>

### **Government Initiatives**

The Indian Automobile industry is expected to reach a turnover of approximately \$300 billion by 2026, growing at a CAGR of 15% from its current revenue of around \$74 billion.

In November 2020, the Union Cabinet approved PLI scheme in automobile and auto components with an approved financial outlay over a five-year period of Rs. 57,042 crore (\$8.1 billion).

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

- Contribution of auto industry in the country's GDP will rise to over 12%
- More than 65 million jobs will be created
- End of Life Policy would be implemented for old vehicles

Crisil, IBEF: [https://www.ibef.org/industry/autocomponents-india.aspx#:~:text=Indian%20Auto%20Components%20Industry%20Report,KB%20\)%20\(January%2C%202021\)&text=The%20Indian%20auto%2Dcomponents%20industry,US%24%2049.3%20billion%20in%20FY20.https://www.ibef.org/industry/autocomponents-india.aspx](https://www.ibef.org/industry/autocomponents-india.aspx#:~:text=Indian%20Auto%20Components%20Industry%20Report,KB%20)%20(January%2C%202021)&text=The%20Indian%20auto%2Dcomponents%20industry,US%24%2049.3%20billion%20in%20FY20.https://www.ibef.org/industry/autocomponents-india.aspx)

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

Pritika Auto Industries Ltd. is a flagship company of the Pritika Group of Industries which was set up in 1974 by Mr. Raminder S. Nibber, manufacturing small forgings. Over the last four decades and under Mr. Nibber's visionary leadership, the Company has established itself as a robust and reliable brand in its market, specializing in machined castings. A quality driven organization, Pritika produces world class components from modern facilities. Pritika has manufacturing facilities situated at Derabassi and Hoshiarpur (Punjab), and Tahliwal (Himachal Pradesh) with a total capacity exceeding 50,000 metric tons per annum (MTPA) in FY19.

Catering primarily to tractors and commercial vehicles, Pritika focuses on expanding and diversifying its product portfolio. The Company manufactures a wide range of products such as axle housings, wheel housings, hydraulic lift housings, end cover, plate differential carrier, brake housings, cylinder blocks, and crank cases, among others. Pritika is one of the biggest component suppliers 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., as well as exports casted products outside India. The Company's vision is to provide products which meet customer's quality requirement constantly at competitive prices.

### **CONSOLIDATED FINANCIAL OVERVIEW**

The consolidated performance of the Company for the financial year ended March 31, 2022, is as follows:

Total revenue from operations at Rs. 271.2 crore for the year ended March 31, 2022, as against Rs. 225.7 crore (net of GST) for the corresponding previous period, an increase of 20.2%, mainly on account of post-COVID recovery and pick-up in demand for tractors from Agri-sector.

The EBIDTA (earnings before interest, depreciation and tax, excluding other income) was Rs. 30.0crore for the year ended March 31, 2022, as against Rs. 23.8 crore for the corresponding previous period, an increase of 26.3%.

The PAT (profit after tax) was Rs. 14.4crore for the year ended March 31, 2022, as against Rs. 5.9 crore for the corresponding previous period, a rise of 145.5%.

EPS was at Rs.1.62, YoY growth of 145.5% (0.66 in FY21).

## **RESOURCES AND LIQUIDITY**

As on March 31, 2022, the consolidated networth stood at Rs. 139.0 crore and the consolidated debt was at Rs. 84.7 crore.

The net debt to equity ratio of the Company stood at 0.33 as on March 31, 2022.

## **BUSINESS PERFORMANCE**

Pritika registered a growth of 20.2% in revenue clocking a turnover of Rs. 271.2 cr in FY22. The Company produced 32,353 tons of machined casting during the year. About 92-93% of the revenue was contributed by the tractor components segment while the rest was from the commercial vehicle segment. With capacity in place, Pritika is focusing on higher production and better utilization for financial year 2022-23, based on a good order book. The Company is also adding high-value products and trying to improve operational efficiencies, while expanding export revenues.

The Company is dealing in single segment i.e. manufacturing of Auto Components/parts.

## **DEVELOPMENTS IN BUSINESSES DURING THE YEAR:**

- The Company is undergoing a merger of 'Automotive/Tractor/Engineering Components Business Undertaking' of its group Company, Pritika Industries Ltd. with it. Pritika Auto Industries Ltd. is a supplier of casted products to Pritika Industries Ltd., and this merger would benefit the Company in the form of improved bottom line.
- In August 2021, Pritika reported its highest ever monthly dispatch at 3,450 tons, and highest consolidated monthly sales at Rs. 30 crores
- Pritika added a new prestigious customer to its clientele, a leading OEM of tractors in India

## **KEY FINANCIAL RATIOS:**

There was no significant change i.e. 25% or more in Debtor Turnover Ratio, Inventory Turnover Ratio, Interest Coverage Ratio and Current Ratio. EBITDA margin and PAT Margins improved 53 bps and 271 bps, respectively, as compared to immediately previous year ended 31<sup>st</sup> March 2021.

Return on Equity has increased from 5.75% in FY2021 to 8.13% in FY2022 due to higher rate of growth in profit after tax.

## **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 risks 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 agricultural and automotive industry, which is cyclical in nature. The cyclical nature of the Indian commercial vehicle industry and tractor industry impacts the demand for related components. Since the automotive industry plays a major role in determining the economic growth, any slowdown in the overall economy would affect the commercial vehicle industry.

**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 optimize 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**

Like in most other industries, growth opportunities lead to a rise in competition. We face different levels of competition, from domestic as well as multinational companies. Pritika 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 maintain a competitive edge. A stable and long-standing client base comprising large and mid-sized companies further helps maintain a strong order book and insulate the Company from this risk. We also mitigate 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 these risks that are potentially significant in nature and need careful monitoring are raw material prices, and availability of power, among others.

**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

- **Increasing mechanization in agriculture:** With the agriculture sector witnessing significant technology enhancements, the demand for higher efficiency tractors and farm equipment is likely to increase in India as well as globally. Adoption of such equipment over traditional farming methodologies in rural parts of the country would benefit ancillary companies catering to this sector, such as Pritika.

- **Support from Government Policies:**

- Government's aim to double farmer's income by 2022 would boost demand for tractors.
- 100% FDI allowed under automatic route for auto component sector
- Establishment of 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), NMEM 2020, likely to infuse growth in the auto component sector of the country.
- Allocation of increased financial support for the agriculture industry in the Union Budget

- **Investments:**

- Increasing FDI in the auto sector
- With the launch of 'Make in India' initiative, the government is expected to mobilize substantial investments in the auto component sector.
- The auto components sector is expected to witness higher investments for upgradation of products and keeping up with new industry regulations.

- **Export Advantage:** India is a leading auto exporter and has strong near-term export growth expectations. As per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to increase to \$70 billion by 2026.

- The last year's Union Budget increased duties of customs on imports of Auto Parts, which is expected to boost domestic manufacturing.
- Reduction of corporate tax for companies was announced in previous Union Budget.

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

## THREATS

- Competition from domestic and multinational players
- Regulatory changes impacting the automotive and agricultural sectors
- Unfavourable volatility in labour and raw material costs
- Attraction and retention of skilled human capital
- Risk from unforeseen impediments in execution
- Market-wide slowdown in the agriculture sector
- Potential lockdowns due to COVID-19, impacting operations and demand in various regions

## INTERNAL CONTROL SYSTEMS AND ADEQUACY

For the purposes of effective internal financial control, Pritika has adopted various policies and procedures to ensure orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the

accounting records, and 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. Additionally, the Company has adopted various policies and procedures to safeguard its interest. These policies and procedures are reviewed from time to time. A proper reporting mechanism has been implemented in the organization for reporting any deviation from the policies and procedures. Compliance audit is conducted from time to time by external agencies on various areas of operations.

## **HUMAN RESOURCES**

Pritika 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 talent development. The Company aims to develop the potential of every individual associated with it as a part of its business goal. Pritika leverages a mix of experienced as well as young talent to drive growth.

The company values its human resources as the principal drivers of change. The Company focuses on providing individual development and growth in a work culture that encourages team work and high performance.

As on March 31, 2022, the Company had a workforce of 1551 (permanent and contractual).

## **OUTLOOK**

The tractors (and corresponding ancillary sub-sectors) industry has been recovering well from the slowdown induced by the COVID-19 pandemic. This is based on a good monsoon, leading to robust agri-sector growth, coupled with favorable government policies.

The automotive sector is also witnessing rapid recovery after the COVID-19 pandemic. Long-term outlook remains buoyant with several major global players having a base in India for engineering, manufacturing and global sourcing. New product launches by OEMs, driven by technological advancements and rising demand, is likely to bode well for overall industry growth. New emission norms and increase in the Electrical Vehicles (EV) market are also likely to boost new manufacturing, thereby spurring demand for components. India now supplies a range of high-value and critical automotive components to the global auto market.

Pritika is poised to capitalize on new opportunities as they arise in the domestic and international markets. The Company's access to the US market would reduce its dependency on the domestic market, and help improve performance. Pritika's long-standing relationships with its clients demonstrates the continued faith the OEMs have in the Company's expertise and capability to deliver.

The Company continues to strive to improve utilization of its existing capacity and based on anticipated demand, is planning to expand production capacity in the coming year. This would enable the Company to address a larger target market and increase market share. Moreover, the Company's merger with Pritika Industries Ltd. is expected to lead to better profitability, thereby benefiting the Company.

The Indian auto-components industry is expected to become the third largest in the world by 2025, and Pritika is well positioned to capitalize on the coming opportunities.



## ANNEXURE H

### ANNUAL REPORT ON CSR ACTIVITIES for the financial year 2021-22

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### 1. CSR Policy- Brief Outline and Overview

The policy has laid down guidelines for the company to make a positive contribution to the society, mainly through promotion of education and healthcare. The policy is available on the website of the company at <https://www.pritikaautoindustries.com/investors>. The CSR Committee ensured that the activities were carried out as per the CSR Policy of the company. Implementing agencies were appointed to carry out the projects/programs.

#### 2. Composition of CSR Committee

The committee consists of following members:

S. No	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Raminder Singh Nibber	Chairman, Executive Director	02	02
2	Mrs. Neha	Member, Independent Director	02	02
3	Mr. Ajay Kumar	Member, Executive Director	02	02

3. Weblink where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.pritikaautoindustries.com/>

4. The provisions of Impact Assessment are not applicable on the company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: N.A.

S. No.	Financial Year	Amount available for set-off from preceding financial year (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
---NA---			

6. Average Net Profit of the company as per Section 135(5): Rs.1100.69 lacs

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 22.01 lacs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year: Nil

(d) Total CSR obligation for the financial year (7a+7b- 7c): Rs. 22.01 lacs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in lacs)	Amount Unspent (in lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
26.20	---NA---				

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

S. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Project duration.	Amount Allocated for the project (in Rs.).	Amount spent in the current financial	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
--NA--												

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in lacs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	BJF Stars Program 2 years residential program for IIT/AIEEE entrance	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Chandigarh	Chandigarh	10.00	No	Bhai Jaitajee Foundation India (BJFI)	CSR000 05563
2	INPA Institute for personnel training for teaching children with various disabilities	--do--	Yes	Chandigarh	Chandigarh	4.00	No	Indian National Portage Association (INPA)	CSR00 023249
3	Menstrual Hygiene Awareness Program	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.	Yes	Punjab	SAS Nagar, Hoshiarpur	8.50	No	Rani Breast Cancer Trust	CSR0000 2412
4	Free Medical Facilities	--do--	Yes	Punjab	SAS Nagar	1.20	No	Sahibzada Ajit Singh Free Poly Clinic Trust (Regd.)	CSR000 11333
5	Artificial Hand Implant	--do--	Yes	Punjab, Chandigarh	SAS Nagar	2.50	No	Chandigarh Central Rotary Club Service Trust	CSR000 13255
TOTAL						26.20			

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (Amount in lakh)	Amount Spent in the reporting Financial Year (Amount in lakh)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (Amount in lakh)
				Name of the Fund	Amount (in lakh)	Date of transfer	
1	2020-21	-----NA-----					
2	2019-20*	NA	3.00	NA	NA	NA	No
3	2018-19	-----NA-----					

\* Note: The company's office and units were temporarily closed in March 2020 due to lockdown declared by the Government of India. As such, an amount of Rs. 3 lacs remained unspent during FY2019-20 which was spent in the FY2020-21 to complete the projects undertaken by the company during 2019-20.

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (Amount in lakh)	Amount spent on the project in the reporting Financial Year. (Amount in lakh)	Cumulative amount spent at the end of reporting Financial Year. (Amount in lakh)	Status of the project- Completed/ Ongoing
---NA---								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

- (a) Date of creation or acquisition of the capital asset(s). Nil  
 (b) Amount of CSR spent for creation or acquisition of capital asset. Nil  
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Nil  
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Nil

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). N.A.**

Date: 24/08/2022  
 Place: Mohali

Sd/-  
 Harpreet Singh Nibber  
 Managing Director

Sd/-  
 Raminder Singh Nibber  
 Chairman, CSR Committee



## INDEPENDENT AUDITOR'S REPORT

**To the Members of PRITIKA AUTO INDUSTRIES LIMITED**

### **Report on Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of **PRITIKA AUTO INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and Cash Flow Statement for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Management's and Board of Directors' Responsibilities for the standalone Financial Statements**

The Company's management and Board of Directors are responsible for the matter stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows 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 Rule 7 of the Companies (Accounts) Rules, 2014 (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.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As Part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2020 ("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 1**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. (A) 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 purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Standalone Balance Sheet, Standalone Statement of Profit and Loss (including other comprehensive income) and the Standalone Statement of Changes in Equity and the Standalone statement of cash flows 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act.
  - e. On the basis of written representations received from the directors as on 31<sup>st</sup> March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2022, from being appointed as a director in terms of section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2"; and
- (B) 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:

- a. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March 2022 on its financial position in its standalone financial statements. Refer Note 41 to the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There are no items which required to be transferred, to the Investor Education and Protection Fund by the Company.
- d.
  - (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - ii. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



iii. Based on the audits procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

e. The company has not declared or paid any dividend during the year.

(c) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

**For Sunil Kumar Gupta & Co.**  
Chartered Accountants  
Firm Regn No: 003645N  
Sd/-

**Sunil Kumar Gupta**  
Partner  
Membership No.: 082486

Place: Mohali  
Date: 07.05.2022  
ICAI UDIN: 22082486AJMDIC7567

## **Annexure – 1 TO INDEPENDENT AUDITORS' REPORT**

**(Annexure referred to in our report of even date to the members of Pritika Auto Industries Limited on the Standalone Financial Statements for the year ended 31<sup>st</sup> March 2022).**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i)(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. 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, title deeds of all the Immovable properties disclosed in the financial statements are held in the name of the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment during the year. Accordingly, clause 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management, banks and stock auditors had physically verified the inventories at reasonable intervals during the year. In our opinion and according to information and explanations given to us, the frequency/ procedure and coverage of physical verification were appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during verification.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in the subsidiary company and other companies or provided corporate guarantee or guarantee on behalf of subsidiary or group company to banks during the year. The Company has granted loans and advances in the nature of loans during the year. The Company has not provided guarantees during the year to firms or limited liability partnerships. Details of which are given below

a. The Company has made investments in the subsidiary company and other companies or provided corporate guarantee or guarantee of amounting to Rs. 68.16 crore on behalf of subsidiary or group company to banks and electricity board. The Company has granted loans and advances in the nature of loans during the year of Rs. 7.30 crore.

(A) Corporate guarantee or guarantee given to the banks or electricity boards to the tune of Rs. 68.16 crore as on date.

(B) Aggregate amount of Rs. Nil and balance outstanding at the balance sheet of Rs. 7.30 crore with respect to such loans and advances to parties other than subsidiaries, joint ventures and associates.

b. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion no guarantees were provided during the year and the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans given, the repayment of principal and payment of interest if any has been stipulated and the repayments or receipts have been regular.

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.

e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loans given to same parties.

f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of 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 or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into Goods and Services Tax ("GST")

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute, except as mentioned below:



<b>Name of Dues and Name of Statute</b>	<b>Year to which amount relates</b>	<b>Forum where matter is pending</b>	<b>Amount in Rs.</b>
Income Tax Income Tax Act, 1961	FY 2016-17	Commissioner of Income Tax (Appeals)	14,37,160
Income Tax Income Tax Act, 1961	FY 2017-18	Commissioner of Income Tax (Appeals)	12,28,740
Income Tax Income Tax Act, 1961	FY 2017-18	Rectification filed with Jurisdictional Income Tax Officer	9,82,980
Income Tax Income Tax Act, 1961	FY 2018-19	Commissioner of Income Tax (Appeals)	17,40,620
Income Tax Income Tax Act, 1961	FY 2019-20	Commissioner of Income Tax (Appeals)	6,47,680

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March 2022.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we

report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) There is no whistle blower complaints received during the year hence this clause 3(xi)(c) is not applicable to the company.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) is not applicable to the company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For Sunil Kumar Gupta & Co.**

Chartered Accountants

Firm Regn No: 003645N

Sd/-

**Sunil Kumar Gupta**

Partner

Membership No.: 082486

Place: Mohali

Date: 07.05.2022

ICAI UDIN: 22082486AJMDIC7567



## **Annexure - 2**

### **Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

#### **Opinion**

We have audited the internal financial controls with reference to standalone financial statements of **PRITIKA AUTO INDUSTRIES LIMITED** ("the Company") as of 31<sup>st</sup> March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

#### **Management's and Board of Directors' Responsibility for Internal Financial Controls**

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the 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 with reference to standalone financial statements based on our audit. We conducted our audit in accordance with 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 with reference to standalone financial statements, 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 with reference to standalone financial statements.

### **Meaning of Internal Financial Controls with reference to standalone financial statements**

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Sunil Kumar Gupta & Co.**

Chartered Accountants

Firm Regn No: 003645N

Sd/-

**Sunil Kumar Gupta**

Partner

Membership No.: 082486

Place: Mohali

Date: 07.05.2022

ICAI UDIN: 22082486AJMDIC7567

**PRITIKA AUTO INDUSTRIES LIMITED**

CIN NO. L45208PB1980PLC046738

C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055

STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(All amounts in Lacs)

Particulars	Note No.	As At March 31, 2022	As At March 31, 2021
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	7,419.89	6,814.91
(b) Capital work in progress	3	99.87	830.91
(c) Goodwill	4	1,354.77	1,354.77
(d) Financial Assets			
- Investments	5	1,188.62	1,523.60
- Other financial assets	6	109.35	13.75
(e) Deferred Tax Assets	7	68.47	62.36
(f) Other Non-Current Assets	8	145.24	98.49
<b>Total Non Current Assets (A)</b>		<b>10,386.21</b>	<b>10,698.79</b>
<b>2. Current Assets</b>			
(a) Inventories	9	5,654.11	5,331.01
(b) Financial Assets			
- Trade Receivables	10	6,114.67	6,275.23
- Cash and Cash Equivalents	11	68.16	31.83
- Bank balances other than cash and cash equivalents	12	105.36	246.42
- Other Current Financial Assets	13	1,626.35	1,277.45
(c) Other Current Assets	14	238.68	244.24
<b>Total Current Assets (B)</b>		<b>13,807.33</b>	<b>13,406.18</b>
<b>TOTAL ASSETS (A + B)</b>		<b>24,193.54</b>	<b>24,104.97</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	1,773.45	1,773.45
(b) Other Equity	16	11,659.82	10,922.78
<b>Total Equity (A)</b>		<b>13,433.27</b>	<b>12,696.23</b>
<b>2. LIABILITIES</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	17	1,762.79	1,852.17
(b) Provisions	18	184.27	168.42
(c) Deferred Tax Liabilities (net)	19	289.46	231.14
(d) Other non-current liabilities	20	-	38.27
<b>Total Non Current Liabilities (B)</b>		<b>2,236.52</b>	<b>2,290.00</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	21	3,360.66	3,704.13
- Trade Payables	22	-	-
Total Outstanding dues of micro enterprise and small enterprise		1,947.97	2,019.91
- Other Financial Liabilities	23	2,616.61	2,541.74
(b) Other Current Liabilities	24	329.67	683.95
(c) Provisions	25	268.84	169.01
<b>Total Current Liabilities (C)</b>		<b>8,523.75</b>	<b>9,118.74</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>24,193.54</b>	<b>24,104.97</b>

Summary of Significant Accounting Policies and Notes

1-2

The accompanying notes forms integral part of these Standalone financial statements

As per our report of even date

For and on behalf of Board of Directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

Sd/-  
CA Sunil Kumar Gupta  
Partner  
Membership No.: 082486

Sd/-  
Harpreet Singh Nibber  
(Managing Director)  
DIN No. 00239042

Sd/-  
Raminder Singh Nibber  
(Chairman)  
DIN No. 00239117

Place: Mohali  
Date: 07-05-2022  
ICAI UDIN NO: 22082486AJMDIC7567

Sd/-  
Narinder Kumar Tyagi  
C.F.O

Sd/-  
Chander Bhan Gupta  
Company Secretary  
M.No. F2232



# PRITIKA AUTO INDUSTRIES LIMITED

CIN NO.L45208PB1980PLC046738

C-94 , PHASE VII , S.A.S NAGAR , INDUSTRIAL AREA , MOHALI , PUNJAB-160055

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lacs)

Particulars	Note No.	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
I Revenue from operations	26	23,772.73	19,687.73
II Other Income	27	402.13	112.01
<b>III Total Income ( I+II)</b>		<b>24,174.86</b>	<b>19,799.74</b>
<b>IV Expenses</b>			
a) Cost of material consumed	28	16,625.08	11,879.90
b) Changes in inventories of finished goods , Work in progress and stock in trade	28(a)	(1,321.11)	116.01
c) Employee benefits expense	29	1,476.56	1,189.64
d) Finance costs	30	679.36	631.16
e) Depreciation and amortization expense	31	885.37	745.65
f) Other Expenses	32	4,623.89	4,440.12
<b>Total Expenses (IV)</b>		<b>22,969.15</b>	<b>19,002.48</b>
<b>V Profit/(Loss) before exceptional items and tax ( III-IV)</b>		<b>1,205.71</b>	<b>797.26</b>
VI Exceptional Items		-	-
<b>VII Profit/(Loss) before tax ( V-VI)</b>		<b>1,205.71</b>	<b>797.26</b>
<b>VIII Tax Expense:</b>			
a) Current Tax	33	260.92	205.21
b) Adjustment of tax relating to earlier periods		0.77	13.77
c) Deferred Tax	33	52.21	26.71
<b>Total tax expenses ( VIII )</b>		<b>313.90</b>	<b>245.69</b>
<b>IX Profit/(Loss) for the period ( VII-VIII)</b>		<b>891.81</b>	<b>551.57</b>
<b>X Other comprehensive income</b>			
Items that will not to be reclassified to profit or loss			
Re-measurement (gains)/ losses on defined benefit plans		5.87	(4.06)
Revaluation Loss/ (Gain) due to Foreign exchange		1.42	1.91
Impact of fair valuation of Equity shares and mutual fund		(162.07)	148.69
<b>XI Total comprehensive Income for the period</b>		<b>737.03</b>	<b>698.11</b>
<b>XII Earnings per equity share( Nominal value of Rs. 2/- per share )</b>			
Basic	34	1.01	0.62
Diluted	34	1.01	0.62

Summary of Significant Accounting Policies and Notes

1-2

The accompanying notes forms integral part of these Standalone financial statements

As per our report of even date

For and on behalf of the Board of directors

For Sunil Kumar Gupta & Co.

Chartered Accountants

Firm Registration number: 003645N

Sd/-

CA Sunil Kumar Gupta

Partner

Membership No.: 082486

Sd/-

Harpreet Singh Nibber

( Managing Director )

DIN No. 00239042

Sd/-

Raminder Singh Nibber

( Chairman )

DIN No. 00239117

Sd/-

Narinder Kumar Tyagi

C.F.O

Sd/-

Chander Bhan Gupta

Company Secretary

M.No. F2232

Place: Mohali

Date: 07-05-2022

ICAI UDIN NO: 22082486AJMDIC7567

# PRITIKA AUTO INDUSTRIES LIMITED

CIN NO.L45208PB1980PLC046738

C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lacs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per statement of Profit & Loss	1,205.71	797.26
Adjustments for:		
- Depreciation and amortisation expense	885.37	745.65
- Finance costs	679.36	631.16
- Gratuity / Leave encashment provision	21.95	31.48
- Forex fluctuation	(12.21)	(1.49)
- Profit on Sale of Fixed Assets	-	(0.69)
- LTCG on sale of shares	(289.51)	(3.51)
Operating profit before working capital changes	2,490.67	2,199.86
Adjustments for:		
Increase/(Decrease) in Trade Payables	(71.95)	507.63
Increase/(Decrease) in Other Current Liabilities	(309.33)	628.54
Increase/(Decrease) in Short Term Provisions	15.86	(1.82)
(Increase) / Decrease in Trade Receivables	160.56	(1,683.10)
(Increase) / Decrease in Inventories	(323.10)	(75.67)
(Increase) / Decrease in Other Current Assets	5.55	2.27
(Increase) / Decrease in Other Assets	(491.24)	669.93
Cash generated from operations	1,477.02	2,247.64
Taxes paid	(152.37)	(133.36)
Net Cash from Operating Activities	1,324.65	2,114.28
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	(759.30)	(1,334.75)
Movement in fixed deposits (having original maturity of more than three months)	141.06	(158.19)
Increase in Investment (Net of sale)	442.42	(681.67)
Net Cash used in Investing Activities	(175.82)	(2,174.61)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Loans Raised (Net)	(89.38)	767.30
Short Term Loans Paid (Net)	(343.76)	(173.77)
Interest Paid	(679.36)	(631.16)
Net Cash from Financing Activities	(1,112.50)	(37.63)
Net Increase/(Decrease) in Cash and Cash Equivalents	36.33	(97.96)
Cash and Cash Equivalents at the beginning of the year	31.83	129.79
Cash and Cash Equivalents at the end of the year	68.16	31.83

## 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 and on behalf of the Board of Directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

Sd/-  
CA Sunil Kumar Gupta  
Partner  
Membership No.: 082486

Sd/-  
Harpreet Singh Nibber  
(Managing Director)  
DIN NO.00239042

Sd/-  
Raminder Singh Nibber  
(Chairman)  
DIN No. 00239117

Place: Mohali  
Date: 07-05-2022

Sd/-  
Narinder Kumar Tyagi  
C.F.O

Sd/-  
Chander Bhan Gupta  
Company Secretary  
M.No. F2232

**PRITIKA AUTO INDUSTRIES LIMITED**

CIN NO. L45208PB1980PLC046738

C-94, PHASE VIII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lacs)

A. Equity Share Capital		
Particulars	No. Of Shares	Amount
a) Authorised Share Capital		
Balance as at April 1, 2020	1825.00	3650.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2020	1825.00	3650.00
Issue of Shares during the year	-	-
As at 31st March 2021	1825.00	3650.00
Balance as at April 1, 2021	1825.00	3650.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2021	1825.00	3650.00
Issue of Shares during the year	-	-
As at 31st March 2022	1825.00	3650.00

(All amounts in Lacs)

Equity Share Capital		
Particulars	No. Of Shares	Amount
a) Subscribed and fully paid up:		
Balance as at April 1, 2020	886.73	1773.45
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2020	886.73	1773.45
Issue of Shares during the year	-	-
As at 31st March 2021	886.73	1773.45
Balance as at April 1, 2021	886.73	1773.45
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2021	886.73	1773.45
Issue of Shares during the year	-	-
As at 31st March 2022	886.73	1773.45

**B. Other Equity**

(All amounts in Lacs)

Particulars	Reserves and Surplus				Total
	Share Warrant	Securities premium	Capital Reserve	Retained earnings	
Balance as at April 1, 2020	287.50	5,369.97	-	4,567.20	10,224.67
Change in Accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 1, 2020	287.50	5,369.97	-	4,567.20	10,224.67
Balance as at April 1, 2021	287.50	5,369.97	-	4,567.20	10,224.67
Profit / Addition during the year	-	-	-	891.81	891.81
Trf From Share Warrant	(287.50)	-	-	-	(287.50)
Trf to Capital Reserve	-	-	287.50	-	287.50
Other Comprehensive Income	-	-	-	146.54	146.54
Balance as at March 31, 2021	-	5,369.97	287.50	5,265.31	10,922.78
Balance as at April 1, 2021	-	5,369.97	287.50	5,265.31	10,922.78
Change in Accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 1, 2021	-	5,369.97	287.50	5,265.31	10,922.78
Balance as at April 1, 2022	-	5,369.97	287.50	5,265.31	10,922.78
Profit / Addition during the year	-	-	-	891.81	891.81
Other Comprehensive Income	-	-	-	(154.77)	(154.77)
Balance as at March 31, 2022	-	5,369.97	287.50	6,002.35	11,659.82

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of each reserve :

- Security Premium : Securities premium reserve is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013
- Retained Earnings : Retained earnings comprises of prior and current year's undistributed earnings after tax.
- Capital Reserve : Capital reserve will be utilised for the purposes as permitted by the Companies Act, 2013.

 The accompanying notes forms integral part of these Standalone financial statements  
As per our report of even date

For and on behalf of Board of Directors

 For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

 Sd/-  
CA Sunil Kumar Gupta  
Partner  
Membership no.: 082486

 Sd/-  
Harpreet Singh Nibber  
(Managing Director)  
DIN No. 00239042

 Sd/-  
Raminder Singh Nibber  
(Chairman)  
DIN No. 00239117

 Place: Mohali  
Date: 07-06-2022

 Sd/-  
Narinder Kumar Tyagi  
C.F.O

 Sd/-  
Chander Bhan Gupta  
Company Secretary  
M.No. F2232



## **PRITIKA AUTO INDUSTRIES LIMITED**

CIN NO. I45208PB1980PLC046738

C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR MARCH 31, 2022

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

#### **1 GENERAL INFORMATION**

Pritika Auto Industries Limited ( " the Company ") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is in Punjab, India. The shares of the Company are listed on two recognised stock exchanges in India i.e Bombay Stock Exchange ( BSE ) and National Stock Exchange ( NSE ) . The Company was incorporated on 11.04.1980 and is engaged in the manufacturing of tractor and automobile components . The financial statements were approved by the board of directors on May 7 ,2022.

### **Note No. 2 : SIGNIFICANT ACCOUNTING POLICIES**

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

These Standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') specified under Section 133 of the Companies Act, 2013 ('Act') the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The Financial statements have been prepared on a historical cost basis , except certain financial assets and liabilities which are recognised at fair value at the end of the reporting period and on an accrual basis as a going concern . The Financial statements are presented in Indian Rupees ( INR ) , which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates . The figures of the Financial Statements has been rounded off to the nearest lakhs.

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 atleast as twelve months for the purpose of current-non current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non - current assets and liabilities. The Operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents . The Company has identified at least twelve months as its operating cycle .

#### **2.2 Use of Estimates**

The preparation of the financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date , reported amount of revenue and expenses for the period and disclosure of contingent liabilities and contingent assets as of the date of Balance Sheet . The estimates and assumptions used in these Financial Statements . The actual amounts may differ from the estimates used in the preparation of the Financial Statements and the difference between actual results and the estimates are recognised in the period in which the results are known/ materialise.

#### **2.3 Fair Value Measurement**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability take place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability .

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

##### **1. Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.

## **2. 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 model 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)

## **3. 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.

## **4. Financial liabilities**

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

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

Freehold Land is carried at historical cost. All other items of Property, Plant and Equipment are recorded at cost less accumulated depreciation. The cost of acquisition of property, plant and equipment is net of duty or tax credit availed and includes purchase cost or its construction cost, inward freight and other expenses incidental to acquisition or installation and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. Cost of spares relating to specific item of an asset is capitalized. For major projects, interest and other costs incurred on / related to borrowings attributable to such projects / fixed assets during construction period and related pre-operative expenses are capitalized as part of the cost of respective assets. Cost of assets not ready to use before such date are disclosed under "Capital Work-in-Progress".

The residual values, useful life and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation is provided using the Straight Line Method as per the useful lives of the assets at the rates prescribed under Schedule II of the Companies Act, 2013

### **Asset Useful live**

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.

## **2.5 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	3-6 years
-------------------	-----------

The estimated useful life is reviewed annually by the management.

## **2.6 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.

## **2.7 Impairment**

All assets other than Inventories and Investments are reviewed for impairment, wherever events or changes in circumstances indicate that the carrying amount of those assets may not be fully recoverable, in such cases the carrying amount of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to the Statement of Profit and Loss.

## **2.8 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.

## **2.9 Investments**

All Investments are carried at fair value. Investments, which at the inception, have been designated to be held for a long term capital appreciation, the changes in the fair value are considered through Other Comprehensive Income. All other investments are valued at fair value and the gains or losses being recognised in Statement of Profit and Loss.

## **2.10 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.

## **2.11 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 income 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.

Export benefits, incentives and licenses: Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.



## 2.12 Operating leases including investment properties

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### As a lessee

#### a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments primarily comprise of fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

#### c) Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces and certain equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

## 2.13 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.

**2.14 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.

**2.15 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.

**2.16 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.

### **2.17 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.

### **2.18 Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company adopted Ind AS 115 using the modified retrospective method of adoption. The change did not have a material impact on the financial statements of the Company.

### **2.19 Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

### **2.20 Foreign currencies and operations**

#### **i. Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest lacs, unless otherwise stated.

#### **ii. Foreign currency transactions and balances**

Foreign currency transactions are recorded in the functional currency (Indian Rupee) by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency on the date of the transaction (spot exchange rate).

All monetary items denominated in foreign currency are converted into Indian Rupees at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the statement of profit and loss.

Non-monetary items in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of the transaction.



**PRITIKA AUTO INDUSTRIES LIMITED**

CIN NO. L45208PB1900PLC046738

C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2022

**3. Property, Plant and Equipment**

Particulars	(All amounts in Lacs)												
	Air Conditioner	Computers	DIGI Set	Furniture & Fixtures	Office Equipment	Vehicle	Neigh Bridge	Freehold Land	Building	Electric Fitting	Patern	High Life Tool	Jigs and Fixture
Cost or Devalued Cost													
At April 1, 2021	4.58	11.34	38.69	37.29	11.82	28.57	1.53	88.73	90.69	38.12	1,173.29	43.35	1,332.30
Addition / Acquisition	1.19	11.18	-	0.48	4.91	31.28	-	-	30.05	31.15	78.44	1.30	233.98
Transfer / Sale	-	-	-	-	-	49.78	-	-	-	-	11.40	-	41.40
At March 31, 2021	5.76	22.52	38.69	37.77	16.73	206.02	1.53	88.73	1,202.44	45.35	1,283.13	44.65	1,598.78
At April 1, 2022	5.76	22.52	38.69	37.77	16.73	206.02	1.53	88.73	1,202.44	45.35	1,283.13	44.65	1,598.78
Addition / Acquisition	1.88	4.89	-	5.63	2.63	44.65	-	-	8.67	6.88	58.57	4.18	409.40
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2022	7.64	27.41	38.69	43.40	19.36	250.67	1.53	88.73	1,211.11	52.23	1,341.70	48.83	2,008.18
Depreciation and Impairment													
At April 1, 2021	2.72	4.45	27.21	6.94	4.05	86.38	1.77	-	140.54	18.02	22.38	14.71	158.00
Addition	1.13	4.44	3.15	1.32	1.48	35.51	1.06	-	39.31	32.17	138.30	4.55	127.34
Transfer / Sale	-	-	-	-	-	63.33	-	-	-	-	15.59	-	12.30
At March 31, 2021	3.85	8.89	30.36	8.26	5.53	149.71	2.83	-	179.85	50.19	379.68	19.26	280.34
At April 1, 2022	3.85	8.89	30.36	8.26	5.53	149.71	2.83	-	179.85	50.19	379.68	19.26	280.34
Addition	1.91	7.76	3.11	1.88	2.27	31.25	1.06	-	44.70	34.65	184.88	4.20	127.42
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2022	5.76	16.65	33.47	10.14	7.80	180.96	3.89	-	224.55	84.84	564.56	23.46	407.76
Net Carrying Amount as on 31/03/2021	2.86	13.69	8.33	29.53	6.18	156.25	0.70	88.73	1,022.59	35.16	1,003.43	25.39	1,308.40
Net Carrying Amount as on 31/03/2022	1.88	10.75	5.36	33.26	11.56	169.71	1.44	88.73	986.52	37.49	1,037.22	25.37	1,599.40

\* Capital Work in progress ageing (Refer Note No.47 of notes to standalone financial statement)

\*\* PPE details (Refer Note No. 48 of notes to standalone financial statement)

PRITIKA AUTO INDUSTRIES LIMITED  
CIN NO.L45208PB1980PLC046738  
C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055  
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		(All amounts in Lacs)	
4	Goodwill		
	Particulars	As At March 31, 2022	As At March 31, 2021
	Goodwill *	1,354.77	1,354.77
	<b>Total</b>	<b>1,354.77</b>	<b>1,354.77</b>

\* There is no addition, impairment of losses or reversals during the year so the same shall not be disclosed separately.

5	Investments		
	Particulars	As At March 31, 2022	As At March 31, 2021
	<u>Investments carried at Fair value through Other Comprehensive Income ( FVOCI)</u>		
	<u>Investments in Equity Instruments fully paid up -Subsidiary Company-(Unquoted)</u>		
	Pritika Engineering Components Private Limited (76,34,515, (PY 76,34,515 )) Equity shares of Rs. 10 each)	1,184.99	1,184.99
	<u>Investments in Equity Instruments fully paid up (Unquoted)</u>		
	Shivalik Solid Waste Management Limited (10,000, (PY 10,000) Equity shares of Rs. 10/-each )	1.00	1.00
	<u>Investments in Equity Instruments fully paid up (quoted)</u>		
	Ajooni Biotech Limited ( 38, (PY 10,19,446 ) Equity Shares of Rs 10 /- each )	0.03	309.91
	<u>Investments in Mutual Fund- Canara Robeco</u>	2.60	27.70
	<b>Total</b>	<b>1,188.62</b>	<b>1,523.60</b>
	Aggregate Book Value/Market Value of Unquoted Investments	1,185.99	1,185.99
	Aggregate Market Value of Mutual Fund Investment	2.60	27.70
	Aggregate Book Value/Market Value of Quoted Investments	0.03	309.91

6	Other Financial Assets		
	Particulars	As At March 31, 2022	As At March 31, 2021
	Bank deposits having original maturity more than 12 months	109.35	13.75
	<b>Total</b>	<b>109.35</b>	<b>13.75</b>

7	Deferred tax assets(Net)		
	Particulars	As At March 31, 2022	As At March 31, 2021
	Relating to origination and reversal of temporary differences *	68.47	62.36
	<b>Total</b>	<b>68.47</b>	<b>62.36</b>

Note : Deferred tax assets has been created on account of temporary differences of Provision on Employee benefits

8	Other Non-Current Assets		
	Particulars	As At March 31, 2022	As At March 31, 2021
	Unamortised Processing Cost	-	3.96
	Security Deposits	145.24	94.53
	<b>Total</b>	<b>145.24</b>	<b>98.49</b>

**9 Inventories**

Particulars	As At March 31, 2022	As At March 31, 2021
Raw Materials	641.78	1,413.77
Store & Spares	97.76	323.78
Work in Progress	4,856.32	3,535.63
Finished Goods	58.25	57.83
<b>Total Inventories are carried at lower of cost and net realisable value</b>	<b>5,654.11</b>	<b>5,331.01</b>

**10 Trade Receivables**

Particulars	As At March 31, 2022	As At March 31, 2021
Unsecured, Considered Good	6,124.67	6,282.68
Less : Provision for Douthful Debts	(10.00)	(7.45)
<b>Total</b>	<b>6,114.67</b>	<b>6,275.23</b>

Note :

1. Trade receivables includes receivable from related parties ( Refer Note No. 35 of notes to standalone financial statement ) and for ageing of trade receivable ( Refer Note No.50 of notes to standalone financial statement. )

2. Trade receivables includes unbilled revenue Rs. 168.36 Lakhs ( PY Rs. 43.85 Lakhs )

**11 Cash and Cash Equivalents**

Particulars	As At March 31, 2022	As At March 31, 2021
Balances with banks		
- in current accounts	30.29	17.56
- Deposits with original maturity of less than three months	27.56	-
Cash on Hand ( including imprest )	10.31	14.27
<b>Total</b>	<b>68.16</b>	<b>31.83</b>

**12 Bank balances other than Cash and Cash Equivalents**

Particulars	As At March 31, 2022	As At March 31, 2021
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months( including interest accrued)	105.36	246.42
<b>Total</b>	<b>105.36</b>	<b>246.42</b>

**13 Other Current Financial Assets**

Particulars	As At March 31, 2022	As At March 31, 2021
<u>Unsecured , Considered Good</u>		
Loan and advances others	1,622.22	1,267.38
Advance to Staff	4.13	10.07
<b>Total</b>	<b>1,626.35</b>	<b>1,277.45</b>

**14 Other Current Assets**

Particulars	As At March 31, 2022	As At March 31, 2021
<u>Unsecured , Considered good</u>		
Prepaid expenses	44.31	37.68
Balance with Govt. authorities	173.89	174.70
Other Receivable	20.48	31.86
<b>Total</b>	<b>238.68</b>	<b>244.24</b>

**15 Equity Share Capital**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Authorised</b>		
18,25,00,000 (PY 18,25,00,000 Equity Shares of Rs. 2 /- each) Equity shares of Rs.2/- each	3,650.00	3,650.00
	<b>3,650.00</b>	<b>3,650.00</b>



**Issued, subscribed and fully paid-up**

8,86,72,500 (PY 8,86,72,500 Equity Shares of Rs. 2/- each) Equity shares of Rs.2/- each	1,773.45	1,773.45
<b>Total</b>	<b>1,773.45</b>	<b>1,773.45</b>

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

Particulars	No of shares	Amount (in lacs)
<b>Equity Shares</b>		
At April 1, 2020	8,86,72,500	1,773.45
Add: Issued during the period	-	-
At March 31, 2021	8,86,72,500	1,773.45
Add: Issued during the period	-	-
At March 31, 2022	8,86,72,500	1,773.45

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

The Company has only one class of equity share having a par value of INR 2 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, 2022	As At March 31, 2022	As At March 31, 2021	As At March 31, 2021
	% of holding	No of Shares	% of holding	No of Shares
<b>Equity Shares</b>				
Harpreet Singh Nibber	11.59%	1,02,74,670	11.59%	1,02,74,670
Raminder Singh Nibber	6.68%	59,20,002	6.60%	58,55,910
Pritika Industries Limited	27.98%	2,48,06,690	27.86%	2,47,06,690
Rajesh Sadhwani	5.08%	45,00,172	9.69%	85,95,715
Tano Investment Opportunities Fund	9.68%	85,83,145	9.68%	85,83,145

**(d) Details of Shareholding of Promoter as below ( FY 2021-22)**

Promoter Name	No of Shares	% of holding	% of Change during the year
Harpreet Singh Nibber	1,02,74,670	11.59%	-
Raminder Singh Nibber	59,20,002	6.68%	0.08%
Pritika Industries Limited	2,48,06,690	27.98%	0.12%

**Details of Shareholding of Promoter as below ( FY 2020-21)**

Promoter Name	No of Shares	% of holding
Harpreet Singh Nibber	1,02,74,670	11.59%
Raminder Singh Nibber	58,55,910	6.60%
Pritika Industries Limited	2,47,06,690	27.86%

**16 Other Equity**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>(A) Retained Earnings</b>		
Opening balance	5,265.31	4,567.20
Net Profit / (loss) for the year	891.81	551.57
Add/(Less) : Other Comprehensive Income	(154.77)	146.54
<b>Closing balance</b>	<b>6,002.35</b>	<b>5,265.31</b>
<b>(B) Securities Premium</b>		
Opening Balance	5,369.97	5,369.97
Securities Premium during the year	-	-
<b>Closing balance</b>	<b>5,369.97</b>	<b>5,369.97</b>
<b>(C) Share Warrant</b>		
Opening Balance	-	287.50
Share Warrant Nil (PY 5,75,000) , Rs. 50 paid up of Rs. 200 each	-	-
Less : Trf to Capital reserve	-	(287.50)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

(D) Capital Reserve  
Opening Capital Reserve  
During the year  
Closing Balance  
Total (A+B+C+D)

287.50	-
-	287.50
287.50	287.50
11,659.82	10,922.78

# 17 Borrowings

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Secured</b>		
<b>1. Term Loan</b>		
<b>(a) Secured</b>		
- From Banks	1,194.49	1,305.69
- From Financial Institutions / NBFC	503.58	401.56
<b>(b) Unsecured</b>		
- From Financial Institutions / NBFC	37.35	77.24
- From Banks	-	19.98
- From Directors	14.16	14.16
<b>2. Lease Liability</b>	13.21	33.54
<b>Total</b>	<b>1,762.79</b>	<b>1,852.17</b>

## Note No.17: Details of Securities and Terms of Repayment

### 1(I). Secured : Term loans from Banks

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Canara Bank</b>		
The Term Loan of Rs 190 lacs repayable in 24 monthly Installments ( includes 6 months moratorium and 18 months repayment ) comprising of first 17 installments of Rs. 10.55 each and last one monthly installment of Rs.10.65 lacs excluding interest part. Current rate of interest is 7.65%.This loan is given to provide liquidity support affected by Covid-19 under Canara Credit Support .It is secured by exclusive charge on Trade receivables, Inventories, other current assets and Plant and Machinery of the company including land & Building of Unit-I of the Company and Unit-II under paripassu with ICICI bank . This loan is also personally guaranteed by directors Namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber.	52.85	179.45
The Working Capital Term Loan of Rs. 720.00 Lacs repayable in 60 Monthly installments with moratorium period of 12 months.Rate of interest is 7.50% p.a .This loan is sanctioned under ECLGS facility of the National Credit Guarantee Trustee Company Limited . The credit facility will rank second charge with existing Plant and machinery and other fixed assets of Unit-I and paripassu charge with ICICI Bank in Unit-II the Company. This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet Singh Nibber.	690.00	720.00
The Term Loan of Rs. 265.00 lacs repayable in 54 monthly installments of Rs.2.89 lacs each excluding interest part @ 10.30% .This loan is secured by first charge by way of hypothecation of all the moveable including Plant and Machinery and Equipments acquire / to be acquire under the project / Scheme . This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet Singh Nibber.	106.78	170.58
The Quasi Equity Loan of Rs. 220.00 lacs repayable in 72 Monthly Installments of Rs.2.99 lacs each excluding interest part @12.55% having 12 month moratorium period.This loan is secured by first charge on Existing Plant and machinery and other fixed assets of the Company. This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet Singh Nibber.	-	17.96
The Working Capital Term Loan of Rs. 150.00 lacs repayable in 60 monthly instalment of Rs. 2.53 lacs each excluding interest part @ 10.70 % .This loan is secured by first charge on Existing Plant and machinery and other fixed assets of the Company. This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet Singh Nibber.	101.41	131.83
The Working Capital Demand Loan of Rs. 130.00 lacs repayable in 24 monthly installments ( includes 6 months moratorium and 18 months repayment ) comprising 17 instalments of Rs. 7.20 lacs and 18th instalment of Rs. 7.60 lacs excluding interest part @ 7.65% .This loan is secured by Exclusive charge on Existing Plant and machinery and other fixed assets of the Company. This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet Singh Nibber.	7.22	93.89

The Working Capital Term Loan of Rs. 360.00 lacs repayable in 72 monthly installments ( including moratorium period of 24 months )excluding interest part @ 7.50% .This facility is provided under GECL 2.0 (Extension ). The additional WCTL facility granted under GECL 2.0 ( Extension) shall rank second charge with the existing credit facilities in terms of cash flows ( including repayments) and security , with charge on the assets financed under the Scheme to be created .GECL 2.0 (Extension) is component under Emergency Credit Line Guarantee Scheme ( ECLGS) and administered by National Credit Guarantee Trustee Company ( NCGTC) Limited.	360.00	-
The Vehicle Loan of Rs 6.48 lacs repayable in 60 Installments of Rs.0.13 lacs each including interest part. Current rate of interest is 7.50%.This loan is secured against vehicle purchased out of the fund.	6.39	-
The Vehicle Loan of Rs 10.50 lacs repayable in 60 Installments of Rs.0.21 lacs each including interest part.Current rate of interest is 7.85%.This loan is secured against vehicle purchased out of the fund.	4.52	6.62
The Vehicle Loan of Rs 5.50 lacs repayable in 60 Installments of Rs.0.11 lacs each including interest part. Current rate of interest is 7.75%.This loan is secured against vehicle purchased out of the fund.	2.89	3.98
The Vehicle Loan of Rs.8.25 lacs repayable in 60 Monthly Installments of Rs.0.17 lacs each including interest part @7.90 %.This term loan is secured against vehicle purchase out of this fund.	3.37	5.09
The Vehicle Loan of Rs 6.50 lacs repayable in 60 Installments of Rs.0.13 lacs each including interest part. Current rate of interest is 7.85%.This loan is secured against vehicle purchased out of the fund.	2.63	3.97
The Vehicle Loan of Rs. 15.95 lacs repayable in 60 Monthly Installments of Rs. 0.32 lacs each including interest part @ 7.50 %.This term loan is secured against vehicle purchase out of this fund.	12.02	14.83
The Vehicle loan of Rs 10.00 lacs repayable in 60 monthly installments of Rs 20.03 lacs each. Current rate of interest is 7.50%.This loan is secured against vehicle purchased out of the fund.	8.29	10.00
The Vehicle Loan of Rs.50.00 lacs repayable in 60 Monthly Installments of Rs.1.25 lacs each including interest part @7.85%.This term loan is secured against vehicle purchase out of this fund.	-	9.78
<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%.This loan is secured against vehicle purchased out of the fund.	-	1.32
The Term loan of Rs.323.8 lacs repayable in 60 monthly installments of Rs.5.40 lacs each (excluding interest part).Current Interest rate is 10%. This loan is takeover of the existing loan limit with SIDBI . This loan facility has first pari - passu charge on all movable assets ,except those financed by other banks/NBFCs/FI and first charge on factory land and building of Unit -II of the Company . This loan is personally guaranted by directors namely Mr. Harpreet Singh Nibber and Mr. Raminder Singh Nibber	154.68	221.11
The Working Capital Term loan of Rs.153.96 lacs repayable in 48 monthly installments including 12 month moratorium . (excluding interest part).Current Interest rate is 8.25%. This loan is under Emergency credit line Guaranteed scheme ( ECLGS ) by Govt. of India. This facility rank second charge with the existing faciliy in terms of cash flows and shall be secured by (i) extension of second ranking charge over all existing securities created in favour of ICICI bank (ii) charge to created on the assets created under the facility.	124.03	153.97
<b>Kotak Mahindra Bank Limited</b>		
The vehicle loan of Rs. 24.25 lacs repayable in 60 installments of Rs. 0.49 lacs including interest part. The Term loan is fully secured against vehicle purchase out of the fund.Current rate of interest is 7.60 % p.a.	22.16	-
<b>HDFC Bank</b>		
The Vehicle loan of Rs 15.50 lacs repayable in 48 monthly installments of Rs. 0.37 lacs each. This loan is secured against vehicle purchased out of the fund. Current rate of interest is 7.40 % p.a.	12.64	-
<b>Total</b>	<b>1,671.88</b>	<b>1,744.38</b>
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	477.39	438.69
<b>Total</b>	<b>1,194.49</b>	<b>1,305.69</b>



### (III) Secured Loans

#### A. Loans from Financial Institutions/NBFCs

Particulars	As At March 31, 2022	As At March 31, 2021
<b>SIDBI:</b> 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 excluding interest part .Current rate of Interest is 11.40 % p.a.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 Sh. Raminder Singh Nibber and Sh. Harpreet Singh Nibber.	9.66	26.35
<b>SIDBI:</b> Soft Loan of Rs. 10 Lacs repayable in 54 monthly installments comprising of first 53 installments of Rs. 0.19 lacs each and last i.e 54th Installment of Rs. 0.20 lacs .excluding interest part .Current rate of Interest is 11.40 % p.a . 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 Sh. Raminder Singh Nibber and Sh. Harpreet Singh Nibber.	1.31	3.53
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The vehicle term loan of Rs. 11.80 lacs repayable in 60 monthly installments comprising of Rs. 0.24 lacs each ( including interest part ).Current interest rate is 9 % . This loan is secured against vehicle purchased out of the fund.	4.74	7.14
<b>Bajaj Finance Limited :</b> The term loan of Rs.200 lacs repayable in 60 installments comprising of Rs. 4.29 each lacs including interest part. Interest rate is 10.00%. This loan is secured against the exclusive charge over the Plant and machinery.	92.39	132.05
<b>Daimler Financial Service Current rate of interest is 7.50%. Ltd. :</b> The vehicle loan of Rs. 56.02 lacs repayable in 48 monthly installments comprising of 47 installments of Rs. 1.09 lacs each and 48th installment of Rs. 24.09 lacs .Interest rate is 11.75% . This loan is secured against vehicle purchased out of the fund.	28.83	37.94
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 245 lacs repayable 48 monthly ( including 3 months moratoriaum period ) installments comprising of Rs 5.71 lacs each (Including interest part) .Interest rate is 10.95%. 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.	61.42	119.78
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 111 lacs repayable 48 monthly ( including 12 months moratoriaum period ) installments comprising of Rs 3.59 lacs each (Including interest part) .Interest rate is 10.25% . This loan is sanctioned under ECLGS facility of the National Credit Guarantee Trustee Company Limited . The credit facility will rank second charge with the existing credit facilities by Mahindra Finance in term of cash flows and hypothecation on machinery funded through TL by MMPSL .	94.72	111.00
<b>Punjab Reliable Investment Private Ltd. :</b> The Machinery Loan of Rs.23 lacs repayable in 45 installments comprising of first 16 installments of Rs.0.84 lacs each , next 16 installments of Rs. 0.66 lacs each , next 13 installments of Rs.0.45 lacs each .(Including interest part).This loan is secured against machinery purchased out of the fund. Current rate of interest is 7.50% .	6.47	12.60
<b>Punjab Reliable Investment Private Ltd. :</b> The Machinery Loan of Rs. 28 Lacs repayable in 45 installments comprising of first 16 installments of Rs. 1.02 lacs each , next 16 installments of Rs. 0.80 lacs each , next 13 installments of Rs. 0.56 lacs each .(Including interest part).This loan is secured against machinery purchased out of the fund.Current rate of interest is 7.50% .	7.32	14.57
<b>Tata Capital Financial Services Limited :</b> The Machinery Loan of Rs. 490 lacs repayable in 78 monthly installments including moratorium of 6 months .Current rate of interest is 7.75 % . This loan is secured against the machinery purchase out of the fund .	379.81	-
<b>Punjab Reliable Investments Private Limited :</b> The loan of Rs. 17 lacs repayable in 45 monthly installments comprising first 16 installments of Rs. 0.62 lacs , next 16 installments of Rs. 0.49 lacs and next 13 installments of Rs. 0.34 lacs .( Including interest ) . This loan is secured against machineries purchased out of this fund. Current rate of interest is 7.50%	8.74	13.77
<b>Punjab Reliable Investment Private Ltd. :</b> The Machinery Loan of Rs.14 Lacs repayable in 47 installments comprising of first 16 installments of Rs.0.51 lacs each , next 16 installments of Rs. 0.39 lacs each , next 15 installments of Rs. 0.245 lacs each .(Including interest part).This loan is secured against machinery purchased out of the fund.Current rate of interest is 7.50%	5.10	9.11
<b>Bajaj Finance Limited :</b> The term loan of Rs.90 lacs repayable in 48 installments comprising of first 12 month moratoriaum period and next 36 installments Rs. 2.86 each lacs including interest part.Interest rate is 9% . This loan is sanctioned under ECLGS facility of the National Credit Guarantee Trustee Company Limited . The credit facility will rank second charge with the existing credit facilities by Bajaj Finance Limited in term of cash flows and hypothecation on machinery funded through TL by Bajaj Finance Limited .	81.12	90.00
<b>Total</b>	781.63	577.84
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	278.05	176.28
<b>Total</b>	503.58	401.56
<b>GRAND TOTAL OF SECURED LOANS FROM OTHERS</b>	503.58	401.56

## II (I) Unsecured Loans

### A. From NBFC/Financial Institutions

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Tractors and Farm Equipments Limited (Tafe)</b> : Loan of Rs 100 Lacs repayable in 24 monthly installments of Rs. 4.17 Lacs each. Interest rate is 9.50%	25.16	75.60
<b>Tata Capital Financial Services Limited</b> : The term loan of Rs. 50 lakh repayable in 24 equated monthly installments of Rs. 2.44 lacs each ; Interest rate is 16%.	2.42	29.04
<b>Cholamandalam Investment and Finance Company Limited</b> : The loan of Rs. 80 lacs repayable in 84 monthly installments of Rs. 1.34 lacs each .Current interest rate @ 10.25%.	48.92	59.37
<b>Total</b>	76.50	164.01
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	39.15	86.77
<b>Total</b>	<b>37.35</b>	<b>77.24</b>

## II (II) Unsecured Loans

### B. From bank

Particulars	As At March 31, 2022	As At March 31, 2021
<b>IDFC First Bank Limited</b> : The term loan of Rs. 51 lacs repayable in 36 monthly installments of Rs. 1.79 lacs each ; Interest rate is 16%.	19.76	36.62
<b>Total</b>	19.76	36.62
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	19.76	16.64
<b>Amount shown as unsecured Loan</b>	<b>-</b>	<b>19.98</b>

### From Directors

These loans are not interest bearing and repayable as and when company generates surplus cash but not within a period less than 1 year.

Particulars	As At March 31, 2022	As At March 31, 2021
Sh. Raminder Singh Nibber	14.16	14.16
<b>Total</b>	<b>14.16</b>	<b>14.16</b>

## 17(2) Lease Liability

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Lease Liability</b> ( A Machinery has been taken on Lease on 18.12.2019 for 48 monthly rental on lease payment of Rs. 1.88 lacs each. Incremental borrowing rate is 11% is considered for purpose of IND AS-116 .	35.79	56.12
Less : Current maturities on finance lease shown in note no.23	22.58	22.58
<b>Total</b>	<b>13.21</b>	<b>33.54</b>

## 18 Provisions

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Provision for Employee Benefits</b>		
Leave encashment	23.71	18.58
Provision for Gratuity	160.56	149.84
<b>Total</b>	<b>184.27</b>	<b>168.42</b>

## 19 Deferred Tax Liabilities (net)

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Deferred Tax</b>		
-Relating to origination and reversal of temporary differences	289.46	231.14
<b>Total</b>	<b>289.46</b>	<b>231.14</b>

**Note :** Deferred tax assets has been created on account of temporary differences created due to difference between depreciation as per Company Act and Income Tax Act .

**20 Other Non-Current Liabilities**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Unsecured</b>		
Tooling Advance	-	38.27
<b>Total</b>	<b>-</b>	<b>38.27</b>

**21 Borrowings**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Secured</b>		
From Bank- Cash Credit - Loan Repayable on Demand	3,360.66	3,704.13
<b>Total</b>	<b>3,360.66</b>	<b>3,704.13</b>

The Cash Credit limit is under multiple banking arrangement between ICICI and Canara bank. These facilities are 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 except those finance by other Bank/FI/NBFC both present and future. This Limit is also personally guaranteed by directors Namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber.

**22 Trade Payables**

Particulars	As At March 31, 2022	As At March 31, 2021
Trade payables		
Total Outstanding dues of micro enterprise and small enterprise	-	-
Total Outstanding dues of creditors other than micro enterprise and small enterprise**	1,947.97	2,019.91
<b>Total</b>	<b>1,947.97</b>	<b>2,019.91</b>

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

There are no Micro and Small Enterprise to whom the Company owes dues which are outstanding as at March 31, 2022. This information as required to be disclosed under the Micro, Small and Medium enterprise Development Act, 2006 has been determined on the basis of information available with the Company.

**Note : For Trade payable ageing schedule. (Refer Note No.45 of notes to standalone financial statement)**

**23 Other Financial Liabilities**

Particulars	As At March 31, 2022	As At March 31, 2021
Current Maturities of Loans	814.35	718.38
Current Maturities on finance lease obligations	22.58	22.58
Interest Accrued but not due on borrowings	6.79	8.00
Creditors for Capital Expenditure	61.55	155.66
Creditors for Expenses	1,592.79	1,529.74
<b>Employee Related Liabilities</b>		
Salaries and Wages payable	85.29	73.49
Other Employee related payments	33.26	33.89
<b>Total</b>	<b>2,616.61</b>	<b>2,541.74</b>

**24 Other Current Liabilities**

Particulars	As At March 31, 2022	As At March 31, 2021
Audit Fee Payable	3.00	3.00
Electricity Expenses Payable	95.60	231.58
Statutory dues payable	106.27	260.69
Other Liabilities	109.05	170.68
Deferred Income	15.75	18.00
<b>Total</b>	<b>329.67</b>	<b>683.95</b>

**25 Provisions**

Particulars	As At March 31, 2022	As At March 31, 2021
Provision for Gratuity	38.53	32.74
Provision for Leave encashment	2.23	1.92
Provision for Income Tax ( Net of advance tax )	228.08	134.35
<b>Total</b>	<b>268.84</b>	<b>169.01</b>



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

26 Revenue from Operations

Particulars	(All amounts in Lacs)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Sale of Products ( Net of Sales Returns )	27,921.20	23,150.21
Less :- Indirect Taxes	4,148.47	3,462.48
<b>Total</b>	<b>23,772.73</b>	<b>19,687.73</b>

27 Other Income

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Interest received on deposits with banks and others	83.13	87.65
Misc Receipt	2.76	11.29
Profit/(Loss ) on sale of Assets	-	0.69
Dividend Income	0.15	0.15
Duty Draw back	14.37	7.23
Gain/loss on foreign Fluctuation	12.21	1.49
LTCG on Sale of Shares	289.51	3.51
<b>Total</b>	<b>402.13</b>	<b>112.01</b>

28 Cost of materials consumed

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Raw material and components consumed</b>		
Inventory at the beginning of the year-Raw Materials	1,396.32	1,227.03
Inventory at the beginning of the year-Stores ,Spares, Packing Material	323.78	318.84
	<b>1,720.10</b>	<b>1,545.87</b>
<b>Purchases</b>		
Raw Materials includes stores , spares and packing material etc.	15,644.52	12,054.13
	<b>15,644.52</b>	<b>12,054.13</b>
Less: Inventory at the end of the year - Raw Materials	641.78	1,396.32
Less: Inventory at the end of the year- Stores ,Spares and Packing Material	97.76	323.78
<b>Total</b>	<b>16,625.08</b>	<b>11,879.90</b>

28(a) Changes in inventories of finished goods , Work in progress and stock in trade

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
1. Opening inventories		
Work in Progress	3,535.63	3,652.26
Finished Goods	57.83	57.21
2. Closing inventories		
Work in Progress	4,856.32	3,535.63
Finished Goods	58.25	57.83
	<b>(1,321.11)</b>	<b>116.01</b>

## 29 Employee Benefits Expense

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Salaries and wages	922.74	710.36
Director Remuneration	250.29	210.36
Contribution to Provident and ESI Funds	75.86	61.29
Bonus and Incentives	133.44	133.86
Staff Welfare Expenses	39.49	29.49
Group Gratuity & Earned Leave	45.25	31.48
Other Expenses	9.49	12.80
<b>Total</b>	<b>1,476.56</b>	<b>1,189.64</b>

## 30 Finance Cost

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Interest Expenses	574.24	526.74
Other Borrowing Costs	105.12	104.42
<b>Total</b>	<b>679.36</b>	<b>631.16</b>

## 31 Depreciation and amortisation expenses

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Property , Plant and Equipment	865.38	725.66
Other Intangible Assets	19.99	19.99
<b>Total</b>	<b>885.37</b>	<b>745.65</b>

## 32 Other expenses

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>(a) Manufacturing Expenses</b>		
Cartage & Forwarding	4.97	5.63
Power & Fuel	2,072.19	2,049.78
Contractual Job Work Expenses	669.11	432.86
Repair & Maintenance		
– Building	11.43	9.42
– Machinery	34.83	39.02
Workshop Expenses	740.39	808.58
Calibration Expenses	3.04	3.16
Factory Rent	1.80	1.80
Other Manufacturing Expenses	49.52	46.36
	<b>3,587.28</b>	<b>3,396.61</b>

**(b) Administrative & Selling Expenses**

Payment to Auditors*	13.70	13.64
Rates & Taxes	8.02	3.58
Directors' Sitting Fees	12.00	14.75
Insurance	38.89	37.54
Legal & Professional Charges	130.33	64.40
Communication Expenses	6.30	6.36
Printing & Stationery	9.37	9.62
Vehicle Running Expenses	49.06	39.21
Travelling & Conveyance Expenses	54.03	22.60
ROC Expenses	0.13	0.26
Advertisement Expenses	0.35	1.20
Rebates and Discount	171.74	163.80
Freight Outward	348.57	356.44
Repairs and Maintenance others	4.98	3.55
Security expenses	42.81	43.76
CSR Expenses	26.20	29.82
Bad Debts	28.92	108.95
Other Misc. Expenses	91.21	124.03
<b>Total</b>	<b>4,623.89</b>	<b>4,440.12</b>

**\*Detail of Payment to Auditors**

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Audit Fee (Statutory and Tax Audit Fees)	12.00	12.00
Out of Pocket Expenses	1.70	1.64
<b>Total</b>	<b>13.70</b>	<b>13.64</b>

**33 Current Tax and Deferred Tax**

Particulars	For the Year Ended March 31, 2022	(All amounts in Lacs) For the Year Ended March 31, 2021
<b>Current Tax:</b>		
Current income tax:	260.92	205.21
Adjustments in respect of current income tax of previous period	0.77	13.77
<b>Deferred Tax:</b>		
Relative to origination and reversal of temporary differences	52.21	26.71
<b>Total</b>	<b>313.90</b>	<b>245.69</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.

**34 Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the net 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 net 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	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Net Profit after tax attributable to equity share holders (Rs. In lakhs)</b>	<b>891.81</b>	<b>551.57</b>
	<b>891.81</b>	<b>551.57</b>
Number of weighted average shares considered for calculation of basic earnings per share	8,86,72,500	8,86,72,500
Face value of Equity Share ( INR )	2.00	2.00
Basic EPS	1.01	0.62
	8,86,72,500	8,86,72,500
Number of weighted average shares considered for calculation of diluted earnings per share		
Diluted EPS	1.01	0.62



### 35 Related party transactions

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

#### A) Directors and Key Management Personnel

Mr. Harpreet Singh Nibber - Managing Director  
 Mr. Raminder Singh Nibber - Chairman  
 Mr. Atav Kumar - Executive Director  
 Mr. Narinder Kumar Tvari - C.F.O  
 Mr. Chander Bhan Gupta - Company Secretary  
 Mrs. Neha - Independent Director  
 Mr. Subramaniam Bala - Independent Director  
 Mr. Yudhisthir Lal Madan - Independent Director

#### B) Subsidiary Companies

Pritika Engineering Components Private Limited

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

Pritika Industries Limited

(All amounts in Lacs)

Nature of Transactions During the year	Related Parties					
	Referred in A Above		Referred in B Above		Referred in C Above	
Income	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Sales net of tax	-	-	227.36	57.98	10,713.02	9,152.44
Interest received	-	-	-	-	-	-
Expenditure						
Purchases	-	-	1,783.60	267.97	1,774.36	2,272.89
Director Remunerations	250.29	210.36	-	-	-	-
Director Sitting Fees to independent Directors	12.00	14.75	-	-	-	-
Salary to KMPs	44.68	34.61	-	-	-	-
Investment made	-	-	-	685.00	-	-
Balance as at 31st March, 2022 Debit / ( Credit )	-	-	1,083.51	509.97	4,954.34	4,563.27
Corporate Guarantee given	-	-	4,313.00	2,359.00	2,350.00	-
Loan & Advances	-	-	-	-	-	-
Loan taken						
Loan taken during the year	-	-	-	-	-	-
Repayment of Loan during the year	-	-	-	-	-	-
Loan Given						
Loan given during the year	-	-	-	176.00	-	-
Conversion of Loan into Equity Shares	-	-	-	685.00	-	-
Repayment of Loan during the year	-	-	-	1.14	-	-
Loan balance as at 31st March, 2022 Debit / (Credit)	(14.16)	(14.16)	-	-	-	-

### 36 Disclosure pursuant to IND AS 19 on Employee benefit

The Company has a defined gratuity plan covering eligible employees. The following table summarizes the components of net benefit expenses recognized in the Statement of Profit and Loss and the funded status and amount recognized in the Balance sheet.

#### Actuarial Valuation Method

The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost. It should be noted that valuations do not affect the ultimate cost of the plan, only the timing of when the benefit costs are recognised.

#### Assets and liabilities Balance sheets position

(All amounts in Lacs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Present value of obligation	199.09	182.58
Fair value of Plan Assets	-	-
Surplus/(Deficit)	(199.09)	(182.58)
Effects of asset ceiling if any	-	-
<b>Net Asset / Liability</b>	<b>(199.09)</b>	<b>(182.58)</b>

#### Changes in the Present Value of Obligation

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Present Value of Obligation as at the beginning	182.58	155.03
Current Service Cost	23.99	20.87
Interest Expense or Cost	12.40	10.61
Re-measurement (or Actuarial) (gain) / loss arising from:	-	-
change in demographic assumptions	-	-
change in financial assumptions	(10.46)	0.95
experience variance (i.e. Actual experience vs assumptions)	4.58	3.12
others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(14.00)	(8.00)
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
<b>Present Value of Obligation as at the end</b>	<b>199.09</b>	<b>182.58</b>

#### Actuarial Assumptions:

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Salary Growth	5.00%	5.00%
Discount Rate	7.30%	6.80%

#### Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Current Liability (Short term)	38.53	32.74
Non-Current Liability (Long term)	160.56	149.84
<b>Present Value of Obligation</b>	<b>199.09</b>	<b>182.58</b>

#### Expenses Recognised in the Income Statement

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Current Service Cost	23.99	20.87
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	12.41	10.61
<b>Expenses Recognised in the Income Statement</b>	<b>36.40</b>	<b>31.48</b>

#### Other Comprehensive Income

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Actuarial (gains) / losses	-	-
change in demographic assumptions	-	-
change in financial assumptions	(10.45)	0.95
experience variance (i.e. Actual experience vs assumptions)	4.58	3.12
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(5.87)</b>	<b>4.06</b>

### 37 Fair values

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

#### Assets and liabilities carried at amortised cost

(All amounts in Lacs)

Particulars	Carrying Value		Fair Value	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
<b>Financial assets</b>				
Investment	1188.60	1345.28	1,188.62	1,523.60
Other financial assets	109.35	13.75	109.35	13.75
Trade Receivables	6,114.67	6,275.23	6,114.67	6,275.23
Cash and cash equivalents	68.16	31.83	68.16	31.83
Bank balances other than cash and cash equivalents	105.36	246.42	105.36	246.42
Other Current financial assets	1,626.35	1,277.45	1,626.35	1,277.45
<b>Total</b>	<b>9,212.49</b>	<b>9,189.96</b>	<b>9,212.51</b>	<b>9,368.28</b>
<b>Financial liabilities</b>				
Borrowings	5,123.45	5,556.30	5,123.45	5,556.30
Trade Payables	1,947.97	2,019.91	1,947.97	2,019.91
Other Financial Liabilities	2,616.61	2,541.74	2,616.61	2,541.74
<b>Total</b>	<b>9,688.03</b>	<b>10,117.95</b>	<b>9,688.03</b>	<b>10,117.95</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 except investment in shares and mutual fund.

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.

### 38 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.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2022.

(All amounts in Lacs)

Particulars	As At March 31, 2022	As At March 31, 2021
Debt	5,924.58	6,241.14
Less: cash and cash equivalents	(173.52)	(278.25)
<b>Net Debt (A)</b>	<b>5,751.05</b>	<b>5,962.89</b>
Equity (B)	13,433.27	12,696.23
<b>Gearing ratio (A/B)</b>	<b>0.43</b>	<b>0.47</b>

### 39 Commitments and Contingencies

(All amounts in Lacs)

Particulars	As At March 31, 2022	As At March 31, 2021
<b>(a) Contingent Liabilities :</b>		
Claim against the Company not acknowledged as debts*		
- Income Tax	60.37	54.14
- Letter of credit	351.00	320.00
- Guarantees issued by Banks	153.21	153.21
- Corporate guarantee to bank /NBFCs on behalf of subsidiary of the Company and other body corporates	6,663.00	2,359.00

40 The Covid-19 pandemic has impacted the businesses around the world, including India. There has been severe disruption to the regular operations of the Company due to Government imposed emergency restrictions and lockdown. The company has assessed the impact on liquidity position and carrying amounts of inventories, trade receivables, investments, property, plant and equipment and other financial assets. Our assessment based on estimates and judgements, available from internal and external sources of information including economic forecasts does not indicate any material impact on the carrying value of assets and liabilities as on the reporting date. The Company will continue to monitor the future economic conditions and assess its impact on the financial statements. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on date of the approval of the Standalone financial statements.

41 The Company has filed writ before the Hon'ble High Court of Himachal Pradesh at Shimla against the (a) Union of India through its Secretary Ministry of Commerce & Industry, Department of Promotion of Industry and Internal trade (b) Commissioner, Central Goods and Services Tax, Kanfed Bhawan, Dharamshala, Himachal Pradesh (c) Assistant Commissioner, Central Goods and Services Tax, Kanfed Bhawan, Dharamshala, Himachal Pradesh for rejecting the claim of Refund relating to the Budgetary Support of Rs. 153.54 lakhs. The Management is hopeful that the same would be decided in favour of the Company.

#### 42 Details of CSR Expenditure

Particulars	(All amounts in Lacs)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
a. Gross amount required to be spent by the Company during the year as per Section 135 of the Companies Act, 2013 read with Schedule VII	22.01	26.16
b. Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) Purposes other than (i) above	26.20	29.82
c. Shortfall at the end of the year	-	-
d. Total of the previous years shortfall	-	-
e. reason for Shortfall	-	-
f. Nature of CSR Activities	Promoting Education, healthcare including preventive health care	Promoting Education, healthcare including preventive health care
g. Details of the related party transaction	-	-
h. Movement in provision during the year	-	-

43 The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the Company towards provident fund, gratuity and ESIC. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. Final rules are yet to be notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any.

#### 44 Foreign Exchange Earnings and Outgo

Particulars	(All amounts in Lacs)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Earning in Foreign Exchange	824.76	496.19
Outgo in Foreign Exchange	6.69	21.36

#### 45 Trade payable Ageing Schedule

					(All amounts in Lacs)
Particulars ( FY 2021-22)	Outstanding for following periods from due date for payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,947.97	-	-	-	1,947.97
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-

					Total
Particulars ( FY 2020-21)	Outstanding for following periods from due date for payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,993.61	1.00	5.59	19.71	2,019.91
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-



#### 46 Additional Regulatory Information - Analytical Ratios

Name of Ratio	Numerator	Denominator	As At March 31, 2022	As At March 31, 2021	% Variance	Reasons
Current Ratio ( In times )	Current Assets	Current Liabilities	1.62	1.47	10%	-
Debt Equity Ratio( In times )	Debt ( Borrowings + Lease Liabilities)	Shareholders Equity	19.35%	20.42%	-5%	-
Debt Service Coverage Ratio( In times )	PAT + depreciation +finance cost+ Profit on sale of PPE	Debt Service ( Interest and lease payments + Principal repayments)	162.06%	216.85%	-25%	-
Return On Equity ( In % )	Net Profit for the year	Average Shareholder Equity	5.64%	5.65%	0%	-
Inventory Turnover( In times )	Revenue from Operations	Average Inventory	4.33	3.72	16%	-
Trade Receivable Turnover ( In times )	Revenue from Operations	Average trade receivables	3.84	3.62	6%	-
Trade Payable Turnover Ratio(In times )	Purchase	Average trade Payable	4.43	3.18	39%	Company has paid Trade liabilities through its cash flow earned during the year
Net Capital Turnover Ratio( In times )	Net Working Capital	Revenue from Operations	4.50	4.59	-2%	-
Net Profit Margin( In % )	Net Profit for the year	Revenue from Operations	3.05%	3.53%	-14%	-
Return on Investment( In % )	Income generated from treasury investments	Average invested funds in treasury investments	189.33%	105.33%	80%	Due to increase in price of shares
Return On Capital Employed( In % )	Profit before tax and finance cost	Capital Employed ( Net Worth + borrowings +lease liabilities )	12%	9%	26%	Due to increase sale of shares

#### 47 Capital Work in Progress Ageing

Particulars	Amount in CWIP for a period of				( In Lakhs )
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	59.83	40.04	-	-	99.87
Project temporarily suspended	-	-	-	-	-

**48 Details of Land and Building in Property, Plant and Equipment**

Relevant line item in the Balancesheet	Description of item of property	Gross carrying value	Title deeds in the name of	Whether title deed holder is a promoter, director or their relatives	Property Held since which date	Reason for not being held in the name of the Company
PPE	land - UNA	80,79,224	Pritika Auto Industries Limited	Company	30/05/2006	-
	land - Kurali	3,16,10,000	Pritika Auto Industries Limited	Company	18/05/2018	-
	land- Dera bassi-1	41,83,780	Pritika Auto Industries Limited	Company	01-02-1996	-
	land- Dera bassi-2	3,80,00,000	Pritika Auto Industries Limited	Company	19/12/2018	-
	Building -UNA	7,27,24,616	Pritika Auto Industries Limited	Company	30/05/2006	-
	Building - Derabassi	4,93,82,676	Pritika Auto Industries Limited	Company	01-02-1996	-
Investment Property		-	-	-	-	-
PPE retired from active use and held for disposal		-	-	-	-	-
others		-	-	-	-	-

49 Satisfaction of Charge of Rs. 6.50 Lakhs related to the loan from State Bank of India is pending to be satisfied because NOC had not been issued by bank till date .

**50 Ageing of Trade receivables**

(All amounts in Lacs)

Particulars ( FY 2021-22)	Outstanding for following periods from						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- Considered good	168.36	5,772.13	171.21	-	-	2.97	6,114.67
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-

(All amounts in Lacs)

Particulars ( FY 2020-21)	Outstanding for following periods from						Total
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- Considered good	43.85	5,913.59	310.77	-	-	7.02	6,275.23
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-

- 51 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 52 No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 53 The shareholders of the Company through postal ballot resolution dated 23rd March 2021 approved the sub-division of one equity shares of the Company from face value of Rs. 10/- each into five equity shares of Rs. 2/- each. The record date for sub-division was 13th April 2021. All shares and per share information in the financial results reflect the effect of sub-division (split) retrospectively.
- 54 Quarterly returns or statements of current assets filed by the Company with the banks or financial institutions are in agreement with the books of accounts.
- 55 Previous year's figures have been restated, rearranged and regrouped, wherever considered necessary.

As per our report of even date

**For Sunil Kumar Gupta & Co.**  
Chartered Accountants  
Firm Registration number: 003645N

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

**Sd/-**  
**CA Sunil Kumar Gupta**  
Partner  
Membership No.: 082486

**Sd/-**  
**Harpreet Singh Nibber**  
(Managing Director)  
DIN No. 00239042

**Sd/-**  
**Raminder Singh Nibber**  
(Chairman)  
DIN No. 00239117

Place: Mohali  
Date: 07-05-2022

**Sd/-**  
**Narinder Kumar Tyagi**  
C.F.O

**Sd/-**  
**Chander Bhan Gupta**  
Company Secretary  
M.No. F2232

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of PRITIKAAUTO INDUSTRIES LIMITED**

**Report on Audit of the Consolidated Financial Statements**

### **Opinion**

We have audited the consolidated financial statements of **PRITIKA AUTO INDUSTRIES LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiary (Holding Company and its Subsidiary together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of changes in equity, Consolidated statement of Cash Flow for the year then ended and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as ‘the consolidated financial statements’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## **Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the matter stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated changes in equity and consolidated cash flows 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 Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective management and Board of Directors of the Companies included in the Group are responsible for the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management and Board of Directors of the Holding Company, as aforesaid

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of each Company.

## **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As Part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory**

1. As required by the Companies (Auditor's Report) Order 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. (A) 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 purpose of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books;
  - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including other comprehensive income) and the Consolidated Statement of Changes in Equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on 31 March 2022, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company incorporated in India

and the operating effectiveness of such controls, refer to our separate report in “Annexure 1”; and

(B) 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:

- a. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March 2022 on its financial position in its consolidated financial statements. Refer Note 41 to the consolidated financial statements.
- b. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There are no items which required to be transferred, to the Investor Education and Protection Fund by the Company.
- d. (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ii. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iii. Based on the audits procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- e. The Company has not declared or paid any dividend during the year.



© With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company and its subsidiary company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

**For Sunil Kumar Gupta & Co.**  
Chartered Accountants  
Firm Regn No: 003645N

Sd/-

**Sunil Kumar Gupta**  
Partner  
Membership No.: 082486

Place: Mohali  
Date: 07.05.2022  
ICAI UDIN: 22082486AJMDNY4269

## **Annexure - 1**

**Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

### **Opinion**

In conjunction with our audit of the consolidated financial statements of Pritika Auto Industries Limited ("the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and subsidiary company has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements 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 (the "Guidance Note").

### **Management's and Board of Directors' Responsibility for Internal Financial Controls**

The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the 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 with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with 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 with reference to consolidated financial statements, 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of such internal financial controls, 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 consolidated 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 with reference to consolidated financial statements.

#### **Meaning of Internal Financial Controls with reference to consolidated financial statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Sunil Kumar Gupta & Co.**  
Chartered Accountants  
Firm Regn No: 003645N

Sd/-

**Sunil Kumar Gupta**  
Partner  
Membership No.: 082486

Place: Mohali  
Date: 07.05.2022  
ICAI UDIN: 22082486AJMDNY4269



**PRITIKA AUTO INDUSTRIES LIMITED**
**CIN NO. L45208PB1980PLC046738**
**C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055**
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022**
**(All amounts in Lacs)**

Particulars	Note No.	As At March 31, 2022	As At March 31, 2021
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	11,518.00	10,107.66
(b) Capital work in progress	3	242.42	1,052.52
(c) Intangible Assets			
Goodwill	4	1,354.77	1,354.77
(d) Financial Assets			
- Investments	5	3.68	603.94
- Other financial assets	6	124.35	28.75
(e) Deferred Tax Assets	7	70.36	64.25
(f) Other Non-Current Assets	8	150.35	104.69
<b>Total Non Current Assets (A)</b>		<b>13,464.13</b>	<b>13,316.58</b>
<b>2. Current Assets</b>			
(a) Inventories	9	6,675.43	6,298.22
(b) Financial Assets			
- Trade Receivables	10	7,153.74	6,392.49
- Cash and Cash Equivalents	11	91.41	39.99
- Bank balances other than cash and cash equivalents	12	180.77	331.10
- Other Current Financial Assets	13	1,054.35	1,179.10
(c) Other Current Assets	14	410.96	441.31
<b>Total Current Assets (B)</b>		<b>15,566.66</b>	<b>14,682.21</b>
<b>TOTAL ASSETS ( A+ B)</b>		<b>29,030.79</b>	<b>27,998.79</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	1,773.45	1,773.45
(b) Other Equity	16	12,127.45	10,997.11
<b>Total Equity (A)</b>		<b>13,900.90</b>	<b>12,770.56</b>
<b>2. Non Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	17	3,455.58	3,628.70
(b) Provisions	18	184.27	168.41
(c) Deferred Tax Liabilities	19	315.25	254.66
(d) Other non-current liabilities	20	648.10	763.27
<b>Total Non Current Liabilities ( B)</b>		<b>4,603.20</b>	<b>4,815.04</b>
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	21	3,864.26	4,002.42
- Trade Payables	22		
Total Outstanding dues of micro enterprise and small enterprise			
Total Outstanding dues of creditors other than micro enterprise and small enterprise		2,686.72	2,388.66
- Other Financial Liabilities	23	3,293.99	3,086.10
(b) Other Current Liabilities	24	412.21	769.63
(c) Provisions	25	299.51	166.38
<b>Total Current Liabilities ( C)</b>		<b>10,526.69</b>	<b>10,413.19</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>29,030.79</b>	<b>27,998.79</b>

**Summary of Significant Accounting Policies and notes**
**1-2**
**The accompanying notes forms integral part of these Consolidated financial statements**
**As per our report of even date**
**For and on behalf of Board of Directors**
**For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N**
**Sd/-  
CA Sunil Kumar Gupta  
Partner  
Membership no.: 082486**
**Sd/-  
Harpreet Singh Nibber  
( Managing Director )  
DIN No. 00239042**
**Sd/-  
Raminder Singh Nibber  
( Chairman )  
DIN No. 00239117**
**Place: Mohali  
Date : 07-05-2022  
ICAI UDIN NO: 22082486AJMDNY4269**
**Narinder Kumar Tyagi  
C.F.O**
**Chander Bhan Gupta  
Company Secretary  
M.No. P2232**

# PRITIKA AUTO INDUSTRIES LIMITED

CIN NO.L45208PB1980PLC046738

C-94 , PHASE VII , S.A.S NAGAR , INDUSTRIAL AREA , MOHALI , PUNJAB-160055

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lacs)

Particulars	Note	For the Year ended March 31, 2022	For the Year ended March 31, 2021
I Revenue from operations	26	27,122.51	22,568.93
II Other Income	27	780.96	149.21
<b>III Total Income ( I+II)</b>		<b>27,903.47</b>	<b>22,718.14</b>
<b>IV Expenses</b>			
a) Cost of material consumed	28	18,105.58	13,598.94
b) Changes in inventories of finished goods , Work in progress and stock in trade	28(a)	(1,495.30)	(123.04)
c) Excise Duty		-	-
d) Employee benefits expense	29	1,774.46	1,359.20
e) Finance costs	30	898.70	821.69
f) Depreciation and amortization expense	31	1,091.73	849.78
g) Other Expenses	32	5,735.48	5,356.06
<b>Total Expenses (IV)</b>		<b>26,110.65</b>	<b>21,862.63</b>
<b>V Profit/(Loss) before exceptional items and tax</b>		<b>1,792.82</b>	<b>855.51</b>
VI Exceptional Items		-	-
<b>VII Profit / (Loss) before tax</b>		<b>1,792.82</b>	<b>855.51</b>
<b>VIII Tax Expense:</b>			
a) Current Tax	33	299.64	207.97
b) Adjustment of tax relating to earlier periods		(2.08)	13.77
c) Deferred Tax	33	54.48	46.77
<b>Total tax expenses ( VIII )</b>		<b>352.04</b>	<b>268.51</b>
<b>IX Profit/ (Loss ) for the period</b>		<b>1,440.78</b>	<b>587.00</b>
<b>X Other comprehensive income</b>			
Items that will not to be reclassified to profit or loss			
Re-measurement Loss/ (Gain) on defined benefit plans		5.87	(4.06)
Revaluation Loss/ (Gain) due to Foreign exchange		1.42	1.91
Impact of fair valuation of Equity Shares		(317.74)	148.85
<b>XI Total comprehensive Income for the period ( IX + X )</b>		<b>1,130.33</b>	<b>733.70</b>

## Earnings per equity share( Nominal value of Rs. 2/- per share )

Basic	34	1.62	0.66
Diluted	34	1.62	0.66

Summary of Significant Accounting Policies and notes 1-2

The accompanying notes forms integral part of these Consolidated financial statements

As per our report of even date

For and on behalf of the Board of directors

For Sunil Kumar Gupta & Co.

Chartered Accountants

Firm Registration number: 003645N

Sd/-

CA Sunil Kumar Gupta

Partner

Membership no.: 082486

Sd/-

Harpreet Singh Nibber

( Managing Director )

DIN No. 00239042

Sd/-

Raminder Singh Nibber

( Chairman )

DIN No. 00239117

Sd/-

Narinder Kumar Tyagi

C.F.O

Sd/-

Chander Bhan Gupta

Company Secretary

M.No. F2232

Place: Mohali

Date : 07-05-2022

ICAI UDIN NO: 22082486AJMDNY4269

# PRITIKA AUTO INDUSTRIES LIMITED

CIN NO.L45208PB1980PLC046738

C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per statement of Profit & Loss	1,792.82	855.51
Adjustments for:		
- Depreciation and amortisation expense	1,091.73	849.78
- Finance costs	898.70	821.69
- Gratuity / Leave encashment Provision	21.95	29.84
- LTCG on sale of shares	(655.72)	-
- Forex fluctuation	(12.21)	(1.49)
- Profit on Sale of Fixed Assets	-	(0.69)
Operating profit before working capital changes	3,137.27	2,554.64
Adjustments for:		
Increase/(Decrease) in Trade Payables	268.06	673.28
Increase/(Decrease) in Other Current Liabilities	(255.39)	1,012.10
Increase/(Decrease) in Provisions	(15.87)	(1.82)
(Increase) / Decrease in Trade Receivables	(761.25)	(1,732.07)
(Increase) / Decrease in Inventories	(377.21)	(487.13)
(Increase) / Decrease in Other Current Assets	30.35	(8.46)
(Increase) / Decrease in Other Assets	(16.70)	256.30
Cash generated from operations	2,009.26	2,246.84
Taxes paid	(152.37)	(133.36)
Net Cash from Operating Activities	1,856.89	2,113.48
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	(1,691.99)	(2,432.57)
Movement in fixed deposits (having original maturity of more than three months)	150.32	(199.00)
Sale of Shares	946.34	28.66
Net Cash used in Investing Activities	(595.33)	(2,602.91)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Loans Raised (Net)	(173.30)	1,396.73
Short Term Loans Repaid (Net)	(138.16)	(178.26)
Interest Paid	(898.70)	(821.69)
Net Cash from Financing Activities	(1,210.16)	396.78
Net Increase/(Decrease) in Cash and Cash Equivalents	51.42	(92.65)
Cash and Cash Equivalents at the beginning of the year	39.99	132.64
Cash and Cash Equivalents at the end of the year	91.41	39.99

### 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 and on behalf of the Board of Directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

Sd/-

CA Sunil Kumar Gupta  
Partner  
Membership no.: 082486

Sd/-

Harpreet Singh Nibber  
(Managing Director)  
DIN NO.00239042

Sd/-

Raminder Singh Nibber  
(Chairman)  
DIN No. 00239117

Sd/-

Narinder Kumar Tyagi  
C.F.O.

Sd/-

Chander Bhan Gupta  
Company Secretary  
M.No. F2232

Place: Mohali  
Date : 07-05-2022

# PRITIKA AUTO INDUSTRIES LIMITED

CIN NO. L45208PB1980PLC046738

C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lacs)

A. Equity Share Capital		
Particulars	No. Of Shares	Amount
Authorised Share Capital		
Balance as at April 1, 2020	1825.00	3650.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2020	1825.00	3650.00
Issue of Shares during the year	-	-
As at 31st March 2021	1825.00	3650.00
Balance as at April 1, 2021	1825.00	3650.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2021	1825.00	3650.00
Issue of Shares during the year	-	-
As at 31st March 2022	1825.00	3650.00

(All amounts in Lacs)

Equity Share Capital		
Particulars	No. Of Shares	Amount
Subscribed and fully paid up		
Balance as at April 1, 2020	886.73	1773.45
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2020	886.73	1773.45
Issue of Shares during the year	-	-
As at 31st March 2021	886.73	1773.45
Balance as at April 1, 2021	886.73	1773.45
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2021	886.73	1773.45
Issue of Shares during the year	-	-
As at 31st March 2022	886.73	1773.45

## B. Other Equity

Particulars	Reserves and Surplus				Total
	Share Warrant	Securities premium	Capital Reserve	Retained earnings	
Balance as at April 1, 2020	287.50	5,369.97	1,604.90	3,001.05	10,263.42
Change in Accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 1, 2020	287.50	5,369.97	1,604.90	3,001.05	10,263.42
Balance as at April 1, 2021	287.50	5,369.97	1,604.90	3,001.05	10,263.42
Profit / Addition during the year	-	-	-	587.00	587.00
Trf to Capital reserve	(287.50)	-	287.50	-	-
Other Comprehensive Income	-	-	-	146.70	146.70
Balance as at March 31, 2021	-	5,369.97	1,892.40	3,734.75	10,997.11
Balance as at April 1, 2021	-	5,369.97	1,892.40	3,734.75	10,997.11
Change in Accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 1, 2021	-	5,369.97	1,892.40	3,734.75	10,997.11
Balance as at April 1, 2022	-	5,369.97	1,892.40	3,734.75	10,997.11
Profit / Addition during the year	-	-	-	1,440.78	1,440.78
Other Comprehensive Income	-	-	-	(310.45)	(310.45)
Balance as at March 31, 2022	-	5,369.97	1,892.40	4,865.08	12,127.45

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of each reserve:

- Security Premium:** Securities premium reserve is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.
- Retained Earnings:** Retained earnings comprises of prior and current year's undistributed earnings after tax.
- Capital Reserve:** Capital reserve will be utilised for the purposes as permitted by the Companies Act, 2013.

As per our report of even date

For and on behalf of Board of Directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

Sd/-  
S.K Gupta  
Partner  
Membership no.: 082486

Sd/-  
Harpreet Singh Nibber  
(Managing Director)  
DIN No. 00239042

Sd/-  
Raminder Singh Nibber  
(Chairman)  
DIN No. 00239117

Place: Mohali  
Date: 07-05-2022

Sd/-  
Narinder Kumar Tyagi  
C.F.O

Sd/-  
Chander Bhan Gupta  
Company Secretary  
M.No. F2232



**PRITIKA AUTO INDUSTRIES LIMITED**

CIN NO.L45208PB1980PLC046738

C-94 , PHASE VII , S.A.S NAGAR , INDUSTRIAL AREA , MOHALI , PUNJAB-160055

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****Note No. 1: Notes To The Financial Statement****1 GENERAL INFORMATION**

Pritika Auto Industries Limited ( " the Company ") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is in Punjab, India. The shares of the Company are listed on two recognised stock exchanges in India i.e Bombay Stock Exchange ( BSE) and National Stock Exchange (NSE) . The Company was incorporated on 11.04.1980 and is engaged in the manufacturing of tractor and automobile components . The Consolidated financial statements were approved by the board of directors on May 7 ,2022.

**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') specified under Section 133 of the Companies Act, 2013 ('Act') the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act . The Financial Statements have been prepared on historical basis , except certain financial assets and liabilities which are recognised at fair value at the end of the reporting period and on an accrual basis as a going concern The financial statements are presented in Indian Rupees ( INR ) , which is the functional currency of the Company and the Currency of th primary economic environment in which the Company operates.

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. Deferred tax assets and liabilities are classified as non - current assets and liabilities. The Operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents . The Company has identified twelve months as its operating cycle .

The subsidiary companies considered in these consolidated financial statements are as follows:

Name of the Company	Proportion of Ownership
Pritika Engineering Components Private Limited	Wholly owned Subsidiary

**2.2 Principles of consolidation:**

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 Use of Estimates**

The preparation of the financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date , reported amount of revenue and expenses for the year and disclosure of contingent liabilities and contingent assets as of the date of Balance Sheet . The estimates and assumptions used in these Financial Statements . The actual amounts may differ from the estimates used in the preparation of the Financial Statements and the difference between actual results and the estimates are recognised in the period in which the results are known/ materialise.

## 2.4 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability take place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

### Non-derivative financial instruments

#### 1. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.

#### 2. 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 model 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).

#### 3. 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 are measured at amortised cost using the effective interest method.

## 2.5 Property, Plant and Equipment (PPE)

Freehold Land is carried at historical cost. All other items of Property, Plant and Equipment are recorded at cost less accumulated depreciation. The cost of acquisition of property, plant and equipment is net of duty or tax credit availed and includes purchase cost or its construction cost, inward freight and other expenses incidental to acquisition or installation and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. Cost of spares relating to specific item of an asset is capitalized. For major projects, interest and other costs incurred on / related to borrowings attributable to such projects / fixed assets during construction period and related pre-operative expenses are capitalized as part of the cost of respective assets. Cost of assets not ready to use before such date are disclosed under "Capital Work-in-Progress". The residual values, useful life and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation is provided using the Straight Line Method as per the useful lives of the assets at the rates prescribed under Schedule II of the Companies Act, 2013

### Asset Useful live

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.

## 2.6 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

The estimated useful life is reviewed annually by the management.

## 2.7 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.

## 2.8 Impairment

All assets other than Inventories and Investments are reviewed for impairment, wherever events or changes in circumstances indicate that the carrying amount of those assets may not be fully recoverable, in such cases the carrying amount of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to the Statement of Profit and Loss.

## 2.8 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.

## 2.9 Investments

All Investments are carried at fair value. Investments, which at the inception, have been designated to be held for a long term capital appreciation, the changes in the fair value are considered through Other Comprehensive Income. All other investments are valued at fair value and the gains or losses being recognised in Statement of Profit and Loss.

## 2.10 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.

## 2.11 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 income 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.

Export benefits, incentives and licenses: Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

## **2.12 Operating leases including investment properties**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **As a lessee**

#### **a) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### **b) Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments primarily comprise of fixed payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

#### **c) Short-term leases and leases of low value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces and certain equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### **As a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

## **2.13 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.

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.

### **2.14 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.

### **2.15 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.

### **2.16 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.

**2.17 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.

**2.18 Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company adopted Ind AS 115 using the modified retrospective method of adoption. The change did not have a material impact on the financial statements of the Company.

**2.19 Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Note No. 3. Property, Plant and Equipment

(All amounts in Lacs)

Particulars	Air Conditioner	Computers	D.G Set	Furniture & Fixtures	Office Equipment	Vehicle	Weigh Bridge	Free hold Land	Building	Electric Fitting	Pattern	High Life Tool	Jigs and Fixture	Plant & Machinery	Building Other Than Factory Building	Leased Assets	Total	Building under Construction	Capital Work in Progress	Total CWIP
<b>Cost or Deemed Cost</b>																				
At April 1, 2021	4.75	37.28	62.43	22.15	48.50	263.49	1.53	1,044.32	1,241.49	461.49	1,272.29	43.35	1,262.89	4,788.39	23.82	79.96	10,618.34	212.28	1,346.95	1,459.23
Addition/ Adjustment	1.52	33.32	-	1.59	6.97	31.78	-	102.57	475.26	47.69	150.84	3.20	328.98	1,536.32	-	-	2,720.04	33.50	1,311.56	1,345.06
Transfer / Sale						(9.73)				-				(31.90)			(41.63)	(221.81)	(1,538.26)	(1,752.87)
At March 31, 2021	6.27	30.60	62.43	23.74	55.47	285.54	1.53	1,146.89	1,716.74	509.18	1,423.13	46.55	1,591.78	6,292.81	23.82	79.96	13,296.64	245.77	1,028.25	1,053.52
<b>At April 1, 2021</b>	6.27	30.60	62.43	23.74	55.47	285.54	1.53	1,146.89	1,716.74	509.18	1,423.13	46.55	1,591.78	6,292.81	23.82	79.96	13,296.64	245.77	1,028.25	1,053.52
Addition/ Adjustment	4.14	10.23	-	11.65	2.63	44.65	-	-	246.12	18.23	508.97	4.18	420.90	1,241.74	-	-	2,513.44	44.06	211.39	255.46
Transfer / Sale						-				-				(11.37)			(11.37)	-	(1,065.55)	(1,065.55)
At March 31, 2022	10.41	40.83	62.43	35.39	58.10	330.19	1.53	1,146.89	1,962.86	527.41	1,932.10	50.73	2,012.68	7,533.18	23.82	79.96	15,798.71	289.83	179.09	240.42
<b>Depreciation and Impairment</b>																				
At April 1, 2021	2.79	6.63	29.79	7.62	16.62	89.91	0.77	-	161.41	158.66	222.98	14.71	158.00	1,493.15	4.55	5.00	2,371.38	-	-	-
Addition	0.58	6.92	4.65	2.83	8.62	27.28	0.06	-	99.88	40.16	130.50	4.55	127.54	425.95	1.07	19.99	849.79	-	-	-
Transfer / Sale						(6.33)				-				(26.05)			(32.38)			
At March 31, 2021	3.37	12.95	34.44	9.65	25.24	110.85	0.83	-	261.29	198.82	353.08	19.26	285.54	1,893.05	5.62	24.99	3,188.98	-	-	-
<b>At April 1, 2021</b>	3.37	12.95	34.44	9.65	25.24	110.85	0.83	-	261.29	198.82	353.08	19.26	285.54	1,893.05	5.62	24.99	3,188.98	-	-	-
Addition	1.10	9.44	4.64	2.76	9.78	36.03	0.06	-	63.39	43.85	184.58	4.20	171.02	539.83	1.06	19.99	1,091.75	-	-	-
Transfer / Sale						-				-				-			-			
At March 31, 2022	4.47	22.39	39.08	12.41	35.02	146.88	0.89	-	324.68	242.67	537.66	23.46	456.56	2,432.88	6.68	44.98	4,280.73	-	-	-
<b>Net Carrying Amount as on</b>																				
31/03/2021	2.90	17.65	27.99	14.09	30.23	174.69	0.70	1,146.89	1,516.45	309.36	1,071.05	27.29	1,306.24	4,999.76	18.20	54.97	10,107.66	245.77	1,028.25	1,053.52
<b>Net Carrying Amount as on</b>																				
31/03/2022	5.94	18.44	23.35	23.18	23.06	183.31	0.64	1,146.89	1,688.18	283.74	1,395.44	27.27	1,556.12	5,090.30	17.14	54.98	11,510.00	289.83	179.09	240.42

\* Capital Work in Progress ageing (Refer Note No.47 of notes to consolidated financial statements)

\*\* PPE details (Refer Note No. 48 of notes to consolidated financial statements)

Continue.....

PRITIKA AUTO INDUSTRIES LIMITED  
CIN NO.L45208PB1980PLC046738  
C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in Lacs)

4 Goodwill

Particulars	As At March 31, 2022	As At March 31, 2021
Goodwill*	1,354.77	1,354.77
<b>Total</b>	<b>1,354.77</b>	<b>1,354.77</b>

\* There is no addition, impairment of losses or reversals during the year so the same shall not be disclosed separately.

5 Investments

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Investments carried at Fair Value through Other Comprehensive Income (FVOCI)</b>		
<b>Investments in Equity Instruments fully paid up (Unquoted)</b>		
Shivalik Solid Waste Management Limited { 10,000 , ( PY 10,000) Equity shares of Rs. 10/-each }	1.00	1.00
<b>Investments in Equity Instruments (quoted)</b>		
Ajroni Biotech Limited {130 (PY 18,92,240) Equity Shares of Rs 10 /- each}	0.08	575.24
<b>Investments in Mutual Fund- Canara bank Robeco</b>	<b>2.60</b>	<b>27.70</b>
<b>Total</b>	<b>3.68</b>	<b>603.94</b>
Aggregate book value/Market value of unquoted investments	1.00	1.00
Aggregate market value of Mutual Fund Investment	2.60	27.70
Aggregate market value of quoted investments	0.08	575.24

6 Other Financial Assets

Particulars	As At March 31, 2022	As At March 31, 2021
Bank deposits having original maturity more than 12 months	124.35	28.75
<b>Total</b>	<b>124.35</b>	<b>28.75</b>

7 Deferred tax assets(Net)

Particulars	As At March 31, 2022	As At March 31, 2021
Relating to origination and reversal of temporary differences *	70.36	64.25
<b>Total</b>	<b>70.36</b>	<b>64.25</b>

\* Note : Deferred Tax assets has been created on account of temporary differences of provision on employee benefits

8 Other Non-Current Assets

Particulars	As At March 31, 2022	As At March 31, 2021
Unamortised Processing Cost	5.31	10.16
Security Deposits	145.24	94.53
<b>Total</b>	<b>150.55</b>	<b>104.69</b>

9 Inventories

Particulars	As At March 31, 2022	As At March 31, 2021
Raw Materials	914.56	1,814.26
Store & Spares	152.86	371.25
Work in Progress	5,501.68	4,054.87
Finished Goods	106.33	57.84
<b>Total Inventories are carried at lower of cost and net reliable value</b>	<b>6675.43</b>	<b>6,298.22</b>



**10 Trade Receivables**

Particulars	As At March 31, 2022	As At March 31, 2021
Unsecured, Considered Good.	7,163.74	6,399.94
	<u>7,163.74</u>	<u>6,399.94</u>
Less : Provision for Doubtful Debts	(10.00)	(7.45)
	<u>(10.00)</u>	<u>(7.45)</u>
<b>Total</b>	<b>7,153.74</b>	<b>6,392.49</b>

**Notes :**

1.Trade receivables includes receivables from related parties . ( Please Refer Note No. 35 of notes to consolidated financial statement ) and for ageing of trade receivable ( Refer Note No.50 of notes to consolidated financial statement )

2. Trade receivables includes unbilled revenue of Rs. 168.36 lakhs ( PY Rs. 43.85 Lakhs )

**11 Cash and Cash Equivalents**

Particulars	As At March 31, 2022	As At March 31, 2021
Balances with banks		
- in current accounts	39.62	24.69
- Deposits in Bank with Original Maturity Less than 3-Months	40.79	-
Cash on Hand ( including imprest )	11.00	15.30
<b>Total</b>	<b>91.41</b>	<b>39.99</b>

**12 Bank balances other than Cash and Cash Equivalents**

Particulars	As At March 31, 2022	As At March 31, 2021
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months( including interest accrued)	180.77	331.10
<b>Total</b>	<b>180.77</b>	<b>331.10</b>

**13 Other Current Financial Assets**

Particulars	As At March 31, 2022	As At March 31, 2021
<u>Unsecured , Considered Good</u>		
Loan and advances others	904.86	1,154.96
Advance to Staff	149.49	24.14
<b>Total</b>	<b>1,054.35</b>	<b>1,179.10</b>

**14 Other Current Assets**

Particulars	As At March 31, 2022	As At March 31, 2021
<u>Unsecured , Considered good</u>		
Prepaid expenses	48.25	42.78
Balance with Govt. authorities	219.92	274.36
Other Receivable	20.48	31.86
Security Deposits	122.31	92.31
<b>Total</b>	<b>410.96</b>	<b>441.31</b>

**15 Equity Share Capital**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Authorised</b>		
18,25,00,000 (PY 18,25,00,000 Equity Shares of Rs. 2/- each) Equity shares of Rs.2/- each	3,650.00	3,650.00
	<u>3,650.00</u>	<u>3,650.00</u>
<b>Issued, subscribed and fully paid-up</b>		
8,86,72,500 (PY 8,86,72,5000 Equity Shares of Rs. 2/- each) Equity shares of Rs.2/- each	1,773.45	1,773.45
<b>Total</b>	<b>1,773.45</b>	<b>1,773.45</b>

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

Particulars	No of shares	Amount ( In lacs)
<b>Equity Shares</b>		
At April 1, 2020	8,86,72,500	1,773.45
Add: Issued during the period	-	-
At March 31, 2021	8,86,72,500	1,773.45
Add: Issued during the period	-	-
At March 31, 2022	8,86,72,500	1,773.45

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

The Company has only one class of equity share having a par value of INR 2 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, 2022	As At March 31, 2022	As At March 31, 2021	As At March 31, 2021
	% of holding	No. of Shares	% of holding	No. of Shares
<b>Equity Shares</b>				
Harpreet Singh Nibber	11.59%	1,02,74,670	11.59%	1,02,74,670
Raminder Singh Nibber	6.68%	59,20,002	6.60%	58,55,910
Pritika Industries Limited	27.98%	2,48,06,690	27.86%	2,47,06,690
Rajesh Sadhwani	5.08%	45,00,172	9.69%	85,95,715
Tano Investment Opportunities Fund	9.68%	85,83,145	9.68%	85,83,145

**(d) Details of Shareholding of Promoter as below ( FY 2021-22)**

Promoter Name	No of Shares	% of holding	% of Change during
Harpreet Singh Nibber	1,02,74,670	11.59%	-
Raminder Singh Nibber	59,20,002	6.68%	0.08%
Pritika Industries Limited	2,48,06,690	27.98%	0.12%

**Details of Shareholding of Promoter as below ( FY 2020-21)**

Promoter Name	No of Shares	% of holding
Harpreet Singh Nibber	1,02,74,670	11.59%
Raminder Singh Nibber	58,55,910	6.60%
Pritika Industries Limited	2,47,06,690	27.86%

**16 Other Equity**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Retained Earnings</b>		
Opening balance <sup>1</sup>	3,734.75	3,001.05
Net Profit / (loss) for the year	1,440.78	587.00
Add / (Less) : Other Comprehensive Income	(310.45)	146.70
Closing balance	4,865.08	3,734.75
<b>(B) Securities Premium</b>		
Opening Balance	5,369.97	5,369.97
Securities Premium during the year	-	-
Closing balance (B)	5,369.97	5,369.97
<b>(C) Capital reserve</b>		
Opening Balance	1,892.40	1,604.90
During the year	-	287.50
Closing Capital Reserve	1,892.40	1,892.40
<b>(D) Share Warrant</b>		
Opening balance	-	287.50
Less : transfer to Capital Reserve	-	(287.50)
Closing Balance	-	-
<b>Total</b>	<b>12,127.45</b>	<b>10,997.11</b>

**17 Borrowings**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>1. Term Loan</b>		
<b>(a) Secured</b>		
- From Banks	2,466.75	2,723.90
- From Financial Institutions / NBFC	924.11	759.88
<b>(b) Unsecured</b>		
- From Financial Institutions / NBFC	37.35	77.24
- From Banks	-	19.98
- From Directors	14.16	14.16
<b>2. Long Term Maturities of finance Lease obligations-Unsecured</b>	13.21	33.54
<b>Total</b>	<b>3,455.58</b>	<b>3,628.70</b>

**Note No.17: Details of Securities and Terms of Repayment**
**I. Secured : Term loans from Banks**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Canara Bank</b>		
The Vehicle Loan of Rs 6.48 lacs repayable in 60 Installments of Rs.0.13 lacs each including interest part. Current rate of interest is 7.50%. This loan is secured against vehicle purchased out of the fund.	6.39	-
The Working Capital Term Loan of Rs. 360.00 lacs repayable in 72 monthly installments ( including moratorium period of 24 months excluding interest part @ 7.50% .This facility is provided under GECL 2.0 (Extension) ). The additional WCTL facility granted under GECL 2.0 ( Extension) shall rank second charge with the existing credit facilities in terms of cash flows ( including repayments) and security , with charge on the assets financed under the Scheme to be created .GECL 2.0 (Extension) is component under Emergency Credit Line Guarantee Scheme ( ECLGS) and administered by National Credit Guarantee Trustee Company ( NCGTC) Limited.	360.00	-
The Working Capital Term Loan of Rs. 720.00 Lacs repayable in 60 Monthly installments with moratorium period of 12 months.Rate of interest is 7.50% p.a. This loan is sanctioned under ECLGS facility of the National Credit Guarantee Trustee Company Limited . The credit facility will rank second charge with existing Plant and machinery and other fixed assets of Unit-I and pari passu charge with ICICI Bank in Unit-II the Company. This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet Singh Nibber.	690.00	720.00
The Quasi Equity Loan of Rs. 220.00 lacs repayable in 72 Monthly Installments of Rs.2.99 lacs each excluding interest part @12.55% having 12 month moratorium period.This loan is secured by first charge on Existing Plant and machinery and other fixed assets of the Company. This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet singh Nibber.	-	17.96
The Working Capital Term Loan of Rs. 150.00 lacs repayable in 60 monthly instalment of Rs. 2.53 lacs each excluding interest part @ 10.70 % .This loan is secured by first charge on Existing Plant and machinery and other fixed assets of the Company. This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet singh Nibber.	101.41	131.83
The Term Loan of Rs. 265.00 lacs repayable in 54 monthly installments of Rs.2.89 lacs each excluding interest part @ 10.30% .This loan is secured by first charge by way of hypothecation of all the moveable including Plant and Machinery and Equipments acquire / to be acquire under the project / Scheme . This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet Singh Nibber.	106.78	170.58
The Working Capital Demand Loan of Rs. 130.00 lacs repayable in 24 monthly installments ( includes 6 months moratorium and 18 months repayment ) comprising 17 instalments of Rs. 7.20 lacs and 18th instalment of Rs. 7.60 lacs excluding interest part @ 7.65% .This loan is secured by Exclusive charge on Existing Plant and machinery and other fixed assets of the Company. This loan is also personally guaranteed by Directors Namely Mr.Raminder Singh Nibber and Mr. Harpreet singh Nibber.	7.22	93.89
The Working Capital Term loan of Rs. 149 lacs repayable in 60 monthly installments including moratorium period of 1 year under Guaranteed Emergency Credit Line of the NCGTCL of Rs.0.41 Lacs . The credit facility will rank second charge with the existing credit facilities by Canara bank in term of cash flow and hypothecation of machineries fund through term loan by Canara bank. Current rate of interest is 7.50% p.a .	149.00	-

The Term Loan of Rs 190 lacs repayable in 24 monthly installments ( includes 6 months moratorium and 18 months repayment ) comprising of first 17 installments of Rs. 10.55 each and last one monthly installment of Rs.10.65 lacs excluding interest part. Current rate of interest is 7.65%.This loan is given to provide liquidity support affected by Covid-19 under Canara Credit Support .It is secured by exclusive charge on Trade receivables, Inventories, other current assets and Plant and Machinery of the company including land & Building of Unit-I of the Company and Unit-II under paripassu with ICICI bank . This loan is also personally guaranteed by directors Namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber.	52.85	179.45
The Vehicle Loan of Rs. 15.95 lacs repayable in 60 Monthly Installments of Rs. 0.32 lacs each including interest part @ 7.50 %.This term loan is secured against vehicle purchase out of this fund.	12.02	14.83
The Vehicle Loan of Rs 6.50 lacs repayable in 60 Installments of Rs.0.13 lacs each including interest part. Current rate of interest is 7.85%.This loan is secured against vehicle purchased out of the fund.	2.63	3.97
The Vehicle Loan of Rs 10.50 lacs repayable in 60 Installments of Rs.0.21 lacs each including interest part.Current rate of interest is 7.85%.This loan is secured against vehicle purchased out of the fund.	4.52	6.62
The Vehicle Loan of Rs 5.50 lacs repayable in 60 Installments of Rs.0.11 lacs each including interest part. Current rate of interest is 7.75%.This loan is secured against vehicle purchased out of the fund.	2.89	3.98
The Vehicle Loan of Rs.8.25 lacs repayable in 60 Monthly Installments of Rs.0.17 lacs each including interest part @7.90 %.This term loan is secured against vehicle purchase out of this fund.	3.37	5.09
The Vehicle Loan of Rs.50.00 lacs repayable in 60 Monthly Installments of Rs.1.25 lacs each including interest part @7.85%.This term loan is secured against vehicle purchase out of this fund.	-	9.78
The Vehicle loan of Rs 10.00 lacs repayable in 60 monthly installments of Rs 20.03 lacs each. Current rate of interest is 7.50%.This loan is secured against vehicle purchased out of the fund.	8.29	10.00
The Working Capital Term loan of Rs. 298 lacs repayable in 48 monthly installments including moratorium period of 1 year under Guaranteed Emergency Credit Line of the NCGTCL . The credit facility will rank second charge with the existing credit facilities by Canara bank in term of cash flow and hypothecation of machineries fund through term loan by Canara bank. Current rate of interest is 7.50% p.a .	-	298.00
The Term loan of Rs. 1286 lacs repayable in 107 monthly installments .Current rate of interest is 8.20% p.a . This loan is secured by first charge of EMT of Factory land and building and hypothecation of Existing Plant and machineries except the machinery /equipment funded by other banks/NBFCs. This loan is also personally guaranteed by directors Namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber. Moreover Pritika Auto Industries Limited , holding company had given corporate guarantee amounting to Rs 19.84 Cr to Canara Bank .	1,086.72	1,206.73
<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 8.73%.This loan is secured against vehicle purchased out of the fund.	-	1.32
The Term loan of Rs.323.8 lacs repayable in 60 monthly installments of Rs.5.40 lacs each (excluding interest part).Current Interest rate is 10%. This loan is takeover of the existing loan limit with SIDBI . This loan facility has first pari - passu charge on all movable assets ,except those financed by other banks/NBFCs/FI and first charge on factory land and building of Unit -II of the Company . This loan is personally guaranteed by directors namely Mr. Harpreet Singh Nibber and Mr. Raminder Singh Nibber	154.68	221.11
The Working Capital Term loan of Rs.153.96 lacs repayable in 48 monthly installments including 12 month moratorium . (excluding interest part).Current Interest rate is 8.25%. This loan is under Emergency credit line Guaranteed scheme ( ECLGS ) by Govt. of India. This facility rank second charge with the existing facility in terms of cash flows and shall be secured by (i) extension of second ranking charge over all existing securities created in favour of ICICI bank (ii) charge to created on the assets created under the facility.	124.03	153.97



<b>Kotak Mahindra Bank Limited</b>		
The Vehicle loan of Rs. 24.25 lacs repayable in 60 installments of rs. 0.49 lacs including interest part. The Term loan is fully secured against vehicle purchase out of the fund.	22.16	-
<b>HDFC Bank</b>		
The Term loan of Rs.36.50 lacs repayable in 60 monthly instalments of Rs. 0.74 lacs each. This term loan is secured against machinery purchased out of this fund. Current rate of interest is 7.75% p.a.	33.45	-
The Term loan of Rs.298 lacs repayable in 40 monthly instalments comprising 1st installment of Rs. 0.68 lacs and next 3 installments of Rs. 2.04 lacs each and next 36 installments of Rs. 9.37 lacs each. This term loan is sanctioned under ECGS scheme. Current rate of interest is 7.99% p.a.	237.98	-
The Vehicle loan of Rs 15.50 lacs repayable in 48 monthly installments of Rs 0.37 lacs each. This loan is secured against vehicle purchased out of the fund.	12.64	-
<b>Total</b>	<b>3,179.03</b>	<b>3,249.11</b>
Less: Amount shown in Other Financial Liabilities in Note No. 23 towards Current Maturities of Loans	712.28	525.21
<b>Amount shown as Loan</b>	<b>2,466.75</b>	<b>2,723.90</b>

### I(II) Secured Loans

#### A. Loans from Financial Institutions

Particulars	As At March 31, 2022	As At March 31, 2021
<b>SIDBI</b> : The Term loan of Rs. 101 lacs repayable in 60 monthly installments ( including moratorium of 24 months ) comprising first 35 installments of Rs. 2.81 lacs each and last 36th instalment of Rs. 2.65 Lacs .Current rate of interest is 6% p.a .This loan is covered under Emergency Credit line Guarantee Scheme ( ECLGS ) of National Credit Guarantee trustee Company Limited ( NCGTC ). This loan is fully secured by second charge by way of equitable mortgage in favour of SIDBI of all the immovable properties of borrower , both present and future situated at village -Simbli , Tehsil & District - Hoshiarpur , Punjab admeasuring 37 Kanal , 13 Marle and 6 Sarsahi. by the machineries purchased out of the fund and second charge on all the immovable properties of the borrower , both present and future situated at village Simbli , Tehsil & Distt. Hoshiarpur , Punjab , by hypothecation in favour of SIDBI on all the borrower's movables and by way of pledge of FDR with SIDBI of Rs. 25 Lakh.	101.00	-
<b>Electronica Finance Limited</b> : The Machinery Loan of Rs 56.29 Lacs repayable in 48 monthly installments of Rs. 1,37,147 including interest @ 7.9% p.a. This loan is fully secured by the machineries purchased out of the fund .	44.91	56.23
<b>SIDBI</b> : The Term loan of Rs. 375 lacs repayable in 72 monthly installments comprising first 12 installments of Rs. 4 lacs each , next 12 monthly installments of Rs. 6.50 lacs each , next 24 installments of Rs. 8 lacs each next 18 installments of Rs. 2.50 lacs each and next 6 installments of Rs. 2 lacs each .Current rate of interest is 9.40% p.a with a moratorium period 12 month .This loan is fully secured by the machineries purchased out of the fund and second charge on all the immovable properties of the borrower , both present and future situated at village Simbli , Tehsil & Distt. Hoshiarpur , Punjab.	351.01	337.47
<b>SIDBI</b> : 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 excluding interest part .Current rate of Interest is 11.40 % p.a.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 Sh. Raminder Singh Nibber and Sh. Harpreet Singh Nibber.	9.66	26.35

<b>SIDBI:</b> Soft Loan of Rs. 10 Lacs repayable in 54 monthly installments comprising of first 53 installments of Rs. 0.19 lacs each and last i.e 54th Installment of Rs. 0.20 lacs .excluding interest part .Current rate of Interest is 11.40 % p.a .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 Sh. Raminder Singh Nibber and Sh. Harpreet Singh Nibber.	1.31	3.53
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The vehicle term loan of Rs. 11.80 lacs repayable in 60 monthly installments comprising of Rs. 0.24 lacs each ( including interest part ).Current interest rate is 9 % . This loan is secured against vehicle purchased out of the fund.	4.74	7.14
<b>Bajaj Finance Limited :</b> The term loan of Rs.200 lacs repayable in 60 installments comprising of Rs. 4.29 each lacs including interest part. Interest rate is 10.00%. This loan is secured against the exclusive charge over the Plant and machinery.	92.39	132.05
<b>Daimler Financial Service Current rate of interest is 7.50%. Ltd. :</b> The vehicle loan of Rs. 56.02 lacs repayable in 48 monthly installments comprising of 47 installments of Rs. 1.09 lacs each and 48th installment of Rs. 24.09 lacs .Interest rate is 11.75% . This loan is secured against vehicle purchased out of the fund.	28.83	37.94
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 245 lacs repayable 48 monthly ( including 3 months moratorium period ) installments comprising of Rs 5.71 lacs each (Including interest part).Interest rate is 10.95%. 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.	61.42	119.78
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 111 lacs repayable 48 monthly ( including 12 months moratorium period ) installments comprising of Rs 3.59 lacs each (Including interest part).Interest rate is 10.25% . This loan is sanctioned under ECLGS facility of the National Credit Guarantee Trustee Company Limited . The credit facility will rank second charge with the existing credit facilities by Mahindra Finance in term of cash flows and hypothecation on machinery funded through TL by MMFSL.	94.72	111.00
<b>Punjab Reliable Investment Private Ltd. :</b> The Machinery Loan of Rs.23 lacs repayable in 45 installments comprising of first 16 installments of Rs.0.84 lacs each , next 16 installments of Rs. 0.66 lacs each , next 13 installments of Rs.0.45 lacs each .(Including interest part).This loan is secured against machinery purchased out of the fund. Current rate of interest is 7.50%.	6.47	12.60
<b>Punjab Reliable Investment Private Ltd. :</b> The Machinery Loan of Rs. 28 Lacs repayable in 45 installments comprising of first 16 installments of Rs. 1.02 lacs each , next 16 installments of Rs. 0.80 lacs each , next 13 installments of Rs. 0.56 lacs each .(Including interest part).This loan is secured against machinery purchased out of the fund.Current rate of interest is 7.50%.	7.32	14.57
<b>Tata Capital Financial Services Limited :</b> The Machinery Loan of Rs. 490 lacs repayable in 78 monthly installments including moratorium of 6 months .Current rate of interest is 7.75 % . This loan	379.81	-
<b>Punjab Reliable Investments Private Limited :</b> The loan of Rs. 17 lacs repayable in 45 monthly installments comprising first 16 installments of Rs. 0.62 lacs , next 16 installments of Rs. 0.49 lacs and next 13 installments of Rs. 0.34 lacs .( Including interest ). This loan is secured against machineries purchased out of this fund. Current rate of interest is 7.50%	8.74	13.77
<b>Punjab Reliable Investment Private Ltd. :</b> The Machinery Loan of Rs.14 Lacs repayable in 47 installments comprising of first 16 installments of Rs.0.51 lacs each , next 16 installments of Rs. 0.39 lacs each , next 15 installments of Rs. 0.245 lacs each .(Including interest part).This loan is secured against machinery purchased out of the fund.Current rate of interest is 7.50%	5.10	9.11
<b>Bajaj Finance Limited :</b> The term loan of Rs.90 lacs repayable in 48 installments comprising of first 12 month moratorium period and next 36 installments Rs. 2.86 each lacs including interest part.Interest rate is 9% . This loan is sanctioned under ECLGS facility of the National Credit Guarantee Trustee Company Limited . The credit facility will rank second charge with the existing credit facilities by Bajaj Finance Limited in term of cash flows and hypothecation on machinery funded through TL by Bajaj Finance Limited .	81.12	90.00
<b>Total</b>	1,278.55	971.54
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	354.44	211.66
<b>Amount shown as Loan</b>	<b>924.11</b>	<b>759.88</b>
<b>GRAND TOTAL OF UNSECURED LOANS FROM OTHERS</b>	<b>924.11</b>	<b>759.88</b>

**B. Loans from NBFC**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Tata Capital Financial Services Limited</b> : The term loan of Rs. 50 lakh repayable in 24 equated monthly installments of Rs. 2.44 lacs each . Interest rate is 16%.	2.42	29.04
<b>Tractors and Farm Equipments Limited (Tafe)</b> : Loan of Rs 100 Lacs repayable in 24 monthly installments of Rs. 4.17 Lacs each. Interest rate is 9.50%.	25.16	75.60
<b>Cholamandalam Investment and Finance Company Ltd.</b> : The loan of Rs. 80 lacs repayable in 84 monthly installments of Rs. 1.33 lacs each .Current interest rate @ 10.25%.	48.92	59.37
<b>Total</b>	76.50	164.01
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	39.15	86.77
<b>Amount shown as Loan</b>	<b>37.35</b>	<b>77.24</b>

**II (II) Unsecured Loans****A. From bank**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>IDFC First Bank Limited</b> : The term loan of Rs. 51 lacs repayable in 36 monthly installments of Rs. 1.79 lakhs each . Interest rate is 16%.	19.76	36.62
	19.76	36.62
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	19.76	16.64
<b>Amount shown as Loan</b>	<b>-</b>	<b>19.98</b>

**From Directors**

These loans are interest bearing and repayable as and when company generates surplus cash but not within a period less than 1 year.

Particulars	As At March 31, 2022	As At March 31, 2021
Sh. Raminder Singh Nibber	14.16	14.16
<b>Total</b>	<b>14.16</b>	<b>14.16</b>

**2. Long Term Maturities of finance Lease obligations-  
Unsecured**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Lease Liability</b> ( A Machinery has been taken on Lease on 18.12.2019 for 48 monthly rental on lease payment of Rs. 1,88,153 /- each. Incremental borrowing rate is 11% is considered for purpose of IND AS-116 .	35.79	56.12
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of lease liability .	22.58	22.58
<b>Total</b>	<b>13.21</b>	<b>33.54</b>

**18 Provisions**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Provision for Employee Benefits</b>		
Leave encashment	23.71	18.57
Provision for Gratuity	160.56	149.84
<b>Total</b>	<b>184.27</b>	<b>168.41</b>

#### 19 Deferred Tax Liabilities (net)

Particulars	As At March 31, 2022	As At March 31, 2021
Deferred Tax		
-Relating to origination and reversal of temporary differences	315.25	254.66
<b>Total</b>	<b>315.25</b>	<b>254.66</b>

#### 20 Other Non-Current Liabilities

Particulars	As At March 31, 2022	As At March 31, 2021
<u>Tooling Advance and advance against supplies</u>		
-from related parties	648.10	725.00
-Others	-	38.27
<b>Total</b>	<b>648.10</b>	<b>763.27</b>

#### 21 Borrowings

Particulars	As At March 31, 2022	As At March 31, 2021
Secured		
From Bank- Cash Credit - Loan Repayable on Demand	3,864.26	4,002.42
<b>Total</b>	<b>3,864.26</b>	<b>4,002.42</b>

The Cash Credit limit is under multiple banking arrangement between ICICI and Canara bank. These facilities are 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 except those finance by other Bank/FI/NBFC both present and future. This Limit is also personally guaranteed by directors Namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber.

#### 22 Trade Payables

Particulars	As At March 31, 2022	As At March 31, 2021
Trade payables		
Total Outstanding dues of micro enterprise and small enterprise	-	-
Total Outstanding dues of creditors other than micro enterprise and small enterprise**	2,656.72	2,388.66
<b>Total</b>	<b>2,656.72</b>	<b>2,388.66</b>

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

There are no Micro and Small Enterprise to whom the Company owes dues which are outstanding as at March 31, 2021. This information as required to be disclosed under the Micro, Small and Medium enterprise Development Act, 2006 has been determined on the basis of Information available with the Company.

**\*\* Note : Trade payable ageing schedule (Refer Note No. 35 of notes to consolidated financial statement )**

#### 23 Other Financial Liabilities

Particulars	As At March 31, 2022	As At March 31, 2021
Current Maturities of Long term Loans	1,125.64	840.28
Current Maturities on finance lease obligations	22.58	22.58
Interest Accrued but not due on borrowings	11.36	11.15
Creditors for Capital Expenditure	73.37	178.67
Creditors for Expenses	1,922.86	1,909.79
<u>Employee Related Liabilities</u>		
Salaries and Wages payable	104.92	89.74
Other Employee related payments	33.26	33.89
<b>Total</b>	<b>3,293.99</b>	<b>3,086.10</b>



**24 Other Current Liabilities**

Particulars	As At March 31, 2022	As At March 31, 2021
Audit Fee Payable	3.38	3.05
Electricity Expenses Payable	122.18	289.95
Statutory dues payable	143.67	270.56
Other Liabilities	127.23	188.07
Deferred Income	15.75	18.00
<b>Total</b>	<b>412.21</b>	<b>769.63</b>

**25 Provisions**

Particulars	As At March 31, 2022	As At March 31, 2021
Provision for Gratuity	38.53	32.74
Provision for Leave encashment	2.22	1.92
Provision for Income Tax ( Net of advance tax )	258.76	131.72
<b>Total</b>	<b>299.51</b>	<b>166.38</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

26 Revenue from Operations

(All amounts in Lacs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Sale of Products ( Net of Sales Returns )	31,874.95	26,550.79
Less :- Indirect Taxes	4,752.44	3,981.86
<b>Total</b>	<b>27,122.51</b>	<b>22,568.93</b>

27 Other Income

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest received on deposits with banks and others	94.44	96.83
Misc Receipt	4.07	11.74
Profit/(Loss ) on sale of Assets	-	0.69
Dividend Income	0.15	0.15
Duty Draw back	14.37	7.23
Gain/loss on foreign Fluctuation	12.21	1.49
Profit on Sale of Shares	655.72	31.08
<b>Total</b>	<b>780.96</b>	<b>149.21</b>

28 Cost of materials consumed

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Raw material and components consumed</b>		
Inventory at the beginning of the year-Raw Materials	1,796.82	1,472.95
Inventory at the beginning of the year-Stores ,Spares, Packing Material	371.25	348.47
	<b>2,168.07</b>	<b>1,821.42</b>
<b>Purchases</b>		
Raw Materials includes stores , spares and packing material etc.	17,004.93	13,945.59
	<b>17,004.93</b>	<b>13,945.59</b>
Less: Inventory at the end of the year - Raw Materials	914.56	1,796.82
Less: Inventory at the end of the year- Stores ,Spares and Packing Material	152.86	371.25
<b>Total</b>	<b>18,105.58</b>	<b>13,598.94</b>

28(a) Changes in inventories of finished goods , Work in progress and stock in trade

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
1. Opening inventories		
Work in Progress	4,054.87	3,932.46
Finished Goods	57.84	57.21
2. Closing inventories		
Work in Progress	5,501.68	4,054.87
Finished Goods	106.33	57.84
	<b>(1,495.30)</b>	<b>(123.04)</b>

**29 Employee Benefits Expense**

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries and wages	1,158.52	837.77
Director Remuneration	262.29	220.87
Contribution to Provident and ESI Funds	90.59	69.67
Bonus and Incentives	133.44	133.86
Staff Welfare Expenses	74.88	52.75
Group Gratuity & Earned Leave	45.25	31.48
Other Expenses	9.49	12.80
<b>Total</b>	<b>1,774.46</b>	<b>1,359.20</b>

**30 Finance Cost**

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest Expenses	784.82	717.27
Other Borrowing Costs	113.88	104.42
<b>Total</b>	<b>898.70</b>	<b>821.69</b>

**31 Depreciation and amortisation expenses**

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Property , Plant and Equipment	1,071.74	829.79
Other Intangible Assets	19.99	19.99
<b>Total</b>	<b>1,091.73</b>	<b>849.78</b>

**32 Other expenses**

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>(a) Manufacturing Expenses</b>		
Cartage & Forwarding	60.66	60.94
Power & Fuel	2,642.59	2,506.05
Contractual Job Work Expenses	703.19	474.62
Repair & Maintenance		
– Building	11.43	9.42
– Machinery	46.41	39.22
Workshop Expenses	1,022.82	1,041.78
Calibration Expenses	3.04	3.16
Factory Rent	1.80	1.80
Other Manufacturing Expenses	65.25	52.18
	<b>4,557.19</b>	<b>4,189.17</b>
<b>(b) Administrative &amp; Selling Expenses</b>		
Payment to Auditors*	15.99	14.94
Rates & Taxes	9.93	8.29
Directors' Sitting Fees	12.00	14.75
Insurance	50.72	41.17
Legal & Professional Charges	140.85	72.52
Communication Expenses	7.86	7.42
Printing & Stationery	12.36	11.24
Vehicle Running Expenses	50.50	40.05
Travelling & Conveyance Expenses	57.53	24.12
ROC Expenses	0.13	0.26
Advertisement Expenses	0.35	1.20
Rebates and Discount	171.74	163.80
Freight Outward	414.29	422.37
Repairs and Maintenance others	4.98	3.57
Security expenses	62.08	60.86
CSR Expenses	26.20	29.82
Bad Debts	28.92	108.95
Other Misc. Expenses	111.86	141.56
<b>Total</b>	<b>5,735.48</b>	<b>5,356.06</b>

**\*Detail of Payment to Auditors**

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Audit Fee (Statutory and Tax Audit Fees)	13.50	13.25
Auditor's out of pocket Expenses	2.49	1.69
<b>Total</b>	<b>15.99</b>	<b>14.94</b>

**33 Current Tax and Deferred Tax**

(All amounts in Lacs)

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Current Tax:</b>		
Current income tax:	299.64	207.97
Adjustments in respect of current income tax of previous period	(2.08)	13.77
<b>Deferred Tax:</b>		
Relating to origination and reversal of temporary differences	54.48	46.77
<b>Total</b>	<b>352.04</b>	<b>268.51</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.

**34. Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the net profit for the year attributable to equity holders of the company by the weighted average

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Net Profit after tax attributable to equity share holders (Rs. In lakhs)</b>	<b>1,440.78</b>	<b>587.00</b>
	<b>1,440.78</b>	<b>587.00</b>
Number of weighted average shares considered for calculation of basic earnings per share	8,86,72,500	8,86,72,500
Face value of Equity Share ( INR )	2.00	2.00
Basic EPS	1.62	0.66
Number of weighted average shares considered for calculation of diluted earnings per share	8,86,72,500	8,86,72,500
Diluted EPS	1.62	0.66



**PRITIKA AUTO INDUSTRIES LIMITED**

CIN NO.L45208PB1980PLC046738

C-94, PHASE VII, S.A.S NAGAR, INDUSTRIAL AREA, MOHALI, PUNJAB-160055

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

**35 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 - Chairman

Mr. Ajay Kumar - Executive Director

Mr. Narinder Kumar Tyagi - C.F.O

Mr. Chander Bhan Gupta - Company Secretary

Mrs. Neha - Independent Director

Mr. Subramaniam Bala - Independent Director

Mr. Yudhisthir Lal Madan - Independent Director

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

Pritika Industries Limited

**C) Subsidiary Company**

Meeta Castings Limited

(All amounts in Lacs)

Nature of Transactions During the year	Related Parties					
	Referred in A Above		Referred in B Above		Referred in C Above	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
<b>Income</b>						
Sales	-	-	13,884.76	12,077.54	-	-
<b>Expenditure</b>						
Purchases	-	-	2,032.12	2,459.04	-	-
Director Remunerations	262.29	220.86	-	-	-	-
Director Sitting Fees to independent Directors	12.00	14.75	-	-	-	-
Salary to KMP's	44.68	34.61	-	-	-	-
Interest Payment	-	-	-	-	-	-
Balance as at 31st March ,2022 Debit/(Credit)	-	-	4,230.38	4,325.30	-	-
<b>Loan &amp; Advances</b>						
Loan taken during the year	-	-	-	-	-	-
Repayment of Loan	-	-	-	-	-	-
Advance given during the year	-	-	-	-	110.47	-
Repayment of Loan	-	-	-	-	-	-
Balance as at 31st March ,2022 Debit/(Credit)	(14.16)	(14.16)	-	-	110.47	-

**36 Disclosure pursuant to IND AS 19 on Employee benefit**

The Company has a defined gratuity plan covering eligible employees. The following table summarizes the components of net benefit expenses recognized in the Statement of Profit and Loss and the funded status and amount recognized in the Balance sheet.

**Actuarial Valuation Method**

The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost. It should be noted that valuations do not affect the ultimate cost of the plan, only the timing of when the benefit costs are recognised.

**Assets and liabilities Balance sheets position**

(All amounts in Lacs)

Particulars	As At	As At
	March 31, 2022	March 31, 2021
Present value of obligation	199.09	182.58
Fair value of Plan Assets Assets	-	-
Surplus/( Deficit)	(199.09)	(182.58)
Effects of asset ceiling if any	-	-
<b>Net Asset / Liability</b>	<b>(199.09)</b>	<b>(182.58)</b>

#### Changes in the Present Value of Obligation

Particulars	As At March 31, 2022	As At March 31, 2021
Present Value of Obligation as at the beginning	182.58	155.03
Current Service Cost	23.99	20.87
Interest Expense or Cost	12.40	10.61
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	-	-
change in financial assumptions	(10.46)	0.95
experience variance (i.e. Actual experience vs assumptions)	4.58	3.12
others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(14.00)	(8.00)
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
<b>Present Value of Obligation as at the end</b>	<b>199.09</b>	<b>182.58</b>

#### Actuarial Assumptions:

Particulars	As At March 31, 2022	As At March 31, 2021
Salary Growth	5.00%	5.00%
Discount Rate	7.30%	6.80%

#### Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Particulars	As At March 31, 2022	As At March 31, 2021
Current Liability (Short term)	38.53	32.74
Non-Current Liability (Long term)	160.56	149.84
<b>Present Value of Obligation</b>	<b>199.09</b>	<b>182.58</b>

#### Expenses Recognised in the Income Statement

Particulars	As At March 31, 2022	As At March 31, 2021
Current Service Cost	23.99	20.87
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	12.41	10.61
<b>Expenses Recognised in the Income Statement</b>	<b>36.40</b>	<b>31.48</b>

#### Other Comprehensive Income

Particulars	As At March 31, 2022	As At March 31, 2021
Actuarial (gains) / losses		
change in demographic assumptions	-	-
change in financial assumptions	(10.45)	0.95
experience variance (i.e. Actual experience vs assumptions)	4.58	3.11
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(5.87)</b>	<b>4.06</b>

**37 Fair values**

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

Assets and liabilities carried at amortised cost

(All amounts in Lacs)

Particulars	Carrying Value		Fair Value	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
<b>Financial assets</b>				
Investments	3.02	275.59	3.68	603.94
Other financial assets	124.35	28.75	124.35	28.75
Trade Receivables	7,153.74	6,392.49	7,153.74	6,392.49
Cash and cash equivalents	91.41	39.99	91.41	39.99
Bank balances other than cash and cash equivalents	180.77	331.10	180.77	331.10
<b>Total</b>	<b>7,553.29</b>	<b>7,067.92</b>	<b>7,553.95</b>	<b>7,396.27</b>
<b>Financial liabilities</b>				
Borrowings	7,319.84	7,631.12	7,319.84	7,631.12
Trade Payables	2,656.72	2,388.66	2,656.72	2,388.66
Other Financial Liabilities	3,293.99	3,086.10	3,293.99	3,086.10
<b>Total</b>	<b>13,270.55</b>	<b>13,105.88</b>	<b>13,270.55</b>	<b>13,105.88</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 except investments in shares and mutual fund.

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.

**38 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.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022.

Particulars	As At March 31, 2022	As At March 31, 2021
Debt	8,432.26	8,437.86
Less: cash and cash equivalents	(272.19)	(371.09)
<b>Net Debt (A)</b>	<b>8,160.08</b>	<b>8,066.77</b>
<b>Equity (B)</b>	<b>13,900.90</b>	<b>12,770.56</b>
<b>Gearing ratio (A/B)</b>	<b>0.59</b>	<b>0.63</b>

**39 Commitments and Contingencies**

Particulars	As At March 31, 2022	As At March 31, 2021
<b>(a) Contingent Liabilities :</b>		
Claim against the Company not acknowledged as debts*		
- Income Tax	60.37	54.14
- Letter of credit	441.50	320.00
- Guarantees issued by Banks	153.21	153.21
- Corporate guarantee to bank /NBFCs on behalf of subsidiary of the Company and other body corporates	6,663.00	2,359.00

40 The Covid-19 pandemic has impacted the businesses around the world , including India . There has been severe disruption to the regular operations of the Company in the First quarter of FY 2020-21 due to Government imposed emergency restrictions and lockdown .The company has assessed the impact on liquidity position and carrying amounts of inventories , trade receivables , investments , property , plant and equipment and other financial assets . Our assessment based on estimates and judgements , available from internal and external sources of information including economic forecasts does not indicate any material impact on the carrying value of assets and liabilities as on the reporting date . The Company will continue to monitor the future economic conditions and assess its impact on the financial statements . The eventual outcome of the impact of the global health pandemic may be different from those estimated as on date of the approval of the Consolidated financial statements .

41 The Company has file writ before the Hon'ble High Court of Himachal Pradesh at Shimla against the (a) Union of India throuh its Secretary Ministry of Commerce & Industry , Department of Promotion of Industry and Internal trade (b) Commissioner , Central Goods and Services Tax , Kanfed Bhawan , Dharamshala , Himachal Pradesh (c) Assistant Commisioner , Central Goods and Services Tax , Kanfed Bhawan , Dharamshala , Himachal Pradesh for rejecting the claim of Refund relating to the Budgetary Support of Rs. 153.54 lakhs .The Management is hopeful that the same would be decided in favour of the Company.

**42 Details of CSR Expenditure**

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
a. Gross amount required to be spent by the Company during the year as per Section 135 of the Companies Act, 2013 read with Schedule VII	22.01	26.16
b. Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) Purposes other than (i) above	26.20	29.82
c. Shortfall at the end of the year	-	-
d. Total of the previous years shortfall	-	-
e. reason for Shortfall	-	-
f. Nature of CSR Activities	Promoting Education , healthcare including preventive health care	Promoting Education , healthcare including preventive health care
g. Details of the related party transaction	-	-
h. Movement in provision during the year	-	-



- 43 The Parliament of India has approved the Code on Social Security, 2020 ( the Code ) which may impact the contributions by the Company towards provident fund , gratuity and ESIC . The Ministry of Labour and Employment has released draft rules for the Code on November 13 , 2020. Final rules are yet to be notified . The Company will assess the impact of the Code when it comes into effect and will record related impact , if any.

44 Foreign Exchange Earnings and outgo

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Earning in Foreign Exchange	824.76	496.19
Outgo in Foreign Exchange	6.69	21.36

45 Trade payable Ageing Schedule

(All amounts in Lacs)

Particulars ( FY 2021-22)	Outstanding for following periods from due date for payment					Total
	Less than 1 year	1-2 years	2-3 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	2,656.72	-	-	-	-	2,656.72
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-

Particulars ( FY 2020-21)	Outstanding for following periods from due date for payment					Total
	Less than 1 year	1-2 years	2-3 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	2,362.36	1.00	-	5.59	19.71	2,388.66
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-

46 Additional Regulatory Information - Analytical Ratios

Name of Ratio	Numerator	Denominator	As At March 31, 2022	As At March 31, 2021	% Variance	Reasons
Current Ratio ( In times )	Current Assets	Current Liabilities	1.48	1.41	5%	-
Debt Equity Ratio( In times )	Debt ( Borrowings + Lease Liabilities)	Shareholders Equity	0.33	0.35	-6%	-
Debt Service Coverage Ratio( In times )	PAT + depreciation +finance cost+ Profit on sale of PPE	Debt Service ( Interest and lease payments * Principal repayments)	1.77	1.99	-11%	-
Return On Equity ( In % )	Net Profit for the year	Average Shareholder Equity	0.08	0.06	43%	Due to increase in treasury investment
Inventory Turnover ( In times )	Revenue from Operations	Average Inventory	4.18	3.73	12%	-
Trade Receivable Turnover ( In times )	Revenue from Operations	Average trade receivables	4.00	4.09	-2%	-
Trade Payable Turnover Ratio(In times )	Purchase	Average trade Payable	6.74	6.80	-1%	-
Net Capital Turnover Ratio( In times )	Net Working Capital	Revenue from Operations	0.19	0.19	-2%	-
Net Profit Margin( In % )	Net Profit for the year	Revenue from Operations	0.04	0.03	28%	-
Return on Investment( In % )	Income generated from treasury investments	Average invested funds in treasury investments	231%	1202%	-81%	Due to increase in value of investment
Return On Capital Employed( In % )	Profit before tax and finance cost	Capital Employed ( Net Worth + borrowings +lease liabilities )	15%	10%	53%	Due to increase in treasury investment

47 Capital Work in Progress Ageing

Particulars	Amount in CWIP for a period of				(In Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	202.35	40.07	-	-	242.42
Project temporarily suspended	-	-	-	-	-

48 Details of Land and Building in Property, Plant and Equipment

Relevant line item in the Balancesheet	Description of item of property	Gross carrying value	Title deeds in the name of	Whether title deed holder is a promoter, director or their relatives	Property Held since which date	Reason for not being held in the name of the Company
PPE	land - UNA	80,79,234	Pritika Auto Industries Limited	Company	30/05/2006	-
	land - Kurali	3,16,10,000	Pritika Auto Industries Limited	Company	18/05/2018	-
	land- Dera bassi-1	41,83,780	Pritika Auto Industries Limited	Company	01-02-1996	-
	land- Dera bassi-2	3,80,00,000	Pritika Auto Industries Limited	Company	19/12/2018	-
	land- Phagwara, Simbli	3,28,16,173	Pritika Engineering Components Private Limited	Company	30/04/2018	-
	Building -UNA	7,27,24,616	Pritika Auto Industries Limited	Company	30/05/2006	-
	Building -Derabassi	4,93,82,676	Pritika Auto Industries Limited	Company	01-02-1996	-
	Building-Phagwara-Simbli	7,41,78,949	Pritika Engineering Components Private Limited	Company	30/04/2018	-
Investment Property	-	-	-	-	-	-
PPE retired from active use and held for disposal	-	-	-	-	-	-
others	-	-	-	-	-	-

49 Satisfaction of Charge of Rs. 6.50 Lakhs related to the loan from State Bank of India is pending to be satisfied because NOC had not been issued by bank till date.

50 Ageing of Trade receivables

Particulars (FY 2021-22)	Outstanding for following periods from						(All amounts in Lacs)
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables- Considered good	168.36	6,810.81	171.60	-	-	2.97	7,153.74
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-

Particulars (FY 2020-21)	Outstanding for following periods from						(All amounts in Lacs)
	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables- Considered good	43.85	6,030.84	310.77	-	-	7.03	6,392.49
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- Considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-

- 51 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 52 No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 53 The shareholders of the Company through postal ballot resolution dated 23rd March 2021 approved the sub-division of one equity shares of the Company from face value of Rs. 10/- each into five equity shares of Rs. 2/- each . The record date for sub-division was 13th April 2021 . All shares and per share information in the financial results reflect the effect of sub-division ( split) retrospectively.
- 54 Quarterly returns or statements of current assets filed by the Company with the banks or financial institutions are in agreement with the books of accounts.
- 55 The name of its Subsidiary Company "Pritika Engineering Components Private Limited" has been changed to "Pritika Engineering Components Limited" w.e.f dated 21st April 2022 as per fresh certificate of incorporation issued by Registrar of Companies , Chandigarh
- 56 Previous year's figures have been restated , rearranged and regrouped , wherever considered necessary .

As per our report of even date

For and on behalf of Board of Directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

**Sd/-**  
CA Sunil Kumar Gupta  
Partner  
Membership no.: 082486

**Sd/-**  
Harpreet Singh Nibber  
( Managing Director )  
DIN No. 00239042

**Sd/-**  
Raminder Singh Nibber  
( Chairman )  
DIN No. 00239117

Place: Mohali  
Date : 07-05-2022

**Sd/-**  
Narinder Kumar Tyagi  
C.F.O

**Sd/-**  
Chander Bhan Gupta  
Company Secretary  
M.No. F2232

**SECRETARIAL AUDIT REPORT**  
**FORM NO. MR-3**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended 31<sup>st</sup> March 2022

To

The Members

**PRITIKA ENGINEERING COMPONENTS LIMITED**

**(CIN U28999PB2018PLC047462)**

Plot No. C-94, Phase-VII Industrial Focal Point,

S.A.S Nagar Mohali-160055

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pritika Engineering Components Limited (hereinafter called as “the Company” which was converted from Private Limited Company to Public Company vide Fresh Certificate of Incorporation dated 21.04.2022). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, registers, papers, minute books, forms and returns filed and other records maintained by the Company available on MCA portal and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March 2022, complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, registers, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2022, according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Company has complied with the following laws applicable specifically to the Company:
  - (a) Hazardous Waste (Management & Handling) Rules 1989 under EP Act, 1986
  - (b) Factories Act, 1948 and allied State Laws.

The Company is an unlisted public company and wholly owned subsidiary of a listed company.

I have also examined compliance with the applicable clauses of the Secretarial Standards pursuant to Section 118(10) of the Act, issued by the Institute of Company Secretaries of India.

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive and non-executive 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 notices were given to all Directors to schedule the Board Meetings, alongwith agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and



clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors. The decisions are carried unanimously.

I 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, there was no event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

I further report that during the audit period, there were no instances of:

- i. Public / Rights / Preferential Issue of Shares /Sweat Equity.
- ii Redemption / Buy-Back of Securities.
- iii Merger / Amalgamation / Reconstruction etc.
- iv Foreign Technical Collaborations.

This Report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

**For S. K. SIKKA & ASSOCIATES**

Company Secretaries

Sd/-

(Sushil K. Sikka)

Prop.

FCS 4241, CP 3582

UDIN: F004241D000714005

Peer Review Cert. No. 1057/2021

Place: Chandigarh

Date: 30<sup>th</sup> July, 2022

## **Annexure –A to Secretarial Auditors’ Report**

To

The Members

**PRITIKA ENGINEERING COMPONENTS LIMITED**

**(CIN U28999PB2018PLC047462)**

Plot No. C-94, Phase-VII Industrial Focal Point,

S.A.S Nagar Mohali -160055

My Secretarial Audit Report for Financial Year ended on 31<sup>st</sup> March 2022 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 my 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 basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test 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 S. K. SIKKA & ASSOCIATES**

Company Secretaries

Sd/-

Place: Chandigarh

Date: 30<sup>th</sup> July, 2022

(Sushil K. Sikka)

Prop.

FCS 4241, CP 3582

## 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: \_\_\_\_\_

Email Id \_\_\_\_\_ Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42<sup>nd</sup> Annual General Meeting of Pritika Auto Industries Limited to be held on Thursday, the 29<sup>th</sup> day of September, 2022 at 10.00 A.M. 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:

Resol. No.	Resolution	Vote (optional, see note no. 3) (please mention no. of shares)	
Ordinary Business		For	Against
1.	To consider and adopt the Audited Financial Statements for the year ended 31st March, 2022, together with the Reports of the Board of Directors and the Auditors thereon.		
2.	To consider and adopt the Audited Consolidated Financial Statements for the year ended 31st March, 2022, together with the Report of the Auditors thereon.		
3.	To appoint a director in place of Mr. Raminder Singh Nibber (DIN: 00239117), who retires by rotation and being eligible, seeks reappointment		
Special Business			
4.	To Ratify remuneration paid to Cost Auditor.		
5.	To Re-appoint Mr. Yudhisthir Lal Madan (DIN: 05123237) as an Independent Director of the Company.		
6.	To approve the material related party transactions with Pritika Industries Ltd.		
7.	To approve the material related party transactions with Pritika Engineering Components Ltd.		
8.	To approve the material related party transactions with Meeta Castings Limited		
9.	To approve making loans, investments, guarantee or security under section 185 of Companies Act, 2013 to Pritika Engineering Components Ltd., an entity in which directors are interested.		

Signed this..... day of..... 2022

Signature of shareholder .....

Signature of Proxy holder(s) .....

Affix  
Rs. 1  
Revenue  
Stamp

**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.
3. It is optional to indicate your preference. If you leave the 'for' or 'against' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



## **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

<b>For Physical Holding</b>	<b>For Electronic Form (Demat) NSDL/CDSL</b>		<b>No. of Shares Held</b>
<b>LF No.</b>	<b>DP ID</b>	<b>CLIENT ID</b>	

I hereby record my presence at the 42<sup>nd</sup> Annual General Meeting of the Company, being held on Thursday, the 29<sup>th</sup> September, 2022 at 10:00 A.M. at Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar Mohali, Punjab - 160055.

**FULL NAME AND ADDRESS OF THE MEMBER/JOINT MEMBER(S) / PROXY  
(IN CAPITAL LETTERS):**

--

**IF PROXY, FULL NAME AND ADDRESS OF MEMBER/JOINT MEMBER(S)  
(IN BLOCK CAPITAL LETTERS):**

--

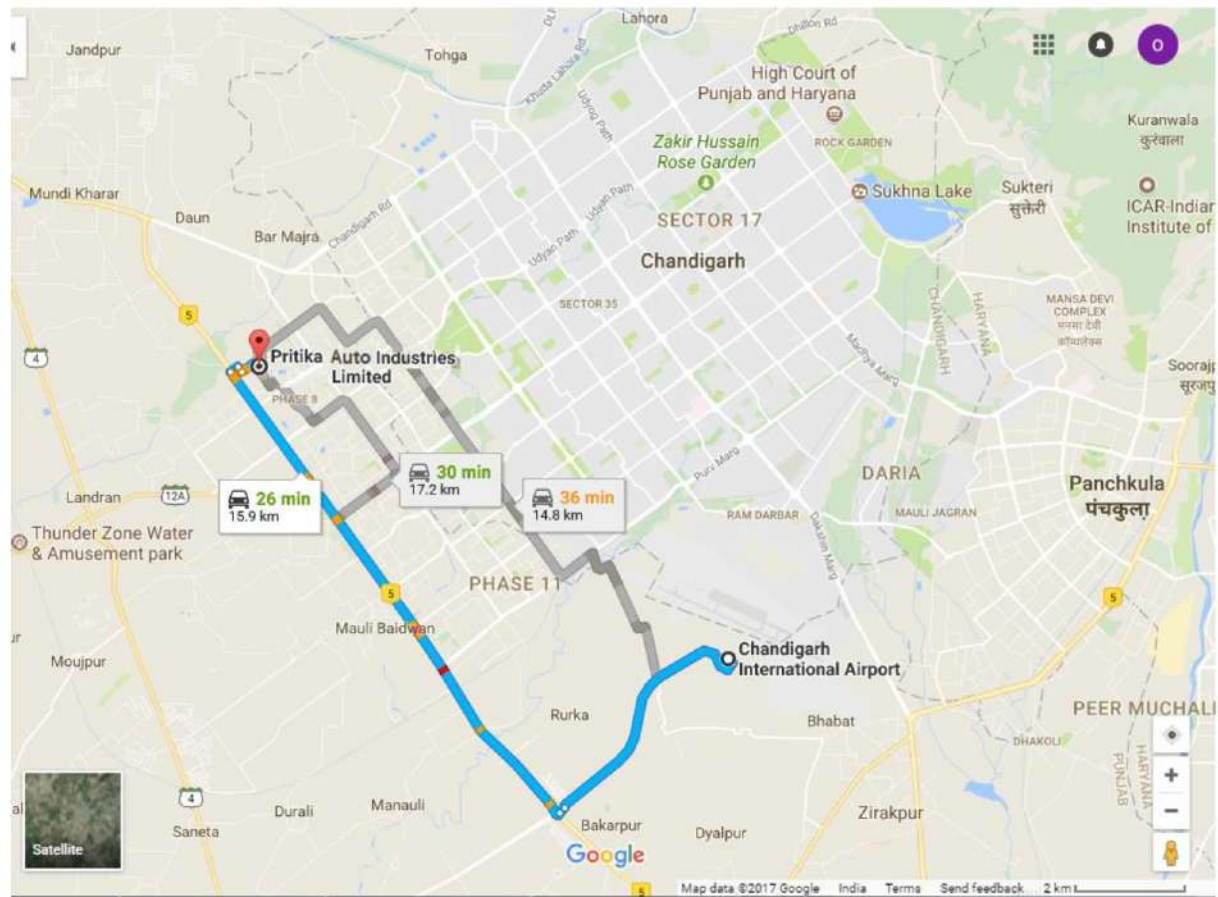
\_\_\_\_\_  
**Name of the Member/ Proxy  
(in Block Letters)**

**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 31.03.2022 and Attendance Slip along with 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.

## ROUTE MAP TOWARDS THE VENUE



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