



07<sup>th</sup> August, 2024

Listing Compliance Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra- Kurla Complex  
Bandra (E), Mumbai 400051

**NSE Symbol: PRITIKA**

Dear Sir/Ma'am,

**Subject: Intimation pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing a copy of the Annual Report of the company for the financial year ended 31st March, 2024 together with the Notice dated 3<sup>rd</sup> August, 2024 convening 7th Annual General Meeting of the company on Friday, the 6th September, 2024 at the Registered Office of the Company at Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab-160055 at 11:30 A.M. The said notice forms a part of the Annual Report. The Annual Report is also available on the website of the company at <https://www.pritikaengineering.com/annual-reports.html>

The remote e-voting facility has been made available to the Members of the company through e-voting service provided by NSDL, to exercise their right to vote on the agenda items as stated in the Notice of Annual General Meeting. The e-voting will commence on Tuesday, the 3rd September, 2024 at 9:00 A.M. and will close on Thursday, the 5<sup>th</sup> September, 2024 at 5:00 P.M.

We further inform you that Friday, the 30th August, 2024 has been fixed as Cut-off date for determining the eligibility for remote e-voting and voting at the AGM.

Kindly take the above information on your record.

Thanking you,

Yours Faithfully,  
**For Pritika Engineering Components Limited**

**C B Gupta**  
**Company Secretary & Compliance Officer**





# PRITIKA

## ENGINEERING COMPONENTS LIMITED



7TH ANNUAL REPORT 2024

[WWW.PRITIKAENGINEERING.COM](http://WWW.PRITIKAENGINEERING.COM)

“ੴ”  
ਕਿਰਤ ਕਰਨੀ ਸੇਵਾ ਸਨਾਇ॥  
ਏਹੋ ਧਰਮ ਨਿਤ ਨੀਤ ॥

(Fulfilling your duties & responsibilities through work is part of your religious practice)



## Sh. Raminder Singh Nibber

(4<sup>th</sup> August, 1941 - 12<sup>th</sup> March, 2024)

A true “Karamyogi” who truly lived the principle of work is worship. A visionary leader, philanthropist, true mentor and a genuine friend. His wisdom and unwavering commitment nurtured our entity into the thriving force it is today.

He will continue to inspire us with his leadership characterized with compassion, humility, and sincere concern for the well-being of each member of Pritika Family with his resilience and boundless enthusiasm. His legacy motivates us to celebrate and uphold the values he cherished.

“Will be in our hearts forever”

**Board of Directors**

Mr. Harpreet Singh Nibber	Chairman & Managing Director
Mr. Ajay Kumar	Director
Mr. Narinder Kumar Tyagi	Director & CFO
Mr. Bishwanath Choudhary	Independent Director
Mrs. Neha	Independent Director
Mr. Aman Tandon	Independent Director

**Statutory Auditors**

M/s. Sunil Kumar Gupta & Co.  
Chartered Accountants

**Bankers**

SIDBI  
HDFC Bank

**Chief Financial Officer**

Mr. Narinder Kumar Tyagi

**Company Secretary**

Mr. Chander Bhan Gupta

**Registrar & Transfer Agents**

Link Intime India Private Limited  
Regd. Office: C-101, 247 Park  
1st Floor, L.B.S. Marg, Vikhroli  
West, Mumbai, 400083, Maharashtra  
Tel : +91 22 4918 6200  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**Registered Office**

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

**Works**

Village Simbli, Phagwara-  
Hoshiarpur Road, Tehsil  
& District Hoshiarpur,  
Punjab-146001

**CIN**

L28999PB2018PLC047462

**Website**

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

**E-mail**

[compliance.pecl@pritikagroup.com](mailto:compliance.pecl@pritikagroup.com)

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## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 7<sup>th</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF PRITIKA ENGINEERING COMPONENTS LIMITED WILL BE HELD ON FRIDAY, 06<sup>th</sup> SEPTEMBER, 2024 AT 11.30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. C-94, PHASE-VII, INDUSTRIAL FOCAL POINT, S.A.S NAGAR MOHALI- 160055, PUNJAB TO TRANSACT FOLLOWING BUSINESS:**

### **ORDINARY BUSINESS:**

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

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and auditors thereon.

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

To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2024 and the reports of the auditors thereon.

#### **ITEM NO. 3 - APPOINTMENT OF MR. AJAY KUMAR AS A DIRECTOR LIABLE TO RETIRE BY ROTATION**

To appoint Mr. Ajay Kumar (DIN: 02929113) who retires by rotation and, being eligible, seeks re-appointment as director.

**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 152 and other applicable provisions of Companies Act, 2013, Mr. Ajay Kumar is reappointed as director of the company, liable to retire by rotation.”

### **SPECIAL BUSINESS:**

#### **ITEM NO. 4 - TO INCREASE THE AUTHORIZED SHARE CAPITAL OF THE COMPANY AND AMEND THE CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to provisions of Section 13, 61 and 64 and any other applicable provisions, if any, of the Companies Act, 2013, including rules notified thereunder, as may be amended from time to time (including any statutory modification or reenactment thereof for the time being in force); and subject to the provisions of the Articles of Association of the company and subject to the approval of the Registrar of Companies, Punjab and Chandigarh, the consent of the members of the Company be and is hereby accorded to increase the Authorised Share Capital of the Company from Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) equity shares of Rs. 10/- each to Rs. 25,00,00,000/- (Rupees Twenty Five Crore only) divided into 2,50,00,000 ( Two Crore Fifty Lakh ) equity shares of Rs. 10/- each by creation of additional 50,00,000 (fifty lakh) equity shares of Rs. 10/- each, ranking pari passu in all respect with the exiting equity shares of the company as per the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** Clause 5 of Memorandum of Association be and is hereby altered and substituted with the following clause:

**“5. The Authorized Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crore only) divided into 2,50,00,000 ( Two Crore Fifty Lakh ) equity shares of Rupees 10/- (Ten Only) each.”**

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolutions and in connection with any matter incidental thereto.”

**ITEM NO. 5- APPOINTMENT OF MR. NARINDER KUMAR TYAGI (DIN: 00483827) ADDITIONAL DIRECTOR, AS DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications, amendments, enactment or re-enactment thereof for the time being in force), Mr. Narinder Kumar Tyagi (DIN00483827), Chief Financial Officer of the company, who was appointed as an Additional Director by the Board of Directors on 10/06/2024 and holds office as such upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature under section 160 of the Companies Act, 2013 for the office of Director of the company and whose appointment has been recommended by the Nomination and Remuneration Committee and Board of Directors of the company, be and is hereby appointed as Director of the Company, liable to retire by rotation.

**ITEM NO. 6- TO APPROVE PAYMENT OF REMUNERATION TO MR. NARINDER KUMAR TYAGI (DIN: 00483827), DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to provisions of section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the enabling provisions of the Memorandum and Articles of Association of the company the members accord their approval for payment of following remuneration to Mr. Narinder Kumar Tyagi, Non executive director and Chief Financial Officer of the company w.e.f. 10/06/2024.

Salary: Rs. 1,00,000/- per month with such annual increment in salary as may be decided by the Board or any Committee thereof, in its absolute discretion from time to time subject to a ceiling of 20% per annum.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Narinder Kumar Tyagi, the Company has no profits or its profits are inadequate, the Company will continue to pay remuneration by way of salary, perquisites and allowances as specified above.

**RESOLVED FURTHER THAT** Mr. Harpreet Singh Nibber and Mr Ajay Kumar, directors of the company be and are hereby severally authorized to take such steps as may be necessary for obtaining necessary approvals if any, in relation to the above and to settle all matters arising out of and incidental thereto and to sign, execute and submit deeds, applications, forms, returns, documents and writings that may be required, on behalf of the Company and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to this resolution.”

**ITEM NO. 7- APPROVAL OF THE MATERIAL RELATED PARTY TRANSACTIONS WITH PRITIKA AUTO INDUSTRIES LTD.**

**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 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, and pursuant to Company’s Policy on Related Party Transactions and pursuant to approval of Audit Committee and Board of Directors, approval of Shareholders be and is hereby accorded for entering into/continue the agreements/contract(s)/ arrangement(s)/ transaction(s) with Pritika Auto Industries Ltd. (CIN: L45208PB1980PLC046738), the related party of the company within the meaning of Section 2(76) of the Companies Act, 2013, for the Five Financial years i.e. from Financial Year 2025-26 to 2029-30, 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 vii) payment of dividend on investment in securities (hereinafter collectively referred to as 'related party transactions') for the Cumulative value of transactions not exceeding Rs. 200.00 crore per year, 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 with or without modifications 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, and pursuant to Company’s Policy on Related Party Transactions and pursuant to approval of Audit Committee and Board of Directors, approval of Shareholders be and is hereby accorded for entering into/continue the agreements/contract(s)/ arrangement(s)/transaction(s) with Meeta Castings Ltd. (CIN:U27100PB2022PLC055438), the related party of the company within the meaning of Section 2(76) of the Companies Act, 2013, for the Five Financial years i.e. from Financial Year 2025-26 to 2029-30, 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 vii) payment of dividend on investment in



securities (hereinafter collectively referred to as 'related party transactions') for the Cumulative value of transactions not exceeding Rs. 100.00 crore per year, 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 THE MATERIAL RELATED PARTY TRANSACTIONS WITH PRITIKA INDUSTRIES LTD.**

**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 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, and pursuant to Company’s Policy on Related Party Transactions and pursuant to approval of Audit Committee and Board of Directors, 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 for the Five Financial years i.e. from Financial Year 2025-26 to 2029-30, with relation to i) purchase/sale/availing/providing services ii) reimbursement of expenses; iii) taking/giving inter-corporate loans/advances iv) selling/disposing/buying/leasing property of any kind v) payment of dividend on investment in securities (hereinafter collectively referred to as ‘related party transactions’) for the Cumulative value of transactions not exceeding Rs.20.00 crore per year, 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.”

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

**Date: 03/08/2024**

**Place: Mohali**

**Sd/-  
Harpreet Singh Nibber  
Chairman and Managing Director  
DIN: 00239042**

## NOTES:

1. A Member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend, and on a poll, to vote instead of himself/ herself and such proxy need not be a member of the company.
2. Proxies, if any, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the meeting. Proxies submitted on behalf of the Companies, etc., must be supported by appropriate resolution/authority, as applicable. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.
3. A person can act as a proxy on behalf of members not more than fifty members holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representative to attend and vote at the Meeting on the email id of the Company [compliance.pecl@pritikagroup.com](mailto:compliance.pecl@pritikagroup.com)
5. Members/Proxies are requested to bring attendance slip to the meeting.
6. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, during business hours up to the date of the Meeting.
7. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold in physical form are requested to write their folio number in the attendance slip.
8. In case of Joint Holders attending the meeting, the Member whose name appears as the First holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Nomination facility for shares is available for Members
10. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email address with the Company.
11. The Company is providing facility for voting by electronic means and the business may be transacted through e-voting.
12. 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), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and MCA General Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 and Circular No. 09/2023 dated 25<sup>th</sup> September, 2023, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the 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 will be provided by NSDL.

13. The Members, whose names appear in the Register of members / list of Beneficial Owners as on Friday, 30<sup>th</sup> August, 2024 (“cut-off date”) are entitled to vote on the Resolutions set forth in this Notice.
14. Electronic copy of the Notice for the AGM along with the Attendance Slip and Proxy form are being sent to all the Members whose e-mail ids are registered with the Company/Depository Participant(s). The Notice with Annual Report 2024 is also available on the Company’s website: <https://www.pritikaengineering.com/annual-reports.html> for download and at the websites of the National Stock Exchange of India Limited where the Company’s shares are listed. The AGM Notice is also disseminated on the website of National Securities Depository Limited (NSDL).
15. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
16. The Company has appointed Mr. Sushil K Sikka, Practicing Company Secretary of M/s. S. K. Sikka & Associates, Company Secretaries, as the Scrutinizer to scrutinize the entire e-voting process, in a fair and transparent manner.
17. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL within two days of the passing of the resolutions at the AGM of the Company on 06<sup>th</sup> September, 2024 and will be communicated to the Stock Exchange, where the shares of the Company are listed
18. A route map to reach the venue of the Meeting to be attached along with this Notice in accordance with Clause No. 1.2.4 of the Secretarial Standard-2 on “General Meetings” is attached.
19. The members attending the meeting shall carry any one Identity proof so as to get entry in the Venue.
20. 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, SEBI/HO/CFS/PoD-2/P/CIR/2023/4 dated 5/1/2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated 7/10/2023 Notice of the AGM alongwith Annual Report 2023-24 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 with Annual Report 2024 will also be available on the Company’s website: <https://www.pritikaengineering.com/annual-reports.html> and Website of NSE 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 aongwith Annual Report 2023-24 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.pecl@pritikagroup.com](mailto:compliance.pecl@pritikagroup.com) for the same.
21. 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 on all working days from the date of circulation of this Notice up to the date of AGM, i.e. 06<sup>th</sup> September, 2024.
22. The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from **03<sup>rd</sup> day September of 2024 to 06<sup>th</sup> day of September, 2024** (both days inclusive) for the purpose of AGM.
23. Explanatory statement pursuant to sub-section (1) of Section (102) is annexed to the Notice.

24. 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.
25. The members whose bank particulars are not updated with their Depositories are requested to update their details.
26. 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.
27. 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.
28. 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.

29. 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.
30. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE\_ IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August11, 2023), has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company’s website <https://www.pritikaengineering.com/smart-odr.html>.

31. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH- 13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form No. SH-14. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the Company’s website at <https://www.pritikaautoindustries.com/downloads.html> .Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the share are held in physical form, quoting their folio no.

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

**Mr. Ajay Kumar**

Mr. Ajay Kumar aged 50 years, is a young B.E with M.B.A. He has more than 29 years experience in industry. He is associated with the group for the last 24 years and is looking after all the functional areas. He has extensive knowledge of company's operations and possesses rich experience and expertise in production & marketing. He is an approved Internal Auditor for ISO.

Disclosure of relationship between directors inter-se: He is not related to any director or Key Managerial Personnel of the company.

Mr. Ajay Kumar is Executive Director on the Board of Pritika Auto Industries Ltd., a listed entity. He is an Additional Director in Meeta Castings Limited (subsidiary of the company). He is director in Pritika Industries Ltd. He also holds membership of committees of the board. He has not resigned from any listed entity in the past three years.

He is holding one equity share of the company.

**Mr. Narinder Kumar Tyagi**

Mr. Narinder Kumar Tyagi, (DIN: 00483827) aged 61 years is a qualified Chartered Accountant with 33 years' experience in the listed and unlisted companies. He has varied experience in the field of Accounts, Finance, Taxation and Commercial matters. He is working as CFO of the Company.

Disclosure of relationship between directors inter-se: He is not related to any director or Key Managerial Personnel of the company.

Mr. Narinder Kumar Tyagi is Director and CFO of Pritika Auto Industries Limited (holding Company), a listed entity and Director in Meeta Castings Limited (subsidiary of the Company). He does not hold directorship or membership of the Committees of Board in any other listed company. He has not resigned from any listed entity in the past three years.

He is holding one equity share of the company.

**VOTING THROUGH ELECTRONIC MEANS**

- I. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the **business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).**
- II. The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.
- III. 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. Poll will be conducted under the supervision of the Scutinizer appointed for evoting and poll. Scutinizer decision on validity of vote will be final.

- IV. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- V. The **remote e-voting period commences on Tuesday, 03<sup>rd</sup> September, 2024 at 9:00 a.m. and ends on Thursday, 05<sup>th</sup> September, 2024 at 5:00 p.m.** During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of 30<sup>th</sup> August, 2024** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date of 30<sup>th</sup> August, 2024**. Any person, who acquires shares of the Company and become member of the Company after email of the notice and holding shares as of the cut-off date i.e., **30<sup>st</sup> August, 2024**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [compliance.pecl@pritikagroup.com](mailto:compliance.pecl@pritikagroup.com)
- VII. The process and manner for remote e-voting are as under:

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

The remote e-voting period begins on Tuesday, 03<sup>rd</sup> September, 2024 at 9:00 a.m. and ends on Thursday, the 05<sup>th</sup> September, 2024 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., 30<sup>th</sup> August, 2024, 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 30<sup>th</sup> August, 2024.

**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.	1. Existing <b>IDeAS</b> 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 “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ 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 “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period 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 “ <b>Register Online for IDeAS Portal</b> ” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>

	<p>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1 Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>2 After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3 If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4 Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
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**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 022 - 4886 7000 and 022 - 2499 7000
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting 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***
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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 entering your password, tick on Agree to "Terms and Conditions" by selecting on the 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). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
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 : 022 - 4886 7000 and 022 - 2499 7000 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.pecl@pritikagroup.com](mailto:compliance.pecl@pritikagroup.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.pecl@pritikagroup.com](mailto:compliance.pecl@pritikagroup.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.

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

##### **Item No. 4**

#### **To Increase the Authorized Share Capital of the Company and amend the Capital clause in the Memorandum of Association of the Company**

At present the Authorised Share Capital of the Company is Rs. 20,00,00,000 (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crores) equity shares of Rs. 10/- each out of which paid up share capital of the Company is Rs. 13,18,25,150/- (Rupees Thirteen Crores Eighteen Lakhs Twenty Five

Thousand One Hundred and Fifty Only) divided into 1,31,82,515 (One Crore Thirty One Lakh Eighty Two Thousand Five Hundred and Fifteen) equity shares of Rs. 10/- each.

Considering the increased fund requirements of the Company, the Board at its Meeting held on 03<sup>rd</sup> August, 2024, had accorded its approval for increasing the Authorised Share Capital from Rs. 20,00,00,000 (Rupees Twenty Crores Only) to Rs. 25,00,00,000/- (Rupees Twenty Five Crore only) divided into 2,50,00,000 ( Two Crore Fifty Lakh ) equity shares of Rs. 10/- each by creation of additional 50,00,000 ( fifty lakh ) equity shares of Rs. 10/- each, subject to shareholders' approval. It is therefore proposed to increase the Authorised Share Capital of the Company from Rs. 20,00,00,000 (Rupees Twenty Crores Only) to Rs. 25,00,00,000/- (Rupees Twenty Five Crore only) divided into 2,50,00,000 ( Two Crore Fifty Lakh ) equity shares of Rs. 10/- each by creation of additional 50,00,000 ( fifty lakh ) equity shares of Rs. 10/- each ranking pari passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution. The Board has recommended the approval of said item by the members of the Company by Ordinary Resolution. The consent of the members is, therefore, being sought for passing the aforesaid resolution No. 4 of the notice as an Ordinary Resolution.

#### **Item No. 5 & 6**

#### **Appointment of Mr. Narinder Kumar Tyagi (DIN: 00483827) Additional Director, as Director of the Company and to approve payment of remuneration**

To meet the composition of the Board of Directors in accordance with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 after demise of Mr. Raminder Singh Nibber, Director of the company, the Board of Directors on recommendation of Nomination and Remuneration Committee and pursuant to the provisions of section 161 and other applicable provisions of the Companies Act, 2013 has appointed Mr. Narinder Kumar Tyagi, CFO of the company as an Additional Director of the company.

Pursuant to the provisions of section 161 of the Companies Act, 2013 Mr. Narinder Kumar Tyagi will hold office till the date of the AGM and is eligible for appointment as Director of the company. The company has received a notice in writing under section 160 of the Companies Act, 2013 from a member of the company proposing his candidature for the office of Director of the Company.

Mr. Narinder Kumar Tyagi, CFO and non-executive director of the company is looking after Accounting, Financial, Taxation and Commercial matters of the company. The Board on the recommendation of Nomination & Remuneration Committee has approved payment of remuneration to him as per details given in the resolution above. The Board seek approval of the members of the Company by way of Special Resolution for payment of remuneration to Mr Narinder Kumar Tyagi, non-executive director.

Mr. Narinder Kumar Tyagi is not disqualified from being appointed as director in terms of section 164 of the Act and has given his consent to act as Director of the company. In the opinion of the Board Mr. Narinder Kumar Tyagi fulfills the conditions specified in the Companies Act, 2013 and Listing Regulations for appointment as Director.

Mr. Narinder Kumar Tyagi aged 61 years is a qualified Chartered Accountant with 33 years experience in the listed and unlisted companies. He has varied experience in the field of Accounts, Finance, Taxation and Commercial matters. He is working as CFO of the Company.

Except Mr. Narinder Kumar Tyagi who is also working as CFO (Key Managerial Personnel), the appointee, none of the Directors and other Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors recommends the resolution at Item No. 5 & 6 of this Notice for your approval by Ordinary Resolution and Special Resolution, respectively in the interest of the company.

### **ITEM NO. 7,8 & 9**

Pritika Auto Industries Ltd., Meeta Castings Ltd. and Pritika Industries 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 by Pritika Engineering Components Ltd. with Pritika Auto Industries Ltd. , Pritika Industries 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., Meeta Castings Ltd. and Pritika Auto Industries Ltd. for a period of one year w.e.f. 1st April, 2024.

The Audit Committee and the Board of Directors of the Company at their meeting held on 3<sup>rd</sup> August, 2024, subject to approval by the members of the company, have approved entering into the related party contracts, agreements, arrangements and transactions for a period of five years i.e. from Financial year 2025-26 to Financial year 2029-30 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 Auto Industries Ltd., Meeta Castings Ltd. and Pritika Industries 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. 7**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name of the Related Party	Pritika Auto Industries Ltd. (PAIL)
2	Name of the Director or KMP who is related	Mr. Harpreet Singh Nibber, Mr. Ajay Kumar and Mr. Narinder Kumar Tyagi, Directors
3	Nature of Relationship	Mr. Harpreet Singh Nibber, Mr. Ajay Kumar and Mr. Narinder Kumar Tyagi, directors of company are also director of PAIL. PAIL is holding Company of the company

4	Nature, material terms, monetary value and particulars of contract or arrangements of Services/ transactions	<p><b>Nature of transactions:</b></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/dispersing/buying/leasing property of any kind</li> <li>vii) payment of dividend on investment in securities</li> </ul> <p><b>Duration:</b> Five years (1/04/2025 to 31/03/2030) The cumulative value of all transactions with PAIL shall not exceed Rs. 200.00 Crore per year.</p> <p><b>Terms:</b> 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.	Company is material subsidiary of PAIL.

**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. Harpreet Singh Nibber , Mr. Ajay Kumar and Mr Narinder Kumar Tyagi, Directors
3	Nature of Relationship	Mr. Harpreet Singh Nibber , Mr. Ajay Kumar and Mr Narindeer Kuamr Tyagi, directors of company are also director of MCL. MCL is wholly owned subsidiary of the company
4	Nature, material terms, monetary value and particulars of contract or arrangements of Services/ transactions	<p><b>Nature of transactions:</b></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/dispersing/buying/leasing roperty of any kind</li> <li>vii) payment of dividend on investment in securities</li> </ul> <p><b>Duration:</b> Five years (1/04/2025 to 31/03/2030) The cumulative value of all transactions with MCL shall not exceed Rs. 100.00 crore per year.</p> <p><b>Terms:</b> 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 is wholly owned subsidiary of the company.

#### Item No. 9

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. Harpreet Singh Nibber and Mr Ajay Kumar, directors
3	Nature of Relationship	Mr. Harpreet Singh Nibber and Mr Ajay Kumar, directors of company are also director of PIL.
4	Nature, material terms, monetary value and particulars of contract or arrangements of Services/ transactions	<p><b>Nature of transactions:</b></p> <ul style="list-style-type: none"> <li>i) purchase/sale/availing/providing services</li> <li>ii) reimbursement of expenses</li> <li>iii) taking/giving inter-corporate loans/ advances</li> <li>iv) selling/disposing/buying/ leasing property of any kind</li> <li>v) payment of dividend on investment in securities</li> </ul> <p><b>Duration:</b> Five years (1/04/2025 to 31/03/2030) The cumulative value of all transactions with PIL shall not exceed Rs. 20.00 crore per year.</p> <p><b>Terms:</b> 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 Auto Industries Ltd. the Holding of the company, is Associate of Pritika Industries Ltd.

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. 7 to 9 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. Harpreet Singh Nibber hold in aggregate three Equity shares and M/s Pritika Auto Industries Limited holds 98,34,508 Equity shares of the company and being promoters are concerned or interested in the Ordinary resolutions to this notice.

Except Mr. Harpreet Singh Nibber, Mr. Ajay Kumar and Mr. Narinder Kumar Tyagi, 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 7 to 9.

The Board has recommended Ordinary Resolutions at Item No. 7 to 9 for approval by the Members.

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

**Date: 03/08/2024**  
**Place: Mohali**

**Sd/-**  
**Harpreet Singh Nibber**  
**Chairman and Managing Director**  
**DIN: 00239042**

## Chairman's Message to Shareholders

Dear Shareholders,

I would like to begin by dedicating this address to the earlier Chairman and my father, Shri R. S. Nibber as he left us by crossing over from this mortal world to attain moksha and merge with the almighty. He served this Group with unwavering dedication and vision for over five decades. His leadership has been instrumental in guiding our company through challenges and triumphs alike, leaving an indelible mark on our organization and its culture.

This is my maiden address to dear shareholders and I seek similar love, support and guidance from dear shareholders to take your Company forward.

On this note, I would like to present the Annual Report for Pritika Engineering Components Limited for the fiscal year ended March 31, 2024. FY24 has been a year of substantial progress and resilience for Pritika Engineering, reflecting our commitment to excellence and our enduring performance ethos.

In line with our growth strategy, we have commenced commercial production at our new plant in Punjab. This state-of-the-art facility, with a capacity of 12,000 tons per annum, not only expands our production capabilities but also focuses on higher weight products, enhancing our product suite and market offerings, while also boosting our average realizations per ton. This facility contributes to our overall capacity expansion efforts with a total CAPEX investment of Rs. 23.61 crore.

In FY24, Pritika Engineering achieved remarkable growth, with net revenue reaching Rs. 87.17 crores, reflecting a substantial increase from Rs. 82.32 crores in FY23. Our EBITDA for FY24 stood at Rs. 11.44 crores, with an improved EBITDA margin of 13.12%, compared to Rs. 10.30 crores and 12.51% in FY23. Additionally, our Profit After Tax (PAT) for FY24 amounted to Rs. 3.72 crores, showcasing steady growth from Rs. 3.54 crores in FY23. These financial metrics underscore our strategic focus on sustainable growth and operational efficiency.

As we look ahead, we are optimistic about the opportunities in emerging technologies and international markets. Our commitment to operational excellence, strategic partnerships, and customer-centric approach positions us well for sustained growth and profitability.

I extend my sincere appreciation to our dedicated team, loyal customers, supportive suppliers, and valued shareholders for their continued trust and collaboration. Together, we are poised to achieve new heights of success and create long-term value for all stakeholders.

Warm regards,

Harpreet Singh Nibber  
Chairman  
Pritika Engineering Components Limited



## DIRECTOR'S REPORT

Dear Shareholders,

The Directors have pleasure in presenting their 7<sup>th</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, 2024.

### 1. FINANCIAL RESULTS

The Financial results are briefly indicated below:

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations (net)	8717.22	8232.30	8732.39	8232.30
Other Income	49.29	38.18	23.13	12.50
Profit before Interest, Depreciation and Tax (PBIDT)	1192.30	1068.32	1166.72	1042.14
Interest	391.23	363.57	394.56	363.57
Profit before Depreciation and Tax (PBIT)	801.07	704.75	772.16	678.57
Depreciation	316.60	279.07	323.31	279.07
Profit before Tax Expenses	484.47	425.68	448.85	399.50
Tax Expenses	112.85	71.85	112.84	71.85
Profit after Tax	371.62	353.83	336.01	327.65
Other Comprehensive Income	(4.15)	(0.04)	(4.15)	(0.04)
Total Comprehensive Income	367.47	353.79	331.86	327.61
EPS- Basic	3.03	4.08	2.74	3.78
Diluted	3.03	4.08	2.74	3.78

The Standalone Revenue from the operations (net) for the Financial Year 2023-24 was Rs.8717.22 lac (Previous year Rs.8232.30 lac). The company earned Net Profit of Rs. lac 371.62 (Previous Year Rs.353.83 lac).The Earning per share was Rs. 3.03.

The Consolidated Revenue from the operations (net) for the Financial Year 2023-24 was Rs. 8732.39 lac (Previous Year Rs. 8232.30 lac). The company earned Consolidated Net Profit Rs.336.01 lac (Previous Year Rs.327.65 lac). The Consolidated Earning per share was Rs. 2.74.

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 Indian tractor industry stands as a significant pillar in the country's agricultural landscape, poised for steady growth and innovation in the coming years. With a robust market estimation of USD 2.37 billion in 2024, expected to climb to USD 3.13 billion by 2029 at a CAGR of 5.80%, the sector is witnessing positive trends driven by various factors. The demand surge for agricultural machinery, particularly tractors, can be attributed to several stimuli such as higher Kharif sowing, favorable monsoon conditions, increased rural spending by the government, and exemptions from lockdown restrictions.

The tractor industry has ended the fiscal FY24 with an 8 per cent decline in domestic sales after reporting peak volumes in the previous fiscal. Though tractor exports fell 22 per cent in FY24, the March quarter signaled a rebound with positive growth in shipments.

[Source](<https://www.thehindubusinessline.com/economy/agri-business/domestic-tractor-sales-fall-8-in-fy24-on-el-nino-impact/article68058563.ece>). ICRA estimates the industry volumes to grow at a modest pace in FY2025, aided by expectation of an above normal monsoon and consequent favourable impact of the same on farm cash flows.

India's tractor market, one of the largest globally, witnesses dominance by indigenous OEMs like Mahindra & Mahindra Limited, TAFE, International Tractors Ltd (Sonalika), and Escorts Limited, although international players like Deere & Company and CNH have also established a significant presence.

The trend of custom hiring of tractors is gaining momentum, with various stakeholders, including government agencies and local entrepreneurs, contributing to its proliferation. States like Karnataka, Maharashtra, and Rajasthan have witnessed significant strides in the establishment of custom hiring centers, enabling farmers to access machinery efficiently.

Government initiatives play a pivotal role in propelling market growth, with subsidies and support programs aimed at rural development and farm mechanization. Schemes like subsidies for purchasing tractors below 18 HP and subsidy for promoting agricultural mechanization, including 25% of the cost limited to INR 30,000 for buying tractors of up to 35 PTO HP underscore the government's commitment to enhancing agricultural practices. Moreover, easy credit availability, coupled with favorable loan schemes and low-interest rates, further incentivize farmers to invest in mechanization.

The future trajectory of the Indian tractor industry seems promising, driven by technological advancements and a concerted focus on farm mechanization. While challenges such as fluctuations in rural demand and adverse weather conditions persist, initiatives like the introduction of automation technologies and the expansion of farm machinery manufacturing plants augur well for the sector's growth. By harnessing innovation, embracing mechanization, and leveraging government support, the Indian tractor industry is poised to play a pivotal role in transforming farming practices and enhancing agricultural productivity in the years ahead. [Source](<https://www.mordorintelligence.com/industry-reports/india-agricultural-tractor-machinery-market>)

### **3. SHARE CAPITAL**

During the current year the company raised its Authorised share capital to Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 ( Two Crore only) Equity Shares of Rs. 10/- each. The company issued and allotted by way of Preferential Allotment, 23,00,000 equity shares of the face value of Rs. 10/- each at a issue price of Rs. 39.50 per share (i.e on a premium of Rs. 29.50 per share) to the Promoter/Promoters Group and Non Promoters (Public Category). The present Issued and Paid up capital of the company is Rs. 13,18,25,150.

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

The equity shares of the company are listed on NSE Emerge. The Stock Code with NSE is: PRITIKA.

### **5. 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, 2024.

### **6. TRANSFER TO RESERVE**

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

### **7. 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 4th AGM i.e. till the conclusion of the 9th Annual General Meeting to be held for the FY 2025-26.

The Auditors' Report for the fiscal 2024 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.

## **8. 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.

## **9. 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**.

## **10. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Board has 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 <https://www.pritikaengineering.com/nomination-remuneration-policy.pdf>

## **11. CORPORATE GOVERNANCE**

The Company is covered under criteria of Regulation 15(2)(b) of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015, and is not required to provide 'Report on Corporate Governance'.

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

Company has one wholly owned subsidiary namely 'Meeta Castings Limited.' Except this the company does not have any other Subsidiary, Joint venture or Associate Company. The Company itself is subsidiary of Pritika Auto Industries Ltd. No company has become subsidiary, associates and joint ventures during the year under purview.

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 B**' to this report.

### **13. 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-C**'.

### **14. 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- D**.

### **15. ANNUAL RETURN**

The copy of Annual Return as at 31<sup>st</sup> March, 2024, is available on the company's website at <https://www.pritikaengineering.com/annual-return-mgt.html>

### **16. SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of section 204(1) of the Companies Act, 2013 and Rules made there under, the Board of Directors has appointed Mr. Sushil K Sikka, Prop. S K Sikka & Associates, Company Secretary as Secretarial Auditor of the Company for the Financial Year 2023-24. The Secretarial Audit Report forms part of the Annual Report and has been attached and marked as **Annexure-E**. The Secretarial Auditors' Report for the fiscal 2024 does not contain any qualification, reservation or adverse remark.

The Secretarial Audit Report of Meeta Castings Ltd., the wholly owned subsidiary of the company has been attached and marked as **Annexure-F**.

### **17. MANAGEMENT DISCUSSION ANALYSIS REPORT**

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

### **18. 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.

### **19. 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.

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

The details about the policy developed and implemented by the company on CSR initiative taken during the year is enclosed as **Annexure-H**. The company has also developed a policy on CSR which can be viewed at company's website <https://www.pritikaengineering.com/csr-policy.pdf>

## 21. MEETINGS OF BOARD OF DIRECTORS

The Board met eight times on 16-05-2023, 13-07-2023, 08-08-2023, 25-08-2023, 07-11-2023, 27-12-2023, 30-01-2024 and 23-03-2024 during the year. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

### Attendance of Directors in the Board Meeting:

Sr. No.	Name of Directors	No. of Board Meetings	
		Entitled to attend	Attended
1.	Mr. Raminder Singh Nibber	7	7
2.	Mr. Harpreet Singh Nibber	8	8
3.	Mr. Ajay Kumar	8	8
4.	Mr. Subramaniyam Bala	3	3
5.	Mr. Bishwanath Choudhary	8	7
6.	Mrs. Neha	8	8
7.	Mr. Aman Tandon	4	2

## 22. 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 commitment affecting the financial position of the company occurred between the end of the financial year 2023-24 and the date of this report.

## 23. CORPORATE ACTIONS DURING THE YEAR 2023-24

During the Financial Year 2023-24, the Company has made the following Corporate Actions:

### Extra Ordinary General Meetings

The shareholders of the company in their Extra Ordinary General Meeting held on 11/8/2023:

- approved to increase the Authorized Share Capital of the Company from Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- each (Rupees Ten only) to Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- each (Rupees Ten only).
- approved Issue of Equity Shares to Promoter/ Promoter Group and Non-Promoters on Preferential basis.

The shareholders of the company in their Extra Ordinary General Meeting held on 27/2/2024:

- approved Alteration of Articles of Association of the Company
- approved Issuance of Fully Convertible Warrants and Equity Shares on a Preferential Basis.

## 24. 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, details of which are as follows:

### **Audit Committee**

The Composition of the Audit Committee as on 31.03.2024 and the number of meetings held and attended by members during the year is given herein below.

<b>Member's Name</b>	<b>Designation</b>	<b>No. of meetings held</b>	<b>No. of meetings entitled to attend</b>	<b>No. of meetings attended</b>
Mr. Subramaniyam Bala	Chairperson	6	3	3
Mr. Bishwanath Choudhary	Chairperson	6	6	6
Mr. Raminder Singh Nibber	Member	6	6	6
Mr. Aman Tandon	Member	6	2	1
Mrs. Neha	Member	6	3	3
Mr. Harpreet Singh Nibber	Member	6	0	0

#### **Note:**

Mr. Subramaniyam Bala resigned from the position of Director and consequently ceased to be the Chairperson and member of the Audit Committee with effect from 17<sup>th</sup> August, 2023.

Mr. Bishwanath Choudhary was appointed as Chairperson of the Audit Committee with effect from 25<sup>th</sup> August, 2023.

Mr. Raminder Singh Nibber ceased to be the Member of the Audit Committee with effect from 12<sup>th</sup> March, 2024 due to his demise.

Mr. Aman Tandon was appointed as Member of the Audit Committee with effect from 25<sup>th</sup> August, 2023.

Mr. Harpreet Singh Nibber was appointed as Member of the Audit Committee with effect from 23<sup>rd</sup> March, 2024.

All the recommendation made by the Audit Committee in the financial year 2023-24 were approved by the Board.

### **Nomination and Remuneration Committee**

The Composition of the Nomination and Remuneration Committee as on 31.03.2024 and the number of meetings held and attended by members during the year is given herein below:

<b>Member's Name</b>	<b>Designation</b>	<b>No. of meetings held</b>	<b>No. of meetings entitled to attend</b>	<b>No. of meetings attended</b>
Mr. Bishwanath Choudhary	Chairperson	1	1	1
Mrs. Neha	Member	1	1	1
Mr. Ajay Kumar	Member	1	1	1
Mr. Aman Tandon*	Member	1	0	0

\* Mr. Aman Tandon was appointed as Member of the Nomination and Remuneration Committee with effect from 25<sup>th</sup> August, 2023.

### **Stakeholders Relationship Committee**

The Composition of the Stakeholders Relationship Committee as on 31.03.2024 and the number of meetings held and attended by members during the year is given herein below:

<b>Member's Name</b>	<b>Designation</b>	<b>No. of meetings held</b>	<b>No. of meetings entitled to attend</b>	<b>No. of meetings attended</b>
Mrs. Neha	Chairperson	2	2	2
Mr. Ajay Kumar	Member	2	2	2
Mr. Subramaniyam Bala*	Member	2	1	1
Mr. Bishwanath Choudhary*	Member	2	1	1

\* Mr. Subramaniam Bala resigned from the position of Director and consequently ceased to be the Chairperson and member of the Stakeholder Relationship Committee with effect from 17<sup>th</sup> August, 2023.

\* Mr. Bishwanath Choudhary was appointed as Member of the Stakeholders Relationship Committee with effect from 08<sup>th</sup> August, 2023.

### **Corporate Social Responsibility Committee**

The Composition of the Corporate Social Responsibility Committee as on 31.03.2024 and the number of meetings held and attended by members during the year is given herein below:

<b>Member's Name</b>	<b>Designation</b>	<b>No. of meetings held</b>	<b>No. of meetings entitled to attend</b>	<b>No. of meetings attended</b>
Mr. Raminder Singh Nibber *	Chairperson	2	2	2
Mr. Harpreet Singh Nibber **	Chairperson	2	0	0
Mr. Ajay Kumar	Member	2	2	2
Mrs. Neha	Member	2	2	2

\*Mr. Raminder Singh Nibber ceased to be the Member of the Corporate Social Responsibility Committee with effect from 12<sup>th</sup> March, 2024 due to his demise.

\*\*Mr. Harpreet Singh Nibber was appointed as Chairperson of the Corporate Social Responsibility Committee with effect from 23<sup>rd</sup> March, 2024.

## **25. BOARD EVALUATION**

The Board of Directors have carried out an annual evaluation of its own performance, its committees and individual directors including Chairman of the Board on the basis of attendance, contribution and various criteria as recommended by the Nomination & Remuneration Committee of the Company. The evaluation of the working of the Board, its Committees, experience and expertise, performance of duties and obligations etc. were carried out.

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

The Composition of the Board and Key Managerial Personnel (KMP) of the Company as on 31st March, 2024 were as follows:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Date of Appointment</b>
1	Mr. Harpreet Singh Nibber *	Chairman & Managing Director	20/02/2018
2	Mr. Ajay Kumar	Non Executive Director	05/10/2021
3	Mr. Aman Tandon	Independent Director	25/08/2023
4	Mr. Bishwanath Choudhary	Independent Director	20/07/2022
5	Mrs. Neha	Independent Director	20/07/2022
6	Mr. Narinder Kumar Tyagi	Chief Financial Officer	20/07/2022
7	Mr. Chander Bhan Gupta	Company Secretary	20/07/2022

\* Mr. Harpreet Singh Nibber was appointed Chairman with effect of 23<sup>rd</sup> March, 2024.

### **Re-Appointment of Director**

Mr. Ajay Kumar, director 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 2023-24 there were following changes in the composition of Board of Directors:

Mr. Subramaniam Bala (DIN 00461697) resigned as an Independent Director on the Board w.e.f. August 17, 2023 due to his pre-occupation and other personal commitments. He has confirmed that there was no other material reasons other than those given by him.

Mr. Aman Tandon (DIN 02159395) was appointed as an Independent Director on the Board w.e.f. August 25, 2023 for a period of three years.

Mr. Raminder Singh Nibber (DIN 00239117) ceased to be the Director on the Board w.e.f. March 12, 2024 due to his demise.

### **Key Managerial Personnel**

There was no change in Key Managerial Personnel during the Financial Year ended 31 March, 2024.

## **27. 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, 2024 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, 2024 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.

## **28. COST AUDITORS**

Pursuant to the provisions of section 148 of Companies Act, 2013 applicable rules thereof, the Company is not required to carry Cost Audit.

## **29. INTERNAL AUDITORS**

Pursuant to section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, and other applicable provisions of the Act, the Board of Directors has appointed M/s. A.K. Sood & Associates, Chartered Accountants, Chandigarh as Internal Auditors of the Company for financial year 2023-24. The Internal Auditor conducts the internal audit and reports to the Audit Committee and Board from time to time.



### 30. COST RECORDS

The Company is maintaining Cost Records as specified by the Central Government under Sub section (1) of Section 148 of the Companies Act 2013.

### 31. 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.

### 32. 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 Whistle Blower 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.

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

The Company has a complied with the provisions relating to the constitution of Internal Complaints Committee under the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

As per provisions of section 21 and 22 of "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" read with Rule 14 of "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013", the report on the details of the number of cases filed under sexual harassment and their disposal, for the year 2023-24 is as under:

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

34. 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) .

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

### 36. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all the applicable Secretarial Standards in the Financial Year 2023-24.

### 37. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company is well equipped with adequate internal financial controls. The Company has a continuous monitoring mechanism which enables the organization to maintain the same standards of the control systems and help them in managing defaults, if any, on timely basis because of strong reporting mechanisms followed by the Company.

### 38. CODE OF CONDUCT

The Board has laid down a Code of Conduct ("Code") for Board Members, Managerial Personnel and for Senior Management Employees of the Company. This Code has been posted on the Company's website at <https://www.pritikaengineering.com/code-conduct-directors.pdf>. All the Board Members and Senior

Management Personnel have affirmed compliance with this code. The Board has also laid down a Code of Conduct for Independent Directors pursuant to Section 149(8) and Schedule IV to the Companies Act, 2013 via terms and conditions for appointment of Independent Directors, which is a guide to professional conduct for Independent Directors and has been uploaded on the website of the Company.

### **39. NON-DISQUALIFICATION OF DIRECTORS**

None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as director of Companies.

### **40. POLICY FOR PRESERVATION OF DOCUMENTS**

Pursuant to the Regulation 9 of SEBI (LODR), 2015 the Company has maintained the policy of preservation of documents to keep the documents preserve as per Regulation 9(a) & 9(b) of SEBI (LODR), 2015 and the same has been uploaded on the website of the Company on <https://www.pritikaengineering.com/archival-policy.pdf>.

### **41. REGISTRAR AND SHARE TRANSFER AGENT INFORMATION**

LINK INTIME INDIA PRIVATE LIMITED  
Regd. Office: C-101, 247 Park, 1st Floor, L.B.S. Marg,  
Vikhroli West, Mumbai – 400 083  
Maharashtra, India  
**Tel :** +91 22 4918 6200  
**Fax :** +91 22 49186060  
**Email Id:** mumbai@linkintime.co.in  
Website: <https://linkintime.co.in/>

### **42. 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: 03/08/2024**  
**Place: Mohali**

**Harpreet Singh Nibber**  
**Chairman & Managing Director**  
**DIN: 00239042**

## 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 31.03.2024

Sr. 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	%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	Chairman & Managing Director	2400000	Contractual	BE (Mech), 28 Years	01-10-2018	52 yrs.	Pritika Autocast Ltd.	Nil	Throughout year	Yes, son of Late Sh. Raminder Singh Nibber
2.	Mr. Gopal Kishan Dhiman	DGM	2069102	Permanent	Diploma in Mech. & AMIE Mech., 44 Years	01-07-2020	63 yrs.	Mahindra & Mahindra Ltd.	Nil	Throughout year	No
3.	Mr. Ajay Kumar	Director	1200000	Permanent	B.Tech., M.B.A 29 yrs.	05-10-2021	50yrs	Pritika Autocast Ltd.	Nil	Throughout year	No
4.	Mr. Rajinder Singh Bhullar	DGM (Accounts & Fin.)	1200000	Permanent	PGDM, 15 Yrs.	30-03-2023	59 Yrs	Vllabh Textiles co. ltd	Nil	Throughout year	No
5.	Mr. Munish Arora	AGM (Commercial)	1107876	Permanent	BBA, 22 Years	26-02-2018	43 yrs.	Deepak Fasteners Ltd - Design co.	Nil	Throughout year	No
6.	Mr. Arun Kumar	Sr. Manger Maintenance)	900000	Permanent	B Tech, 17 Yrs.	21-03-2023	62 yrs		Nil	Throughout year	No
7.	Mr. Rajesh Kumar	Deputy Manager	700176	Permanent	B.Tech (Mech.), 13 Years	01-08-2019	35 yrs.	PAIL (unit 1)	Nil	Throughout year	No
8.	Mr. Harjinder Singh	Manager (Machine Shop)	698643	Permanent	12th & ITI & 25 Years	01-10-2020	43 yrs.	Shive Om, Hoshiarpur	Nil	Throughout year	No
9.	Mr. Narinder Mohan	Manager-ER	588500	Permanent	B.A, PGDPMIR & LW	03-06-2018	62 Years	Mahindra & Mahindra Ltd.	Nil	Part of the year	No
10.	Mr. Ravi Chand	Sr. Engineer	580800	Permanent	B.Sc.	03-06-2018	34 Years	Eastman Mettcast Ltd	Nil	Throughout 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: NIL\*

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

\*There was no employee who was Employed throughout the year and was in receipt of remuneration at the rate of not less than Rs. 1,02,00,000/- per annum.

### 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	Chairman & Managing Director	12.92
Late Mr. Raminder Singh Nibber	Non-Executive Director	No remuneration was paid
Mr. Ajay Kumar	Non-Executive Director	6.46
Mr. Bishwanath Choudhary	Independent Director	1.67*
Ms. Neha	Independent Director	1.40*
Mr. Subramaniyam Bala	Independent Director	0.75*
Mr. Aman Tandon	Independent Director	0.27*

\*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	Chairman & Managing Director	14.28%
Late Mr. Raminder Singh Nibber	Non-Executive Director	No remuneration was paid
Mr. Ajay Kumar	Non-Executive Director	33.33%
Mr. Bishwanath Choudhary	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	33.33%
Mr. Chander Bhan Gupta	Company Secretary	43.33%

5. In the financial year, there was a decrease of 19.47% in the median remuneration of employees.

6. There were 142 permanent employees on the rolls of the Company as on March 31, 2024.

7. Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year i.e 2023-24 was 13.06 % whereas the percentile increase in the managerial remuneration for the same financial year was 20%.

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**

**Sd/-**

**Date: 03/08/2024**  
**Place: Mohali**

**Harpreet Singh Nibber**  
**Chairman & Managing Director**  
**DIN: 00239042**

**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**

Name of the Subsidiary Company	Amount (Rs. in lacs)
<b>Year</b>	<b>2023-24</b>
Share Capital	831.60
Reserves and Surplus	(3.74)
Total Assets	3079.06
Total Liabilities	3079.06
Details of Current and Non Current Investments	0
Net Turnover	142.14
Profit/(Loss) before taxation	(3.62)
Provision For taxation	0
Profit/(Loss) after taxation	(3.62)
Proposed Dividend	0
% of Share-holding	100%

Name of Subsidiaries which are yet to commence operations	N.A.
Name of Subsidiaries which have been liquidated or Sold during the year	N.A.

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

Sd/- <b>Harpreet Singh Nibber</b> (Chairman & Managing Director) DIN 00239042	Sd/- <b>Ajay Kumar</b> (Director) DIN: 02929113
--	--

Sd/- <b>Narinder Kumar Tyagi</b> C.F.O.	Sd/- <b>Chander Bhan Gupta</b> Company Secretary M. No. F2232
---	--

**Date: 03/08/2024**

**Place: Mohali**

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

**A) Conservation of energy:**

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

The Company is taking all possible measures to conserve energy. The company has upgraded Automatic Power Factor Controller to improve the Power Factor. The company is using Standard Drives in CNC Machines for better energy efficiency. The employees are regularly educated and made aware to save power.

The company by optimising operations is saving machine running hours. The energy consumption is lowered by converting high rated electric motors into low power consumption motors.

The company is also saving power by using Natural Light during day with transparent sheets and Natural Ventilators.

The Company has made Common Power Pack for Equipment to save Energy.

Sand Conveyor Belt removed from Sand Plant to save Energy.

Enhanced the maintenance periodicity of air conditioners.

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

Synchronisation of ID fans with Shot Blasting machine gate opening.

Auto shutdown of power parts if the line is stand still for more than 20 minutes.

Replaced ordinary Air Guns with transrector air guns.

Louvers & transparent sheets installation in machine shops for Lux Level.

Cleaning of runner riser for furnace for reduction in energy consumption.

Auto shutdown of compressors during unloading.

Road lights with timer.

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

Optimization of electric motor rating from high H.P to lower H.P. or reduction in number of motors to save energy.

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

The company has not made any major investment on energy conservation equipments during the year under review and this 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 has in-house development centre, wherein all the tooling required are designed and manufactured.

By replacing Conventional machines with Automatic CNC machines, the company is saving energy and yielding higher productivity.

The company is also engaged in design and development of machine tools for captive use, wherein old technology is replaced with modern Hydraulics/CNC/PLC controlled system for lesser power consumption and higher productivity.

The company is going extensively on machine made core from conventional handmade.

The company uses Screw Compressor instead of Conventional Reciprocating compressor which are more efficient.

**(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. making company's products more competitive in the market. However, the benefits derived from the technological advancements are not quantifiable.

Machining stocks from the castings reduced to improve the cycle time to save energy and productivity improvement.

**(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) 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.

**C. Foreign Exchange Earnings and Outgo**

There was no Foreign Exchange Earnings. Foreign Exchange Outgo- Rs. 219.31 lac was spent in Foreign Exchange on purchase of Capital Goods.

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

**Date: 03/08/2024**  
**Place: Mohali**

**Sd/-**  
**Harpreet Singh Nibber**  
**Chairman & Managing Director**  
**DIN: 00239042**

ANNEXURE D

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) Holding Company**

Pritika Auto Industries Limited

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

Pritika Industries Ltd.

**C) Key Managerial Personnel**

Mr. Harpreet Singh Nibber, Chairman & Managing Director  
Mr. Raminder Singh Nibber, Director (demised on 12.03.2024)  
Mr. Ajay Kumar , Director  
Mr. Narinder Kumar Tyagi, CFO  
Mr. Chander Bhan Gupta, Company Secretary  
Mrs. Neha, Independent Director  
Mr. Subramaniam Bala, Independent Director (ceased w.e.f.17.08.2023)  
Mr. Bishwanath Choudhary, Independent Director  
Mr. Aman Tandon, Independent Director (w.e.f. 25.08.2023)

**D) Subsidiary Company**

Meeta Castings 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		Referred in D Above	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>Income</b>								
Sales net of tax	7898.95	3217.07	-	4796.39	-	-	36.55	-
Interest received	-	-	-	-	-	-	33.50	26.08
<b>Expenditure</b>								
Purchases	616.99	111.36	-	290.62	-	-	83.08	-
Interest Paid	75.94	100.51	-	-	-	-	-	-
Director Remunerations	-	-	-	-	36.00	30.00	-	-
Director Sitting Fees to independent Directors	-	-	-	-	7.60	2.00	-	-
Salary to KMP's	-	-	-	-	8.03	5.85	-	-
Investment made	-	-	-	-	-	-	-	831.60
Issue of shares	869.00	-	-	-	-	-	-	-
<b>Loan &amp; Advances</b>								
<b>Loan taken</b>								
Loan taken during the year	1212.00	355.00	-	-	-	-	-	-
Repayment of Loan during the year	-	355.00	-	-	-	-	-	-
<b>Loan Given</b>								
Loan given during the year	-	-	-	-	-	-	1094.01	362.24
Repayment of Loan during the year	-	-	-	-	-	-	993.08	-
<b>Balance Outstanding</b>								
Payables (net of trade receivables)	69.89	83.35	-	732.60	-	-	-	-
Loan payable (including interest net of TDS)	1280.34	-	-	-	-	-	-	-
Loan receivable (including interest net of TDS)	-	-	-	-	-	-	627.26	496.18
Corporate Guarantee taken	4615.79	4486.00	-	-	-	-	-	-

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

- i) Pritika Auto Industries Ltd. - Contract/Arrangement for one year w.e.f. 01.04.2023
- ii) Pritika Industries Ltd. - Contract/Arrangement for one year w.e.f. 01.04.2023
- iii) Meeta Castings Ltd - Contract/Arrangement for one year w.e.f. 01.04.2023

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

- i) With Pritika Auto Industries Ltd : 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 Auto Industries Ltd. not exceeding Rs. 100.00 crore during the Financial Year 2023-24.

ii) With Pritika Industries Ltd. : 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.60.00 crore during the Financial Year 2023-24.

iii) With Meeta Castings Ltd : 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 Meeta Castings Ltd not exceeding Rs. 50.00 crore during the Financial Year 2023-24.

The pricing/commercial terms were determined on the basis of transactions with unrelated parties and on an arm's length basis.

**e) Date(s) of approval by the Board, if any:** Prior approval by Board of Directors in its meeting held on 30/7/2022 . The shareholders approved Related Party Agreement/Transactions in Annual General Meeting held on 27/9/2022.

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

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

**Date: 03/08/2024**  
**Place: Mohali**

**Sd/-**  
**Harpreet Singh Nibber**  
**Chairman & Managing Director**  
**DIN: 00239042**

**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 2024

To

The Members

**PRITIKA ENGINEERING COMPONENTS LIMITED**

(CIN **L28999PB2018PLC047462**)

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”). 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 2024, 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, 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, 2024 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) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **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 Environment (Protection) Act, 1986

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

The Company has listed its shares on EMERGE SME platform of National Stock Exchange of India and is subsidiary of a listed company.

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 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 applicable 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 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 notices were given to all Directors to schedule the Board Meetings, along with 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 following specific event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards and the Company has duly complied with the applicable laws/ rules/ regulations with respect to the following:

During the period under consideration, the Company has issued and allotted 2300000 Equity Shares of the face value of Rs. 10/- at an issue price of Rs. 39.50 per share on preferential allotment basis on 25.08.2023 to the Promoters/Promoters Group and non-Promoters. These shares have been listed on EMERGE platform of NSE Ltd.

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

- i. Public / Rights / 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.

Place: Chandigarh  
Date: 07.06.2024

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

Company Secretaries

Sd/-

(Sushil K. Sikka)

Prop.

FCS 4241, CP 3582

Peer Review Cert. No. 1057/2021

**UDIN: F004241F000544198**

**Annexure–A to Secretarial Auditors' Report**

To  
The Members  
**PRITIKA ENGINEERING COMPONENTS LIMITED**  
**(CIN L28999PB2018PLC047462)**  
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 2024 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/-  
(Sushil K. Sikka)  
Prop.  
FCS 4241, CP 3582  
Peer Review Cert. No. 1057/2021

Place: Chandigarh  
Date: 07.06.2024

**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 2024

To

The Members

**MEETA CASTINGS LIMITED**

**(CIN U27100PB2022PLC055438)**

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 **Meeta Castings Limited** (hereinafter called as “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 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 2024, 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 2024, 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 Environment (Protection) Act, 1986

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

The Company is an unlisted public company and a 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

Place: Chandigarh  
Date: 02.07.2024

Sd/-  
(Sushil K. Sikka)  
Prop.  
FCS 4241, CP 3582  
Peer Review Cert. No. 1057/2021  
**UDIN: F004241F000646630**



**Annexure–A to Secretarial Auditors’ Report**

To  
The Members  
**MEETA CASTINGS LIMITED**  
(CIN U27100PB2022PLC055438)  
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 2024 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

Place: Chandigarh  
Date: 02.07.2024

Sd/-  
(Sushil K. Sikka)  
Prop.  
FCS 4241, CP 3582

**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 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 Engineering Components Ltd.*

**ECONOMIC OVERVIEW**

**Indian Economy Outlook**

Ten years ago, India was the 10th largest economy in the world, with a GDP of USD 1.9 trillion at current market prices. Today, it has ascended to the 5th largest, boasting a GDP of USD 3.7 trillion (est. FY24), despite the challenges posed by the pandemic and the legacy of an economy with macro imbalances and a distressed financial sector. The last few years journey has been shaped by numerous substantive and incremental reforms that have significantly propelled the country's economic progress. These reforms have also endowed India with economic resilience, equipping it to handle unforeseen global shocks in the future.

In the next three years, India is projected to become the third-largest economy in the world, with a GDP of USD 5 trillion. The government, however, has set a more ambitious goal of achieving 'developed country' status by 2047. With the ongoing journey of reforms, this goal is attainable. These reforms will be more impactful with the active participation of state governments. Full participation from the states will be achieved when reforms include changes in governance at the district, block, and village levels, making them more citizen-friendly and small business-friendly, particularly in areas such as health, education, land, and labor, where states play a significant role.

The strength of domestic demand has driven the economy to a growth rate exceeding 7 percent over the last three years. As previously discussed, the robustness of domestic demand, including private consumption and investment, can be traced back to the reforms and measures implemented by the government over the past decade. The supply side has also been bolstered by investments in both physical and digital infrastructure and initiatives to boost manufacturing. These factors have collectively stimulated economic activity in the country. Accordingly, in FY25, real GDP growth is expected to be close to 7 percent.

There is, however, considerable potential for the growth rate to surpass 7 percent by 2030. The rapid development of physical infrastructure will reduce the Incremental Capital-Output Ratio (ICOR), allowing private investments to translate into output more swiftly. The Insolvency and Bankruptcy Code (IBC) process has freed up economic capital that was previously unproductive. The expanding digital infrastructure is continuously enhancing institutional efficiency. Technological progress is accelerating, driven by increased collaboration with foreign partners in goods and services production. Decisive measures have been taken to accelerate human capital formation. Finally, the overall investment climate is becoming more favorable, with sustained improvements in the ease of doing business.

The expansion of the tax base that the GST facilitates will strengthen the finances of both the Union and state governments, enabling growth-enhancing public expenditures. The increasing credibility of the Reserve Bank of India (RBI) in controlling inflation will anchor inflationary expectations, providing a stable interest rate environment for businesses and the public to make long-term investment and spending decisions.

According to the International Monetary Fund (IMF), between 2012 and 2019, following the global economic crisis and the diminishing impact of the immediate stimulus measures taken by affected countries, global economic growth at constant prices averaged 3.4 percent. The growth rate was similar in the five-year period between 2014 and 2019. Between 2023 and 2028, the IMF projects global economic growth to be around 3.1 percent. Additionally, data from the World Trade Organization (WTO) indicate that, in value terms, world trade barely grew during either period (2012-19 or 2014-19). In volume terms, the growth rate averaged 2.4 percent. Despite this lackluster global economic and trade growth backdrop, between 2014 and 2019, India's economy grew at a compounded annual growth rate of 7.4 percent at constant prices. This data underscores the internal strengths of the Indian economy, demonstrating its capacity to grow despite unfavorable global conditions. Therefore, it is feasible for the Indian economy to grow in the coming years at a rate exceeding 7 percent, bolstered by the strength of the financial sector and other recent and future structural reforms. The elevated risk of geopolitical conflicts remains an area of concern. Priority areas for future reforms include skilling, improving learning outcomes, health, energy security, reducing the compliance burden for MSMEs, and achieving gender balance in the labor force. Under reasonable assumptions regarding inflation differentials and the exchange rate, India can aspire to become a USD 7 trillion economy in the next six to seven years (by 2030). This will be a significant milestone in the journey to delivering a quality of life and standard of living that meet and exceed the aspirations of the Indian people.

Source: *Department of Economic Affairs – Government of India*  
(<https://dea.gov.in/sites/default/files/The%20Indian%20Economy%20-20A%20Review%20Jan%202024.pdf>)

### **Indian Auto-Components Industry**

The auto ancillary industry in India has experienced significant growth, achieving a turnover of Rs. 5.6 lakh crore in 2022-23, a substantial increase of 32.8% from the previous year. This growth was primarily driven by domestic OEM supplies, which made up around 66% of the industry's turnover. The domestic aftermarket contributed about 12%, and exports constituted approximately 22.3% in FY23. Despite challenges like the faster growth of imports compared to exports, the industry maintained a surplus in exports, showcasing its competitive edge in global markets.

In terms of employment and economic contribution, the auto ancillary sector is crucial, providing direct employment to 1.5 million people and contributing 2.3% to India's GDP. Projections suggest that by 2026, the industry's GDP contribution could rise to 5-7%, with direct employment opportunities expanding to 3.2 million individuals, highlighting its potential as a key driver of economic growth and job creation.

The industry is set for further expansion, with forecasts predicting it will reach a turnover of US\$ 200 billion by FY26. Government initiatives like the Production Linked Incentive (PLI) schemes and supportive policies are fueling investments and driving growth. Major players such as Tata Motors, Ola Electric, Bosch, and Apollo Tyres have announced significant investment plans, demonstrating the sector's appeal to both domestic and foreign investors.

India's strategic position in the global automotive landscape is clear, as the country is the largest producer of tractors, the second-largest of buses, and the third-largest of heavy trucks worldwide. Additionally, the focus on electric vehicles (EVs) is increasing, with substantial investments and policy support aimed at boosting EV manufacturing and infrastructure development. These advancements, along with partnerships with international entities like JBIC and initiatives such as the FAME Scheme for EVs, are propelling the auto ancillary industry towards a dynamic and growth-oriented future.

Source: (<https://www.ibef.org/industry/auto-components-presentation>)

### **Indian Agricultural Tractor Market**

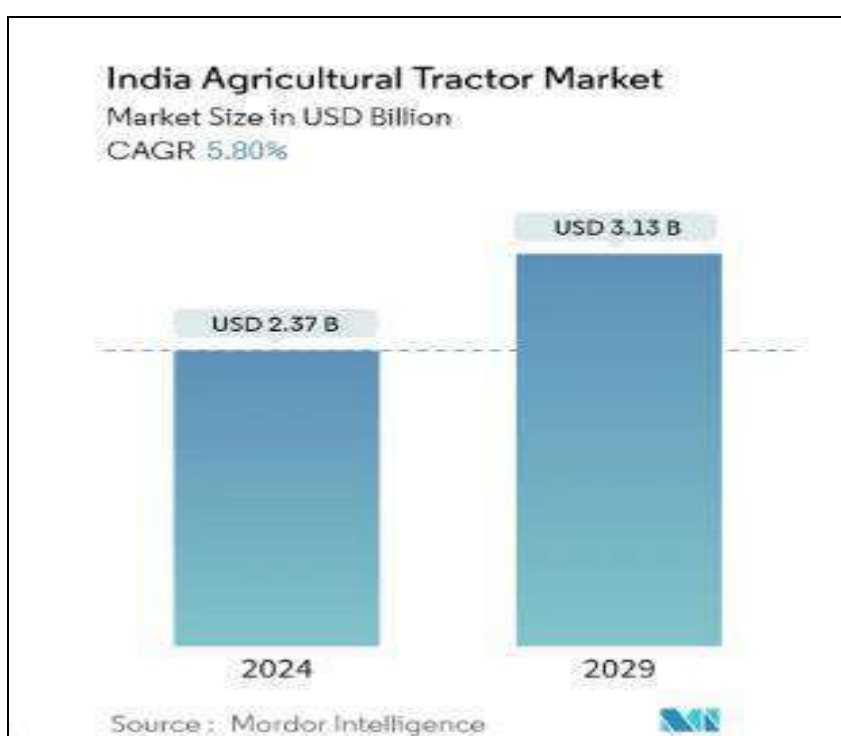
The India Agricultural Tractor Market is projected to grow from USD 2.37 billion in 2024 to USD 3.13 billion by 2029, with a compound annual growth rate (CAGR) of 5.80%. This growth is fueled by several factors, including increased demand due to higher Kharif sowing, improved cash flows for farmers, normal monsoon seasons, government rural spending, and exemptions from lockdown restrictions. As a key player

in the global tractor market, India sells between 600,000 and 700,000 tractors annually.

The market is predominantly led by Indian OEMs such as Mahindra & Mahindra Limited, TAFE, International Tractors Ltd (Sonalika), and Escorts Limited, with significant participation from international companies like Deere & Company and CNH. Government initiatives, including subsidies and support for farm mechanization, are key drivers of market growth.

Trends in farm mechanization show an increasing use of tractors, supported by subsidies from both central and state governments. The availability of easy credit, low-interest loans, and concessions like tax exemptions for small tractors make it easier for farmers to purchase equipment. Custom hiring services for tractors are also gaining popularity, bolstered by government schemes and initiatives across various states, which contribute to market expansion and higher adoption rates of tractors for agricultural practices.

The agricultural tractor market in India is marked by consolidation, with major players like Mahindra & Mahindra Ltd at the forefront. Investments in new products, expansions, acquisitions, and R&D are driving business growth and innovation within the industry.



Source: (<https://www.mordorintelligence.com/industry-reports/india-agricultural-tractor-machinery-market>)

## About Pritika Engineering Components Ltd.

Pritika Engineering Components Limited is a subsidiary of Pritika Auto Industries Limited. The company is engaged in the business of manufacturing of precision machined components primarily for the automotive industry, especially for tractors, trucks, and other commercial vehicles, etc. The company caters to the tractor industry in the automotive sector with major dependency on Original Equipment Manufacturers. The company manufactures various Tractors & Automobile components like End Cover, Cover Sealed Brake, Differential Case, Cover Hydraulic Lift, Cover Transcase, Front Wheel hub, Fly Wheel Housing, Rear Axle Casings, Hydraulic Lift Covers, Brake Housing & Front Engine Supports etc.

### CONSOLIDATED FINANCIAL OVERVIEW

The consolidated performance of the Company for the financial year ended March 31, 2024, is as follows:  
Total revenue from operations at Rs. 87.32 crore for the year ended March 31, 2024, as against Rs. 82.32 crore (net of taxes) for the corresponding previous period, an increase of 6.07%.

The EBIDTA (earnings before interest, depreciation and tax, excluding other income) was Rs. 11.44 crore for the year ended March 31, 2024, as against Rs. 10.30 crore for the corresponding previous period, an increase of 11.07%.

The PAT (profit after tax) was Rs. 3.36 crore for the year ended March 31, 2024, as against Rs. 3.28 crore for the corresponding previous period, a rise of 2.44%.EPS was at Rs. 2.74.

## RESOURCES AND LIQUIDITY

As on March 31, 2024, the consolidated net worth stood at Rs. 39.74 crore and the consolidated debt was at Rs. 60.25 crore.

The net debt to equity ratio of the Company stood at 1.52 as on March 31, 2024.

## BUSINESS PERFORMANCE

Pritika registered a growth of 6.07% in revenue clocking a turnover of Rs.87.32 cr in FY24. The Company produced 9549 tons of machined casting during the year. Above 90% 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 in future, 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:

Trial Production Commences at New Plant in Punjab: Meeta Castings Limited, a wholly-owned subsidiary of Pritika, has started trial production at its new plant in Hoshiarpur, Punjab, with a capacity of 12,000 tons per annum, bringing the overall capacity to 24,000 tons per annum. The plant's total CAPEX is Rs. 23.61 crore. The facility will focus on higher weight products, enhancing the existing product suite.

## RISKS AND CONCERNS

The company encounters various risks, both internal and external, as it conducts its daily operations and works towards its long-term goals. A comprehensive policy is developed, and dedicated risk workshops are conducted for each business vertical and key support functions. These workshops focus on identifying, assessing, analyzing, and either accepting or mitigating risks to a level deemed acceptable within the organization's risk appetite. The risk policy undergoes periodic reviews to ensure its effectiveness and relevance.

## KEY FINANCIAL RATIOS

There was no significant change i.e. 25% or more in the key Financial Ratio except in the following:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023	Change
Debt Equity Ratio (in times)	0.90	0.66	35.25%
Return on Equity (in %)	10.93%	16.02%	-31.78%
Net Capital Turnover Ratio (in times)	8.72	17.96	-51.46%

Debt Equity Ratio has increased due to increase in debt, Return on Equity has decreased due to increased equity capital & regrouping of last year figures. Net Capital Turnover Ratio has decreased due to increase in equity capital.

The Company faces the following Risks and Concerns:

### **Economy and Market Risk**

The Company's expansion is closely tied to the cyclical nature of the agricultural and automotive sectors. The fluctuations in the Indian commercial vehicle and tractor industries directly influence the demand for associated components. Given the significant impact of the automotive sector on economic growth, any downturn in the overall economy would have repercussions on the commercial vehicle industry.

### **Credit Risk**

Pritika has established a credit policy to handle its credit exposure, including procedures for credit limit requests and approvals. Before bidding on projects, the company conducts thorough research on clients' financial health and project potential. It diligently follows up with clients to ensure payments are made according to schedule. The company has optimized its processes to create a targeted and proactive receivables management system, ensuring collections are received on time.

### **Interest Rate Risk**

The company has effectively handled its debt-equity ratio by employing a combination of loans and internal cash flows. It has also efficiently managed its working capital to maximize cost optimization in terms of overall interest expenses.

### **Contractual Risk**

Pritika adheres to a rigorous procedure for assessing the legal risks associated with contracts and determining its legal obligations according to relevant contract laws. It meticulously evaluates worst-case scenarios and, as a strategic measure with input from advisors, incorporates stringent terms to limit liabilities to the fullest extent feasible.

### **Competition Risk**

As is typical across industries, growth prospects bring about increased competition. We encounter competition at various levels, including from domestic and multinational firms. Pritika has established distinct advantages in project execution, quality, and timely delivery, making it resilient against competitive pressures. Additionally, the company maintains a competitive edge through ongoing investments in technology and employee development. Our robust and enduring client base, consisting of both large and mid-sized enterprises, contributes to a healthy order backlog and shields the company from this risk. We also mitigate this risk through our focus on infrastructure quality, customer-centric approach, and innovative solutions tailored to customer needs, supported by competitive pricing and an assertive marketing strategy. Our disciplined project management practices, along with prudent financial and human resource management and cost control measures, further strengthen our resilience against competitive challenges. Therefore, we anticipate minimal impact from this risk.

### **Input Cost Risk**

Changes in raw material prices, power costs, and other input expenses could impact our profitability and cost efficiency. These risks, particularly those related to raw material pricing and power availability, are potentially significant and require vigilant monitoring.

### **Liability Risk**

This risk pertains to our responsibility for any harm caused to cargo, equipment, lives, or third parties, potentially impacting our business negatively. The company seeks to mitigate this risk through contractual commitments and insurance coverage.

## **OPPORTUNITIES**

- Rising Agricultural Sector Growth
- Supportive Government Policies for Agriculture
- Expanding Commercial Vehicle Market
- Favorable Export Conditions

- Utilization of Tractors Beyond Agriculture
- Investment Opportunities and Increased FDI

## **THREATS**

- Competitive pressure from both local and global competitors
- Economic volatility and regulatory shifts affecting market demand and profitability
- Technological progress potentially rendering current products outdated
- Vulnerability of the agricultural sector to adverse weather conditions and monsoons
- Fluctuating labor and raw material expenses posing risks
- Challenges in attracting and retaining skilled workforce
- Potential slowdown across the agricultural industry

## **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, 2024, the Company had a workforce of 386 (permanent and contractual).

## **OUTLOOK**

Based on the positive trajectory observed in the tractors and ancillary sub-sectors industry during FY23, PECL anticipates a continued upward trend in FY24. Despite challenges posed by macro-economic volatility and geopolitical tensions, the market has shown resilience, buoyed by a robust monsoon and supportive government policies that have stimulated growth in the agricultural sector.

The automotive sector is also experiencing a rapid recovery, driven by optimistic consumer sentiment. PECL foresees a promising long-term outlook, especially with major global players establishing a strong presence in India for engineering, manufacturing, and global sourcing. The introduction of new products by OEMs, fueled by technological advancements and increasing demand, is expected to contribute positively to industry-wide growth. Additionally, the implementation of new emission norms is likely to spur manufacturing activities and drive demand for components. India's role as a supplier of high-value automotive components to the global market further strengthens the industry's prospects.

PECL is strategically positioned to leverage emerging opportunities both domestically and internationally. The Company's access to the US market through Pritika Auto Industries reduces reliance on the domestic market and enhances overall performance. PECL's enduring relationships with clients underscore the trust and confidence OEMs have in the Company's capabilities and expertise.

Continuing its focus on operational excellence, PECL aims to optimize existing capacity utilization and plans to expand production capacity in the upcoming year to meet anticipated demand. This strategic move will enable PECL to target a broader market segment and increase its market share. Furthermore, embracing new technologies like Lost Foam Technology and a strategic shift towards higher-weight products are expected to drive improved profitability, benefiting the Company and its stakeholders.

The Indian auto-components industry is on track to become the third largest globally by 2025, and PECL is well positioned to seize the forthcoming opportunities, driving sustained growth and value creation for its shareholders and stakeholders alike.

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

**Date: 03/08/2024**  
**Place: Mohali**

**Sd/-**  
**Harpreet Singh Nibber**  
**Chairman & Managing Director**  
**DIN: 00239042**



**ANNUAL REPORT ON CSR ACTIVITIES**  
for the financial year 2023-24

[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.pritikaengineering.com/csr-policy.pdf>. 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 as on 31<sup>st</sup> March, 2024

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, Non-Executive Director	02	02
2	Mrs. Neha	Member, Independent Director	02	02
3	Mr. Ajay Kumar	Member, Non-Executive Director	02	02

\* Mr. Raminder Singh Nibber, Chairman of the committee ceased to be Member of Committee due to his demise on 12th March 2024.

**3. Web link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**  
<https://www.pritikaengineering.com/management.html>

**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. 357.00 lakh**

- 7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 7.14 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. 7.14 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
4.65	---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)	State	District	Amount spent for the project (in lacs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
								Name	CSR registration number
1	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.	Menstrual Hygiene Awareness Program for women.	Yes	Punjab	Hoshiarpur	4.50	No	Rani Breast Cancer Trust, Registered Trust (Regd. Under S. 12 A & S. 80 G of Income Tax Act 1961)	CSR00002412
2	BJF Stars Program 2 years	Promoting education, including special education	Yes	Chandigarh	Chandigarh	5.00	No	Bhai Jaitajee Foundation	CSR00005563

	residential program for IIT/AIEEE entrance .	employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects						India (BJFI)	
<b>TOTAL</b>							<b>9.50</b>		

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

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	2022-23				-----NA-----			
2	2021-22	NA	NA	NA	NA			No
3	2020-21				-----NA-----			

**(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:** 03/08/2024  
**Place:** Mohali

**Sd/-**  
**Harpreet Singh Nibber**  
**Chairman and Managing Director**  
**DIN: 00239042**

**Sd/-**  
**Ajay Kumar**  
**Member, CSR Committee**  
**DIN: 02929113**



# SUNIL KUMAR GUPTA & CO.

## CHARTERED ACCOUNTANTS

B-10, MAGNUM HOUSE-1, KARAMPURA COMMERCIAL COMPLEX,  
SHIVAJI MARG, NEW DELHI-110015

Mobile : 9213527574

• E-mail: rahulgoyal199125@gmail.com

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### INDEPENDENT AUDITOR'S REPORT

To the Members of PRITIKA ENGINEERING COMPONENTS LIMITED

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

#### Opinion

We have audited the accompanying standalone financial statements of **PRITIKA ENGINEERING COMPONENTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and Cash Flow Statement for the year then ended and notes to the standalone financial statements including material 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2024, 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 (SA) 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 Standalone 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 we have obtained 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 financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 specified under section 143(10) of the Act, 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, 2024 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 section 143(11) 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) Further to our comments in Annexure 1, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 accompanying standalone financial statements;
  - 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 except for the matters stated in paragraph

2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ;

- c. The Standalone financial statements dealt with by this Report are in agreement with the books of accounts.
  - 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 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2024, from being appointed as a director in terms of section 164(2) of the Act.
  - f. The modification relating to the maintenance of accounts and other matters connected therewith are stated in paragraph 2A(b) above on reporting under section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - g. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31<sup>st</sup> March 2024 and the operating effectiveness of such controls, refer to our separate report in “Annexure 2” wherein we have expresses an unmodified opinion; 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 (as amended), 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 2024 on its financial position in its standalone financial statements. Refer Note 45 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 as at 31<sup>st</sup> March 2024.
  - c. There are no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2024.
  - 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) 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.

f. Based on our examination which included test checks, the company in respect of financial year commencing on 1<sup>st</sup> April 2023, has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software to log any direct data changes. Further, during the course of our audit we did not come across any instance of audit trail feature being tempered with in respect of the accounting software where such feature is enabled.

(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/-**  
**Rahul Goyal**  
Partner  
Membership No.: 540880

Place: Mohali  
Date: 21.05.2024  
ICAI UDIN: 24540880BKEBAQ2506



## Annexure - 1 TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of Pritika Engineering Components Limited on the Standalone Financial Statements for the year ended 31<sup>st</sup> March 2024).

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, capital work in progress.
    - (B) There is no Intangible asset held by the company during the year.
  - (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 ( other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee.) 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 statements, in respect of the working capital limits have been filed by the company with such banks and such statements are in agreement with the books of account of the company for the respective periods, which were not subject to audit.

(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 not made investments in the wholly owned subsidiary company and does not provided corporate guarantee or guarantee on behalf of wholly owned subsidiary to banks & NBFC during the year as fresh but has outstanding balance as at 31<sup>st</sup> March 2024. 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. Based on the audit procedures carried out by us and as per the information and explanations given to us, the company has granted loans to wholly owned subsidiary company as below:

Particulars	Loans (Amount in Lakhs)
Aggregate amount during the year- Wholly owned subsidiary company	1094.01
Balance Outstanding as at the Balance Sheet date- Wholly Owned subsidiary company	627.26

Based on the audit procedures carried out by us and as per the information and explanations given to us, the company has not provided corporate guarantee on behalf of its wholly owned subsidiary company to Banks and NBFC during the year as fresh but has outstanding balance as at the year end details given below:

Particulars	Corporate Guarantee (Amount in Lakhs)
Aggregate amount during the year- Wholly owned subsidiary company	-
Balance Outstanding as at the Balance Sheet date- Wholly Owned subsidiary company	1211.00

- 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 2024 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:

Name of Dues and Name of Statute	Year to which amount relates	Forum where matter is pending	Amount in Rs.
GST CGST Act, 2017 SGST Act, 2017 IGST Act, 2017	FY 2018-19	GST Appellate Authority	5,78,700

- (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, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (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.
- (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 made preferential allotment of shares warrants during the year. And the requirements of section 42 of the companies Act, 2013 has been complied with and the funds have been used for the purposes for which the funds were raised.
- (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/-**  
**Rahul Goyal**  
Partner  
Membership No.: 540880

Place: Mohali  
Date: 21.05.2024  
ICAI UDIN: 24540880BKEBAQ2506

## 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 ENGINEERING COMPONENTS LIMITED** (“the Company”) as of 31<sup>st</sup> March 2024 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 2024, 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/-

**Rahul Goyal**

Partner

Membership No.: 540880

Place: Mohali

Date: 21.05.2024

ICAI UDIN: 24540880BKEBAQ2506



**Pritika Engineering Components Limited**  
**CIN NO. L28999PB2018PLC047462**  
**C-94, Phase - VII , S.A.S Nagar , Mohali , Punjab-160055**  
**Standalone Balance Sheet as at March 31, 2024**

(All amounts in Rs. Lacs , unless otherwise stated)

Particulars	Note No.	As At March 31, 2024	As At March 31, 2023
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	5,838.17	4,510.68
(b) Capital Work in Progress	3	-	78.39
(c) Financial Assets			
- Investments	4	831.63	831.62
- Loans	5	627.26	496.18
- Other Financial assets	6	-	-
(d) Deferred Tax Assets ( Net)	7	6.18	-
(e) Other Non-Current Assets	8	-	4.43
<b>Total Non Current Assets (A)</b>		<b>7,303.24</b>	<b>5,921.30</b>
<b>2. Current Assets</b>			
(a) Inventories	9	1,798.46	1,548.86
(b) Financial Assets			
- Trade Receivables	10	1,111.92	1,333.96
-Cash and Cash Equivalents	11	14.64	25.50
-Bank balances other than cash and cash equivalents	12	98.79	94.11
-Other Financial Assets	13	397.17	227.24
(c) Other Current Assets	14	144.81	30.77
<b>Total Current Assets (B)</b>		<b>3,565.79</b>	<b>3,260.44</b>
<b>TOTAL ASSETS ( A+ B)</b>		<b>10,869.03</b>	<b>9,181.74</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	1,318.25	1,088.25
(b) Other Equity	16	2,717.74	1,676.33
<b>Total Equity (A)</b>		<b>4,035.99</b>	<b>2,764.58</b>
<b>LIABILITIES</b>			
<b>2. Non Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	17	3,090.15	1,435.19
(b) Provisions	18	11.37	14.00
(c) Deferred Tax Liabilities ( Net)	19	147.90	79.05
(d) Other Non-Current Liabilities	20	1,017.70	2,086.77
<b>Total Non Current Liabilities ( B)</b>		<b>4,267.12</b>	<b>3,615.01</b>
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	21	1,547.18	1,452.77
-Trade Payables			
Total outstanding dues of micro and small enterprises	22	33.46	-
Total outstanding dues of creditors other than micro and small enterprises	22	517.26	757.49
- Other Financial Liabilities	23	420.57	500.96
(b) Other Current Liabilities	24	19.06	48.15
(c) Provisions	25	1.74	-
(d) Current Tax Liability (net)	26	26.65	42.78
<b>Total Current Liabilities ( C)</b>		<b>2,565.92</b>	<b>2,802.15</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>10,869.03</b>	<b>9,181.74</b>

The summary of material Accounting Policies and other explanatory information form an integral part of these Standalone financial statements 1-57

This is the standalone balance sheet referred to in our report of even date.

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKBEBAQ2506

For and on behalf of Board of Directors

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

Sd/-  
Ajay Kumar  
(Director )  
DIN No. 02929113

Sd/-  
Narinder Kumar Tyagi  
C.F.O

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

**Pritika Engineering Components Limited**  
**CIN NO. L28999PB2018PLC047462**  
**C-94, Phase - VII , S.A.S Nagar , Mohali , Punjab-160055**  
**Standalone Statement of Profit and Loss for the Year ended March 31, 2024**

(All amounts in Rs. Lacs , unless otherwise stated)

Particulars	Note	For the Year ended March 31, 2024	For the Year ended March 31, 2023
I Revenue from operations	27	8,717.22	8,232.30
II Other Income	28	49.29	38.18
<b>III Total Income ( I+II)</b>		<b>8,766.51</b>	<b>8,270.48</b>
<b>IV Expenses</b>			
a) Cost of material consumed	29	5,673.61	5,624.97
b) Changes in inventories of finished goods , Work in progress and stock in trade	29(a)	(334.44)	(406.98)
c) Employee benefits expense	30	534.26	449.40
d) Finance costs	31	391.23	363.57
e) Depreciation and amortization expense	32	316.60	279.07
f) Other Expenses	33	1,700.78	1,534.77
<b>Total Expenses (IV)</b>		<b>8,282.04</b>	<b>7,844.80</b>
<b>V Profit/(Loss) before exceptional items and tax ( III-IV)</b>		<b>484.47</b>	<b>425.68</b>
VI Exceptional Items		-	-
<b>VII Profit/ (Loss) before tax ( V-VI)</b>		<b>484.47</b>	<b>425.68</b>
<b>VIII Tax Expense:</b>			
a) Current Tax	35	50.89	55.09
b) Adjustment of tax relating to earlier periods		(0.70)	(36.50)
c) Deferred Tax	35	62.66	53.26
<b>Total tax expenses ( VIII)</b>		<b>112.85</b>	<b>71.85</b>
<b>IX Profit/ (Loss ) for the year from continuing Operations ( VII-VIII)</b>		<b>371.62</b>	<b>353.83</b>
<b>X Other comprehensive income</b>			
A. (I) Items that will not to be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(4.15)	-
Impact of fair valuation of Equity shares and mutual fund		-	(0.04)
(II) Income tax relating to items that will not be reclassified to Profit & Loss		-	-
B. (I) Items that will be reclassified to profit or loss		-	-
(II) Income tax relating to items that will be reclassified to Profit & Loss		-	-
<b>XI Total comprehensive income for the period ( IX - X )</b>		<b>367.47</b>	<b>353.79</b>
<b>Earnings per equity share( Nominal value of Rs. 10/- per share )</b>			
Basic	34	3.03	4.08
Diluted	34	3.03	4.08

The summary of material Accounting Policies and other explanatory information form an integral part of these Standalone financial statements

1-57

This is the Standalone Statement of Profit and loss referred to in our report of even date.

For and on behalf of the Board of directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

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

Sd/-  
Ajay Kumar  
(Director )  
DIN No. 02929113

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKEBAQ2506

Sd/-  
Narinder Kumar Tyagi  
C.F.O

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

**Pritika Engineering Components Limited**  
**CIN NO. L28999PB2018PLC047462**  
**C-94, Phase - VII , S.A.S Nagar , Mohali , Punjab-160055**  
**Standalone Statement of Cash Flow for the Year ended March 31, 2024**

(All amounts in Rs. Lacs , unless otherwise stated)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per statement of Profit & Loss	484.47	425.68
<b>Adjustments for:</b>		
- Depreciation and amortisation expense	316.60	279.07
- Finance Expenses	368.54	341.30
- Interest Received	(49.29)	(37.93)
<b>Operating profit before working capital changes</b>	<b>1,120.32</b>	<b>1,008.12</b>
<b>Adjustments for :</b>		
Increase/(Decrease) in Trade Payables	(206.76)	67.38
Increase/(Decrease) in Other Current/Financial Liabilities	(132.39)	107.09
(Increase) / Decrease in Trade Receivables	222.04	65.20
(Increase) / Decrease in Inventories	(249.60)	(527.54)
(Increase)/ Decrease in Other Current/Financial Assets	(416.43)	(400.05)
<b>Cash generated from operations</b>	<b>337.18</b>	<b>320.20</b>
Taxes paid	(42.64)	(31.00)
<b>Net Cash from Operating Activities</b>	<b>294.54</b>	<b>289.20</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	(1,565.72)	(626.90)
(Purchase)/Sale of investment in Shares	-	(831.60)
Movement in fixed deposits (having original maturity of more than three months)	(4.68)	(18.69)
Interest Income	49.29	37.93
<b>Net Cash used in Investing Activities</b>	<b>(1,521.11)</b>	<b>(1,439.26)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Loans/Liability Raised (Net)	585.90	97.57
Short term loan Raised (Net)	94.41	637.90
Share Capital issued including premium	903.94	758.15
Interest Paid	(368.54)	(341.30)
<b>Net Cash from Financing Activities</b>	<b>1,215.71</b>	<b>1,152.32</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(10.86)</b>	<b>2.26</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>25.50</b>	<b>23.25</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>14.64</b>	<b>25.50</b>

**Notes:**

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard - 03 "Statement of Cash Flow".
- Figures in bracket indicates cash outflow

The summary of material Accounting Policies and other explanatory information form an integral part of these Standalone financial statements (Note 1 -57)

This is the standalone statement of Cash flow referred to in our report of even date

For and on behalf of the Board of Directors of

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

Sd/- Sd/-  
Harpreet Singh Nibber Ajay Kumar  
(Chairman & Managing Director) (Director)  
DIN No. 00239042 DIN No. 02929113

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKEBAQ2506

Sd/- Sd/-  
Narinder Kumar Tyagi Chander Bhan Gupta  
C.F.O Company Secretary  
M.No. F2232

**Pritika Engineering Components Limited**

CIN NO. L28999PB2018PLC047462

C-94, Phase - VII, S.A.S Nagar, Mohali, Punjab-160055

**Standalone Statement of Change In Equity for the year ended March 31, 2024**

**A. Equity Share Capital** (All amounts in Rs. Lacs, unless otherwise stated)

Particulars	No. of Shares	Amount in Lakhs
<b>Authorised Share Capital</b>		
<b>Balance as at April 1, 2022</b>	80,00,000	800.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2022	80,00,000	800.00
Increase during the year	70,00,000	700.00
<b>As at 31st March 2023</b>	<u>1,50,00,000</u>	<u>1,500.00</u>
<b>Balance as at April 1, 2023</b>	1,50,00,000	1,500.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2023	1,50,00,000	1,500.00
Increase during the year	50,00,000	500.00
<b>As at 31st March 2024</b>	<u>2,00,00,000</u>	<u>2,000.00</u>
<b>Issued and Subscribed Share Capital</b>		
<b>Balance as at April 1, 2022</b>	76,34,515	763.45
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2022	76,34,515	763.45
Issue of Shares during the year	32,48,000	324.80
<b>As at 31st March 2023</b>	<u>1,08,82,515</u>	<u>1,088.25</u>
<b>Balance as at April 1, 2023</b>	1,08,82,515	1,088.25
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2023	1,08,82,515	1,088.25
Issue of Shares during the year	23,00,000	230.00
<b>As at 31st March 2024</b>	<u>1,31,82,515</u>	<u>1,318.25</u>

**B. Other Equity** (All amounts in Rs. Lacs, unless otherwise stated)

Particulars	Reserves and Surplus		Total
	Securities premium	Retained earnings	
<b>Balance as at April 1, 2022</b>	421.54	467.61	889.15
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at April 1, 2022	421.54	467.61	889.15
Profit for the Current year	-	353.83	353.83
Other Comprehensive income	-	-	-
Security Premium during the year	617.12	-	617.12
Less: Share issue expenses	(183.77)	-	(183.77)
<b>Balance as at March 31, 2023</b>	<u>854.89</u>	<u>821.44</u>	<u>1,676.33</u>
<b>Balance as at April 1, 2023</b>	854.89	821.44	1,676.33
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at April 1, 2023	854.89	821.44	1,676.33
Profit for the Current year	-	371.62	371.62
Other Comprehensive income	-	(4.15)	(4.15)
Security Premium during the year	679.44	-	679.44
Less: Share issue expenses	(5.50)	-	(5.50)
<b>Balance as at March 31, 2024</b>	<u>1,528.83</u>	<u>1,188.92</u>	<u>2,717.74</u>

Pursuant to the requirements of Division II to Schedule III of The Companies Act, 2013, below is the nature and purpose of each reserve :

**a. Securities 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

**b. Retained Earnings :** Retained earnings comprises of prior and current year's undistributed earnings after tax.

This is the standalone statement change in equity referred to in our report of even date.

For and on behalf of the Board of directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

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

Sd/-  
Ajay Kumar  
(Director )  
DIN No. 02929113

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKEBAQ2506

Sd/-  
Narinder Kumar Tyagi  
C.F.O

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

**Pritika Engineering Components Limited**

CIN NO. L28999PB2018PLC047462

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

**SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024****Note No. 1: Notes To The Financial Statement****1 GENERAL INFORMATION**

Pritika Engineering Components Limited ( " the Company ") a limited company domiciled in India was incorporated on 20.02.2018 as a Private Limited Company with the objective of manufacturing of tractor and automobile components .The company is having works at Village Simbli , Phagwara - Hoshiarpur Road , Tehsil & District Hoshiarpur , Punjab-146001. The Company is subsidiary of Pritika Auto Industries Limited .The financial statements were approved for issue by the board of directors on 21st May 2024.

**Note No. 2 : BASIS OF PREPARATION ,MEASUREMENT AND MATERIAL ACCOUNTING POLICIES****2.1 Basis of Preparation and measurement**

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 and defined benefit plan-planned assets that 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/products 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 Standalone 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 on the date of Balance Sheet . The estimates and assumptions used in these Standalone Financial Statements . The actual amounts may differ from the estimates used in the preparation of the Standalone Financial Statements and the difference between actual results and the estimates are recognised in the period in which the results are known/ material.

**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 live 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	3Years

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 years
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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 Quoted 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 investments other than quoted are valued at book value.

## 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, 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.

## **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.

STANDALONE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

3. Property, Plant and Equipment

Particulars	(All amounts in Rs. Lacs, unless otherwise stated)												
	Air Conditioner	Computers	Plant and Machinery	Office Equipment	Lab Equipment	Vehicle	Land	Electric Installation	Furniture and Fixtures	D.G Set	Building	Total	Capital Work in Progress
<b>Cost or Deemed Cost</b>													
At April 1, 2022	2.83	11.38	3,259.48	15.58	24.34	14.92	328.16	104.19	12.19	23.74	741.79	4,538.60	142.52
Addition	1.36	2.20	592.32	5.97	0.25	2.50	37.69	12.79	6.77	1.32	27.86	691.03	121.33
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	(185.46)
At March 31, 2023	<b>4.19</b>	<b>13.58</b>	<b>3,851.80</b>	<b>21.55</b>	<b>24.59</b>	<b>17.42</b>	<b>365.85</b>	<b>116.98</b>	<b>18.96</b>	<b>25.06</b>	<b>769.65</b>	<b>5,229.63</b>	<b>78.39</b>
At April 1, 2023	4.19	13.58	3,851.80	21.55	24.59	17.42	365.85	116.98	18.96	25.06	769.65	5,229.63	78.39
Addition	1.85	5.77	1,350.85	2.24	-	25.18	-	14.86	17.04	-	226.30	1,644.09	1,208.45
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	(1,286.84)
At March 31, 2024	<b>6.04</b>	<b>19.35</b>	<b>5,202.65</b>	<b>23.79</b>	<b>24.59</b>	<b>42.60</b>	<b>365.85</b>	<b>131.84</b>	<b>36.00</b>	<b>25.06</b>	<b>995.95</b>	<b>6,873.72</b>	<b>-</b>
<b>Depreciation and Impairment</b>													
At April 1, 2022	0.31	6.08	315.70	9.44	15.86	6.66	-	27.94	2.18	5.58	50.13	439.88	-
Addition	0.37	3.12	228.04	3.66	4.66	1.87	-	10.62	1.49	1.52	23.72	279.07	-
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	<b>0.68</b>	<b>9.20</b>	<b>543.74</b>	<b>13.10</b>	<b>20.52</b>	<b>8.53</b>	<b>-</b>	<b>38.56</b>	<b>3.67</b>	<b>7.10</b>	<b>73.85</b>	<b>718.95</b>	<b>-</b>
At April 1, 2023	0.68	9.20	543.74	13.10	20.52	8.53	-	38.56	3.67	7.10	73.85	718.95	-
Addition	0.44	3.20	261.77	3.07	2.37	4.34	-	11.62	2.39	1.59	25.81	316.60	-
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	<b>1.12</b>	<b>12.40</b>	<b>805.51</b>	<b>16.17</b>	<b>22.89</b>	<b>12.87</b>	<b>-</b>	<b>50.18</b>	<b>6.06</b>	<b>8.69</b>	<b>99.66</b>	<b>1,035.55</b>	<b>-</b>
Net Block as on 31.03.2024	<b>4.92</b>	<b>6.95</b>	<b>4,397.14</b>	<b>7.62</b>	<b>1.70</b>	<b>29.73</b>	<b>365.85</b>	<b>81.66</b>	<b>29.94</b>	<b>16.37</b>	<b>896.29</b>	<b>5,838.17</b>	<b>-</b>
Net Block as on 31.03.2023	<b>3.51</b>	<b>4.38</b>	<b>3,308.06</b>	<b>8.45</b>	<b>4.07</b>	<b>8.89</b>	<b>365.85</b>	<b>78.42</b>	<b>15.29</b>	<b>17.96</b>	<b>695.80</b>	<b>4,510.68</b>	<b>78.39</b>

Note : Please Refer Note No. 42 of the standalone financial statements for CWIP ageing and Refer Note No. 44 of the standalone financial statements for details regarding land and building

**Pritika Engineering Components Limited**  
**CIN NO. L28999PB2018PLC047462**  
**C-94, Phase - VII , S.A.S Nagar , Mohali , Punjab-160055**  
**STANDALONE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

**4 Investments**

Particulars	(All amounts in Rs. Lacs , unless otherwise stated)	
	As At March 31, 2024	As At March 31, 2023
<b>Investments carried at Fair value through Other Comprehensive Income ( FVOCI)</b>		
<b>Investments in Equity Instruments (Quoted)</b>		
Shares in Ajooni Biotech Limited {450 ( PY 450 Equity Shares of Rs 2 /- each)}	0.03	0.02
<b>Investments carried at Amortised Cost</b>		
<b>Investments in Equity Instruments of Subsidiary Company (Unquoted)</b>		
Shares in Meeta Castings Limited {83,15,998 (PY 83,15,998 ) Equity Shares of Rs 10 /- each}	831.60	831.60
<b>Total</b>	<b>831.63</b>	<b>831.62</b>
Aggregate market value of Quoted Investments	0.03	0.02
Aggregate book value/ Market value of Unquoted	831.60	831.60

**5 Loans**

Particulars	As At	As At
	March 31, 2024	March 31, 2023
<b>Unsecured- Considered good</b>		
Loan to Subsidiary Company ( The company has extended a loan to Subsidiary Company having interest rate @ 8.5% p.a. The loan is repayable on demand after the completion of one year from the date of disbursement.)	627.26	496.18
<b>Total</b>	<b>627.26</b>	<b>496.18</b>

( Note : Refer Note No. 36 of the Standalone Financial Statements for details)

**6 Other Financial Assets**

Particulars	As At March 31, 2024	As At March 31, 2023
Bank deposits having maturity more than 12 months	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**7 Deferred tax assets (Net)**

Particulars	As At March 31, 2024	As At March 31, 2023
Relating to origination and reversal of temporary differences	6.18	-
<b>Total</b>	<b>6.18</b>	<b>-</b>

**8 Other Non-Current Assets**

Particulars	As At March 31, 2024	As At March 31, 2023
Unamortised Cost	-	4.43
<b>Total</b>	<b>-</b>	<b>4.43</b>

**9 Inventories**

Particulars	As At March 31, 2024	As At March 31, 2023
Raw Materials	313.23	386.15
Store & Spares	50.40	62.32
Work in Process	1,385.01	1,071.94
Finished Goods	49.82	28.45
<b>Total inventories at the lower of cost and net reliable value</b>	<b>1,798.46</b>	<b>1,548.86</b>

**10 Trade Receivables**

Particulars	As At March 31, 2024	As At March 31, 2023
Unsecured, Considered Good *	1,111.92	1,333.96
Less : Provision for Doubtful Debts	-	-
<b>Total</b>	<b>1,111.92</b>	<b>1,333.96</b>

\* Note : Trade receivables includes receivables from related parties . ( Refer Note No. 36) and for ageing of the trade receivables ( Refer Note No.40 ) of Standalone financial statements

**11 Cash and Cash Equivalents**

Particulars	As At March 31, 2024	As At March 31, 2023
Balances with banks		
- in current accounts	13.99	10.71
- Deposits in Bank with Original Maturity Less than 3 Months	-	13.85
Cash in Hand ( including imprest )	0.65	0.94
<b>Total</b>	<b>14.64</b>	<b>25.50</b>

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

Particulars	As At March 31, 2024	As At March 31, 2023
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months)	98.79	94.11
<b>Total</b>	<b>98.79</b>	<b>94.11</b>

**13 Other Financial Assets**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Unsecured, Considered Good.</b>		
Advance to Staff	0.68	6.15
Advances to other	116.95	72.59
Securities Deposits	279.54	148.50
<b>Total</b>	<b>397.17</b>	<b>227.24</b>

**14 Other Current Assets**

Particulars	As At March 31, 2024	As At March 31, 2023
Prepaid expenses	15.78	1.88
Balance with Govt. authorities	119.35	0.70
Other Receivable	9.68	28.19
<b>Total</b>	<b>144.81</b>	<b>30.77</b>

**15 Equity Share Capital**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Authorised</b>		
2,00,00,000 (PY 1,50,00,000) Equity shares of Rs.10/- each	2,000.00	1,500.00
	<b>2,000.00</b>	<b>1,500.00</b>
<b>Issued, subscribed and fully paid-up</b>		
1,31,82,515 (PY 1,08,82,515) Equity shares of Rs.10/- each	1,318.25	1,088.25
<b>Total</b>	<b>1,318.25</b>	<b>1,088.25</b>

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

Particulars	No of shares	Amount in Rs. Lakhs
<b>Equity Shares</b>		
At April 1, 2022	1,08,82,515	1,088.25
Add: Issued during the year	-	-
<b>At March 31, 2023</b>	<b>1,08,82,515</b>	<b>1,088.25</b>
Add: Issued during the year	23,00,000	230.00
<b>At March 31, 2024</b>	<b>1,31,82,515</b>	<b>1,318.25</b>

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

The Company has only one class of equity share having a face value of INR 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of the liquidation of the Company, the holders of 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) Shares held by holding company**

Out of the equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Particulars	As At March 31, 2024	As At March 31, 2024 % of holding	As At March 31, 2023	As At March 31, 2023 % of holding
<b>Equity Shares</b>				
<b>Shares held by Holding Company</b>				
Pritika Auto Industries Limited	98,34,508	74.60%	76,34,508	70.15%

**(d) Details of Shareholding of Promoter as below**

Promoter Name	31.03.2023		% Change during the year
	No of Shares	% of holding	
Pritika Auto Industries Limited	76,34,508	70.15%	
Promoter Name	31.03.2024		% Change during the year
	No of Shares	% of holding	
Pritika Auto Industries Limited	98,34,508	74.60%	28.81%

**(e) Details of share held by each shareholder holding more than 5 % shares**

Particulars	As At March 31, 2024	As At March 31, 2024 % of holding	As At March 31, 2023	As At March 31, 2023 % of holding
<b>Equity Shares</b>				
Pritika Auto Industries Limited	98,34,508	74.60%	76,34,508	70.15%

**(f) There are no shares issued for consideration other than cash and no shares have been bought back in last Five Years**

**16 Other Equity**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Retained Earnings</b>		
Opening balance	821.44	467.61
Net Profit / (loss) for the year	371.62	353.83
Other Comprehensive Income	(4.15)	-
Closing Balance	1,188.91	821.44
<b>Securities Premium</b>		
Opening Balance	854.89	421.54
Received during the year	679.44	617.12
Less : Share issue Expenses	(5.50)	(183.77)
Closing Balance	1,528.83	854.89
<b>Total</b>	<b>2,717.74</b>	<b>1,676.33</b>

**17 Borrowings**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Term Loan</b>		
<b>(a) Secured</b>		
(i) From Banks	1,096.04	1,017.58
(ii) From Financial Institutions / NBFC	713.77	417.61
<b>(b) Un-secured</b>		
(i) From Body Corporate	1,280.34	-
<b>Total</b>	<b>3,090.15</b>	<b>1,435.19</b>

**Note No.17 (a) (i): Details of Securities and Terms of Repayment**
**Secured : Term loans from Banks**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>*Canara Bank</b> : The Term loan of Rs. 1286 lacs repayable in 107 monthly installments .Current rate of interest is 10.20% 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 guaranted by director Namely Mr. Harpreet Singh Nibber and Mr. Raminder Singh Nibber ( demised on 12-03-2024). Moreover Pritika Auto Industries Limited , holding company had given corporate guarantee amounting to Rs 19.84 Cr to Canara Bank .	-	845.26
<b>HDFC Bank</b> : The Term loan of Rs.298 lacs repayable in 41 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 ECGLS scheme .Current rate of interest is 9.25% p.a.	39.08	142.68
<b>HDFC Bank</b> : The Term loan of Rs. 105 lakhs is sanctioned out of which Rs. 36.50 lacs is disbursed by 31.03.2023 and which is 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 10.25% p.a.	20.99	27.32
<b>*Canara Bank-</b> The Working Capital Term loan of Rs. 149 lacs repayable in 60 monthly installments including moratorium period of 24 months under Guaranteed Emergency Credit Line of the NCGTCL . Amount of monthly instalment is of Rs.0.41 Lacs each . 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 9.25% p.a .	-	149.00
<b>HDFC Bank</b> : The Company has taken a term loan of Rs. 300 lakhs, out of which Rs. 297.92 lakhs has been disbursed. This loan is repayable in 62 monthly installments. Given that the amounts were disbursed on various dates and in different amounts, the remaining installments as of March 31, 2024, total 50. The repayment schedule for the upcoming years is For the financial year 2024-25: INR 82.22 lakhs, financial years 2025-26 to 2027-28: INR 82.99 lakhs per year and For the period until May 2029: INR 13.83 lakhs ( including interest ) & current rate of interest is 9.69% p.a.. The loan is fully secured by the machinery purchased with the disbursed funds.	282.56	27.38
<b>HDFC Bank</b> : The Term loan of Rs.100 lacs repayable in 79 monthly instalments comprising of installment of Rs. 1.72 lakhs each and last installment of Rs. 0.44 lacs each . Current rate of interest is 10.00% p.a.This loan is secured against the machinery purchased out of the fund.	77.31	89.67
<b>HDFC Bank</b> : The Machinery loan of Rs. 68.50 lakhs is sanctioned out of which Rs. 30.75 lacs is disbursed by 31.03.2023 which is repayable in 63 monthly instalments comprising of installment of Rs.0.62 lakhs each . Current rate of interest is 9.10% p.a.This loan is secured against the machinery purchased out of the fund.	22.31	27.42
<b>HDFC Bank</b> : The Machinery loan of Rs. 410.00 lakhs is sanctioned out of which Rs. 260.58 lacs is disbursed by 31.03.2024 which is repayable in 60 monthly instalments comprising of 1st installment of Rs..1.65 lakhs & remaining of Rs.4.79 lakhs each . Current rate of interest is 8.70% p.a.This loan is secured against the machinery purchased out of the fund.	230.48	-
<b>HDFC Bank</b> : The Company has taken a term loan from HDFC Bank amounting to INR 738.97 lakhs. This loan is repayable in 49 monthly installments of INR 17.97 lakhs each and one installment of INR 17.97 lakhs, including interest. The installment payments start from February 7, 2024, and continue until February 7, 2028. The current rate of interest is 8.70% per annum. The loan is secured by a first charge on the current assets and fixed assets of the Company, except for the machinery and equipment funded by other banks or NBFCs and by the hypothecation of the existing property where the plant is situated in Village Simbli, Hoshiarpur, Punjab. Additionally the Loan is secured by second charge on GECL.	713.66	-
<b>Canara Bank</b> : Vehicle loan of Rs.7.50 lacs repayable in 60 monthly instalments of Rs.0.16 Lacs including interest. Current rate of interest is 9.55% p.a. This loan is secured against the vehicle purchased out of the fund.	6.80	-
<b>Total</b>	<b>1,393.19</b>	<b>1,308.73</b>
Less: Amount shown in Borrowings in Note No. 21 towards Current Maturities of Long Term Loans .	297.15	291.15
<b>Amount shown as Loan</b>	<b>1,096.04</b>	<b>1,017.58</b>

\*Note:-During the financial year, the company settled its outstanding loans with Canara Bank .

**Note No.17 (a) (ii): Details of Securities and Terms of Repayment**

**Secured : Term loans from Financial Institutions /NBFC**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Electronica Finance Limited</b> : The Machinery Loan of Rs 56.29 Lakhs repayable in 48 monthly installments of Rs. 1.37 lakhs each including interest @ 7.90% p.a. This loan is fully secured by the machineries purchased out of the fund .	17.03	31.52
<b>Tata Capital Financial Services Limited</b> : The Company has taken a machinery loan from Tata Capital Financial Services Limited. The loan sanctioned amounts to Rs. 705 lakhs, of which Rs. 681.99 lakhs has been disbursed by March 31, 2024. This loan is repayable in 78 monthly installments (including 6 months moratorium period ) with an interest rate of 8.75% per annum. Given that the amounts were disbursed on various dates and in different amounts, the remaining installments as of March 31, 2024 is 66. The repayment schedule for the upcoming years is For the financial year 2024-25: INR 94.86 lakhs , financial year 2025-26: INR 103.45 lakhs, financial year 2026-27: INR 112.87 lakhs financial year 2027-28: INR 123.11 lakhs, financial year 2028-29: INR 134.77 lakhs and until September 2030: INR 71.95 lakhs.	640.61	107.97
<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 8.45% 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 with the existing plant and machinery out of the term loan sanctioned 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 , also by hpothecation in favour of SIDBI on all the borrower's movables and by way of pledge of FDR with SIDBI of Rs. 25 Lakh.	95.38	101.00
<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 10.45% p.a with a monotoriaum 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.Moreover Pritika Auto Industries Limited , holding company had given corporate guarantee amounting to Rs 375 Lakhs.	201.00	288.00
<b>Total</b>	<b>954.02</b>	<b>528.49</b>
Less: Amount shown in Borrowings in Note No. 21 towards Current Maturities of Long term Loans .	240.25	110.88
<b>Amount shown as Loan</b>	<b>713.77</b>	<b>417.61</b>

**Note No.17 (b)(i) : Loans from Body Corporates**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Un-secured loans from Pritika Auto Industries Ltd.*</b>	1,280.34	-
<b>Total</b>	<b>1,280.34</b>	<b>-</b>

\*Note:- The company has received a loan from its Holding company having interest rate @ 8.50% p.a. The loan is repayable on demand after the completion of one year from the date of disbursement.

**18 Provisions**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Provision for Employee Benefits</b>		
(i) Compensated absences	5.30	12.50
(ii) Other including post retirement benefits i.e. gratuity*	6.07	1.50
<b>Total</b>	<b>11.37</b>	<b>14.00</b>

\*Note:- Other including post retirement benefits i.e. gratuity has been netted by Rs. 16.00 lacs on account of fair value of planned assets as at 31.03.2024

**19 Deferred Tax Liabilities (Net)**

Particulars	As At March 31, 2024	As At March 31, 2023
Relating to the origination and reversal of temporary differences	147.90	79.05
<b>Total</b>	<b>147.90</b>	<b>79.05</b>

**20 Other Non - Current Liabilities**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>From Related Party</b>		
Tooling Advance	-	828.42
Advance against supplies	1,017.70	1,258.35
<b>Total</b>	<b>1,017.70</b>	<b>2,086.77</b>

( Refer Note no . 36 of Standalone financial statements for details)

**21 Borrowings**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Secured</b>		
<b>Cash Credit - Loan Repayable on Demand</b>		
- Canara Bank *	-	646.44
- HDFC Bank **	1,009.78	404.30
		-
Current Maturities of Long term Loans	537.40	402.03
<b>Total</b>	<b>1,547.18</b>	<b>1,452.77</b>

**Note :**

Note : During the financial year, the Company settled its outstanding loans with Canara Bank.

\*Secured by Hypothecation of all kinds of Raw Material / Work in progress / Finished goods and receivable of the Company ( present and future ) and carries interest rate 8.70% p.a.

\*\*The loan is secured by a first charge on the current assets and fixed assets of the Company, except for the machinery and equipment funded by other banks or NBFCs. Additionally, the loan is secured by the hypothecation of the existing property where the plant is situated in Village Simbli, Hoshiarpur, Punjab.

This loan is also personally guaranteed by the directors. Furthermore, Pritika Auto Industries Limited, the holding company, has provided a corporate guarantee to the bank.

**22 Trade Payables**

Particulars	As At March 31, 2024	As At March 31, 2023
Trade payables		
Total Outstanding dues of micro enterprise and small enterprise	33.46	-
Total Outstanding dues of creditors other than micro enterprise and small enterprise	517.26	757.49
<b>Total</b>	<b>550.72</b>	<b>757.49</b>

Note : Refer Note No. 41 of Standalone Financial Statement for Trade payable ageing

**23 Other Financial Liabilities**

Particulars	As At March 31, 2024	As At March 31, 2023
Interest Accrued but not due on borrowings	13.20	5.53
Creditors for Capital Expenditure	5.60	11.55
Creditors for others	275.06	422.82
Salaries and Wages payable	30.81	27.75
Audit Fee Payable	0.68	0.34
Electricity Expenses Payable	80.40	19.97
Other Liabilities	14.82	13.00
<b>Total</b>	<b>420.57</b>	<b>500.96</b>

**24 Other Current Liabilities**

Particulars	As At March 31, 2024	As At March 31, 2023
Statutory dues payable	19.06	40.65
Deferred Subsidy Income	-	7.50
<b>Total</b>	<b>19.06</b>	<b>48.15</b>

**25 Provisions**

Particulars	As At March 31, 2024	As At March 31, 2023
(i) Compensated absences	0.82	-
(ii) Other including post retirement benefits i.e. gratuity	0.92	-
<b>Total</b>	<b>1.74</b>	<b>-</b>

**26 Current tax Liability ( Net )**

Particulars	As At March 31, 2024	As At March 31, 2023
Provision for Income Tax ( Net of TDS/TCS/Advance Tax of Rs.24.24 lakhs ( PY Rs.12.31 Lakhs )	26.65	42.78
<b>Total</b>	<b>26.65</b>	<b>42.78</b>

**27 Revenue from Operations**

Particulars	(All amounts in Rs. Lacs , unless otherwise stated)	
	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Sale of Products ( Net of Sales Returns )</b>	10,219.09	9,713.58
Less: Indirect Taxes	1,590.49	1,481.28
	<b>8,628.60</b>	<b>8,232.30</b>
Other Operating Income	88.62	-
<b>Total</b>	<b>8,717.22</b>	<b>8,232.30</b>

**28 Other Income**

Particulars	For the Year ended	
	March 31, 2024	March 31, 2023
Interest received on deposits with banks and others	49.29	37.93
Misc Receipt	-	0.25
<b>Total</b>	<b>49.29</b>	<b>38.18</b>

**29 Cost of materials consumed**

Particulars	For the Year ended	
	March 31, 2024	March 31, 2023
<b>Raw material and components consumed</b>		
Inventory at the beginning of the year-Raw Materials	386.15	272.78
Inventory at the beginning of the year-Stores ,Spares & Packing Materials	62.32	55.13
	<b>448.47</b>	<b>327.91</b>
Purchases of Raw Materials , Stores , Spares and Packing Materials etc.	5,588.77	5,745.53
	<b>5,588.77</b>	<b>5,745.53</b>
Less: Inventory at the end of the year - Raw Materials	313.23	386.15
Less: Inventory at the end of the year- Stores ,Spares and Packing Materials	50.40	62.32
<b>Total</b>	<b>5,673.61</b>	<b>5,624.97</b>

**29(a) Changes in inventories of finished goods and Work in progress and Stock in trade**

Particulars	For the Year ended	
	March 31, 2024	March 31, 2023
1. Opening inventories		
Work in Process	1,071.94	645.35
Finished Goods	28.45	48.06
2. Closing inventories		
Work in Process	1,385.01	1,071.94
Finished Goods	49.82	28.45
	<b>(334.44)</b>	<b>(406.98)</b>

**30 Employee Benefits Expense**

Particulars	For the Year ended	
	March 31, 2024	March 31, 2023
Salaries and wages	401.62	340.78
Director Remuneration	36.00	30.00
Contribution to Provident and ESI Funds	28.02	20.45
Staff Welfare Expenses	56.16	44.17
Group Gratuity & Earned Leave	12.46	14.00
<b>Total</b>	<b>534.26</b>	<b>449.40</b>



**31 Finance Cost**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Interest Expenses	368.54	341.30
Other Borrowing costs	22.69	22.27
<b>Total</b>	<b>391.23</b>	<b>363.57</b>

**32 Depreciation and amortisation expenses**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Depreciation on Property , Plant & Equipment	316.60	279.07
<b>Total</b>	<b>316.60</b>	<b>279.07</b>

**33 Other expenses**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>(a) Manufacturing Expenses</b>		
Cartage & Forwarding	10.40	3.45
Power & Fuel	811.71	766.41
Contractual Job Work Expenses	87.20	82.91
Repair & Maintenance	-	-
- Building	1.81	0.06
- Machinery	54.39	12.72
Workshop Expenses	479.89	456.17
Other Manufacturing Expenses	14.08	9.96
	<b>1,459.48</b>	<b>1,331.68</b>
<b>(b) Administrative &amp; Selling Expenses</b>		
Payment to Auditors*	3.57	1.50
Rates & Taxes	9.36	10.21
Insurance	13.39	10.22
Legal & Professional Charges	26.20	12.70
Communication Expenses	2.13	1.69
Printing & Stationery	5.58	4.71
Vehicle Running Expenses	14.60	6.73
Travelling & Conveyance Expenses	10.18	7.05
Director Sitting Fees	7.60	2.00
Freight Outward	80.84	86.12
CSR Expenses	9.50	4.65
Security expenses	21.37	22.27
Other Misc. Expenses	36.98	33.24
<b>Total</b>	<b>1,700.78</b>	<b>1,534.77</b>

**\*Detail of Payment to Auditors**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Audit Fee	3.00	1.50
Auditor's out of pocket Expenses	0.57	-
<b>Total</b>	<b>3.57</b>	<b>1.50</b>

**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 items into Equity shares.

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Net Profit after tax attributable to equity holders ( Rs. In lakhs)</b>	<b>371.62</b>	<b>353.83</b>
	<b>371.62</b>	<b>353.83</b>

Weighted average no of equity shares outstanding during the year- for

Both Basic and Diluted EPS	1,22,65,029	86,75,655
Face value of Equity Share ( INR )	10.00	10.00
Basic and Diluted	3.03	4.08

**35 Current Tax and Deferred Tax**

(All amounts in Rs. Lacs , unless otherwise stated)		
(a) Current Tax and Deferred Tax Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Current Tax:</b>		
Current income tax:	50.89	55.09
Adjustments in respect of income tax of earlier periods	(0.70)	(36.50)
<b>Deferred Tax:</b>		
Relating to origination and reversal of temporary differences	62.66	53.26
<b>Total</b>	<b>112.85</b>	<b>71.85</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.

(b) Income Tax on Other Comprehensive Income		
Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Current Tax</b>	-	-
<b>Deferred Tax</b>		
Net loss/(gain) on remeasurements of defined benefit plans	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**(c) Reconciliation of deferred tax assets / ( liabilities)( net)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Opening Balance</b>	79.05	25.79
Tax liability recognised in Statement of Profit and Loss	62.66	53.26
<b>Closing Balance</b>	<b>141.71</b>	<b>79.05</b>

**(d) Reconciliation of Income tax charge**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Profit before tax</b>	484.47	425.68
<b>Income tax expense at tax rates applicable</b>	118.60	104.21
<b>Add/(Less) : Tax effects</b>		
<b>Items not deductible for tax</b>		
- Items not deductible	83.80	75.63
<b>Items not deductible for tax</b>		
- Items deductible	(151.51)	(124.75)
<b>Income tax expenses</b>	<b>50.89</b>	<b>55.09</b>

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

Pritika Auto Industries Limited

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

Pritika Industries limited

**C) Key Management Personnel**

Mr. Harpreet Singh Nibber-Chairman &amp; Managing Director

Mr. Raminder Singh Nibber- Director ( demised on 12.03.2024 )

Mr. Ajay Kumar- Whole time Director

Mr. Narinder Kumar Tyagi- CFO

Mr. Chander Bhan Gupta- Company Secretary

Mrs. Neha - Independent Director

Mr. Subramaniyam Bala - Independent Director ( ceased w.e.f.18.08.2023 )

Mr. Bishwanath Choudhary-Independent Director

Mr. Aman Tandon-Independent Director ( w.e.f.08.11.2023 )

**D) Subsidiary Company**

Meeta Castings limited

**(b) Breakup of the transactions during the year with related parties****A) Holding Company** (All amounts in Rs. Lacs , unless otherwise stated)

Transactions	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>(i) Sale of Goods</b>	7,898.95	3,217.07
<b>(ii) Purchase of Goods</b>	616.99	111.36
<b>(iii) Interest Paid</b>	75.94	100.51
<b>(iv) Loan Taken</b>	1,212.00	355.00
<b>(v) Loan repayment</b>	-	355.00
<b>(vi) Issue of Share</b>	869.00	-

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

Transactions	For the Year ended March 31, 2024	For the Year ended March 31, 2023
(i) Sale of Goods	-	4,796.39
(ii) Purchase of Goods	-	290.62

**C) Directors and Key Management Personnel**

Transactions	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>(i) Managerial Remuneration</b>		
Mr. Harpreet Singh Nibber	24.00	21.00
Mr. Ajay Kumar	12.00	9.00
<b>(ii) Remuneration to KMP's</b>		
Mr. Narinder Kumar Tyagi	4.80	3.60
Mr. Chander Bhan Gupta	3.23	2.25
<b>(iii) Director Sitting Fees to Independent Directors</b>		
Mrs. Neha	2.60	0.50
Mr. Subramaniam Bala	1.40	0.50
Mr. Aman Tandon	0.50	-
Mr. Bishwanath Choudhary	3.10	1.00

**D) Subsidiary Company**

Transactions	For the Year ended March 31, 2024	For the Year ended March 31, 2023
(i) Sale of Goods	36.55	-
(ii) Purchase of Goods	83.08	-
(iii) Interest Received	33.50	26.08
(iv) Loan Given	1,094.01	362.24
(v) Loan received back	993.08	-
(v) Investment	-	831.60

**(c) Details of balances with related parties at year end****A) Holding Company**

Balances at year end	As At March 31, 2024	As At March 31, 2023
Payable (Advance against supplies net of trade receivable )	69.89	83.35
Loan payable ( including interest net of TDS)	1,280.34	-
Corporate Guarantee taken	4,615.79	4,486.00

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

Balances at year end	As At March 31, 2024	As At March 31, 2023
Payables	-	732.60

**D) Subsidiary Company**

Balances at year end	As At March 31, 2024	As At March 31, 2023
<b>Receivable</b>		
Loan( including interest net of TDS)	627.26	496.18

**37 Disclosure pursuant to IND AS 19 on Employee benefit**

The Company operates post retirement defined benefit plan for retirement gratuity, which is funded. The Company through the gratuity trust has taken Company gratuity policy of Life Insurance Corporation of India Gratuity Scheme.

**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.

**Change in the Fair Value of Plan Assets (All amounts in Rs. Lacs, unless otherwise stated)**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
<b>Fair value of Plan Assets Assets at the Beginning</b>	-	-
Investment Income	0.59	-
Employer's Contribution	16.37	-
Employee's Contribution	-	-
Benefits paid	(0.75)	-
Return on plan assets, excluding amount recognised in net interest expenses	(0.21)	-
Transfer In/Out	-	-
<b>Fair value of Plan Assets Assets at the end</b>	<b>16.00</b>	<b>-</b>

**Changes in the Present Value of Obligation**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Present Value of Obligation as at the beginning	12.50	-
Current Service Cost	6.69	12.50
Interest Expense or Cost	0.90	-
Re-measurement (or Actuarial) (gain) / loss arising from:	-	-
change in demographic assumptions	-	-
change in financial assumptions	-	-
experience variance (i.e. Actual experience vs assumptions)	4.34	-
others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(1.45)	-
Transfer In/Out	-	-
Effect of business combinations or disposals	-	-
<b>Present Value of Obligation as at the end</b>	<b>22.99</b>	<b>12.50</b>

**Actuarial Assumptions:**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Salary Growth rate per annum	5.00%	-
Discount Rate rate per annum	7.20%	-

**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, 2024	For the Year ended March 31, 2023
Current Liability (Short term)	0.92	-
Non-Current Liability (Long term)	22.07	12.50
<b>Present Value of Obligation</b>	<b>22.99</b>	<b>12.50</b>

**Expenses Recognised in the Income Statement**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Current Service Cost	6.69	-
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	0.31	-
<b>Expenses Recognised in the Income Statement</b>	<b>7.00</b>	<b>-</b>

**Other Comprehensive Income**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Actuarial (gains) / losses	-	-
change in demographic assumptions	-	-
change in financial assumptions	-	-
experience variance (i.e. Actual experience vs assumptions)	4.34	-
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	0.21	-
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>4.55</b>	<b>-</b>

38 Fair values

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

Assets and liabilities carried at amortised Cost

(All amounts in Rs. Lacs , unless otherwise stated)

Particulars	Carrying Value		Fair Value	
	As At March 31, 2024	As At March 31, 2023	As At March 31, 2024	As At March 31, 2023
<b>Financial assets</b>				
Investments	831.60	831.60	831.60	831.60
Trade Receivables	1,111.92	1,333.96	1,111.92	1,333.96
Cash and cash equivalents	14.64	25.50	14.64	25.50
Bank balances other than cash and cash equivalents	98.79	94.11	98.79	94.11
Other financial assets	397.17	227.24	397.17	227.24
<b>Total</b>	<b>2,454.12</b>	<b>2,512.41</b>	<b>2,454.12</b>	<b>2,512.41</b>
<b>Financial liabilities</b>				
Borrowings	3,090.15	1,435.19	3,090.15	1,435.19
Trade Payables	550.73	757.49	550.73	757.49
Other Current Borrowings	1,547.18	1,452.77	1,547.18	1,452.77
Other Financial Liabilities	420.57	500.96	420.57	500.96
<b>Total</b>	<b>5,608.63</b>	<b>4,146.41</b>	<b>5,608.63</b>	<b>4,146.41</b>

Assets and liabilities carried at FVOCI

Particulars	Carrying Value		Fair Value	
	As At March 31, 2024	As At March 31, 2023	As At March 31, 2024	As At March 31, 2023
<b>Financial assets</b>				
Investments	0.01	0.01	0.03	0.02

C) Fair value Measurement

(i) Fair Value hierarchy

Level 1- It includes financial instruments measured using quoted prices in active markets for identical assets or liabilities.

Level 2- Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs other than Level 1 inputs; and

Level 3- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3

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

Investment in Quoted shares ,mutual fund and defined benefit obligation i.e Gratuity. which have been carried at fair value through the other comprehensive income .

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

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

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

Particulars	As At March 31, 2024	As At March 31, 2023
Debt	4,637.33	2,887.96
Less: cash and cash equivalents	14.64	25.50
<b>Net Debt (A)</b>	<b>4,622.69</b>	<b>2,862.46</b>
Equity (B)	4,035.99	2,764.58
<b>Gearing ratio (A/B)</b>	<b>1.15</b>	<b>1.04</b>

40 Trade Receivable Ageing

Particulars ( As at 31.03.2024 )	Outstanding for following periods from					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- Considered good	1,111.92	-	-	-	-	1,111.92
(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 -2022-23)	Outstanding for following periods from					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- Considered good	1,333.96	-	-	-	-	1,333.96
(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	-	-	-	-	-	-

41 Trade Payables ageing Schedule

Particulars ( As at 31.03.2024 )	Outstanding for following periods from due date for payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	33.46	-	-	-	33.46
(ii) Others	517.26	-	-	-	517.26
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-

Particulars ( FY 2022-23 )	Outstanding for following periods from due date for payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	757.49	-	-	-	757.49
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-

42 Capital Work in Progress Ageing

Particulars ( As at 31.03.2024 )	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-

Capital Work in Progress Ageing

Particulars ( FY 2022-23 )	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	78.39	-	-	-	78.39
Project temporarily suspended	-	-	-	-	-

43 Additional Regulatory Information - Analytical Ratios

Name of Ratio	Numerator	Denominator	As At March 31, 2024	As At March 31, 2023	% Variance	Reasons
Current Ratio ( In times )	Current Assets	Current Liabilities	1.39	1.16	19.43%	-
Debt Equity Ratio( In times )	Debt (Long term Borrowings + Lease Liabilities+ Cash Credit)	Shareholders Equity ( Equity + Reserve )	0.90	0.66	35.25%	Due to increase in debt
Debt Service Coverage Ratio( In times )	PAT + depreciation +finance cost+ Profit on sale of PPE	Debt Service ( Interest and lease payments + Principal repayments)	1.36	1.48	-7.84%	-
Return On Equity/ROI ( In % )	Net Profit for the year	Average Shareholder Equity	10.93%	16.02%	-31.78%	Due to increase in capital & Regrouping of last year figures
Inventory Turnover( In times )	Revenue from Operations	Average Inventory	5.21	6.41	-18.69%	-
Trade Receivable Turnover ( In times )	Revenue from Operations	Average trade receivables	7.13	6.02	18.33%	-
Trade Payable Turnover Ratio( In times )	Purchase	Average trade Payable	8.54	7.84	9.02%	-
Net Capital Turnover Ratio( In times )	Revenue from Operations	Net Working Capital	8.72	17.96	-51.46%	Due to increase in capital
Net Profit Margin( In % )	Net Profit for the year	Revenue from Operations	4.26%	4.30%	-0.81%	-
Return On Capital Employed( In % )	Profit before tax and finance cost	Capital Employed ( Net Worth + borrowings +lease liabilities )	10.55%	12.37%	-14.75%	-

44 Details of Land and Building in Property , Plant and Equipment

Rellevant line item in the Balancesheet	Description of item of property	Gross carrying value as on 31.03.2024	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 - Phagwara-Simbli Building - Phagwara-Simbli	365.85	Pritika Engineering Components Limited	Company	30/04/2018	-
		995.95	Pritika Engineering Components Limited	Company	30/04/2018	-
Investment Property	-	-	-	-	-	-
PPE retired from active use and held for disposal	-	-	-	-	-	-
others	-	-	-	-	-	-

45 Commitments and Contingencies

Particulars	As At March 31, 2024	As At March 31, 2023
<b>(a) Contingent Liabilities :</b>		
Claim against the Company not acknowledged as debts		
- GST*	5.78	5.78
- BG	-	50.00
- Letter of credit	94.50	90.45
- Corporate guarantee to bank /NBFCs on behalf of subsidiary of the Company	1,211.00	1,211.00

\* Note : The GST demand is under appeal with GST Appellate authority and the management is hopeful to get relief hance no provision to be made.

46 **QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Market risk is the risk of loss related to adverse changes in market prices, including interest rates and foreign exchange rates. In the normal course of business, we are exposed to certain market risks including foreign exchange rate risk and interest risk.

**(i) Liquidity risk**

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and deposits to meet the obligations as and when fall due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period

Particulars	(Rs. In lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>Borrowings</b>		
expiring with in one year	1,547.18	1,452.77
expiring beyond one year	3,090.15	1,435.19
	4,637.33	2,887.96
<b>Trade payables</b>		
expiring with in one year	550.72	757.49
expiring beyond one year	-	-
	550.72	757.49
<b>Other financial liabilities</b>		
expiring with in one year	420.57	500.96
expiring beyond one year	-	-
	420.57	500.96

**(ii) Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in shares. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Customer credit risk is managed by the Entities's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

The impairment analysis is performed on client to client basis at each reporting date for major customers. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

**Write off Policy**

The financial assets are written off, in case there is no reasonable expectation of recovering from the financial asset.

**(iii) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

**Exposure to Interest Rate risk**

Particulars	(Rs. In lakhs)	
	As at 31.03.2024	As at 31.03.2023
Long term debts from Banks, Financial Institutions, Holding company and others	3,090.15	1,435.19
Current Maturities of long term debts	537.40	402.03
Short term Borrowings from Banks	1,009.78	1,050.74
Total borrowings	4,637.33	2,887.96
% of Borrowings out of above bearing variable rate of interest	100%	100%

**Interest rate Sensitivity**

A change of 50 bps in interest rate would have following impact on Profit before tax

Particulars	(Rs. In lakhs)	
	As at 31.03.2024	As at 31.03.2023
50 bps increase would decrease the profit before tax by	(23.19)	(14.44)
50 bps decrease would increase the profit before tax by	23.19	14.44

47 **Details of CSR Expenditure**

(All amounts in Lacs)

Particulars	As at 31.03.2024	As at 31.03.2023
	a. Gross amount required to be spent by the Company during	7.14
b. Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) Purposes other than (i) above	9.50	4.65
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	-	-

48 Foreign Exchange Earnings and Outgo

(All amounts in Lacs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Earning in Foreign Exchange	-	-
Outgo in Foreign Exchange	219.31	-

49 There is no charge pending yet to be registered or satisfy beyond the due date .

50 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.

51 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.

52 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.

53 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

54 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments

55 under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

56 The Company do not have any transactions with companies struck off during the year .

57 Previous year figures has been regrouped/rearranged wherever considered necessary to make them comparable to the figures of current year.

As per our report of even date

For and on behalf of Board of Directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

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

Sd/-  
Ajay Kumar  
(Director )  
DIN No. 02929113

Sd/-  
Narinder Kumar Tyagi  
C.F.O

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

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKBEBAQ2506

Place: Mohali  
Date: 21-05-2024





# SUNIL KUMAR GUPTA & CO.

## CHARTERED ACCOUNTANTS

B-10, MAGNUM HOUSE-1, KARAMPURA COMMERCIAL COMPLEX,  
SHIVAJI MARG, NEW DELHI-110015

Mobile : 9213527574

• E-mail: rahulgoyal199125@gmail.com

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### INDEPENDENT AUDITOR'S REPORT

To the Members of PRITIKA ENGINEERING COMPONENTS LIMITED

#### Report on Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of **PRITIKA ENGINEERING COMPONENTS LIMITED** (hereinafter referred to as “the Holding Company”) and its wholly owned subsidiary (Holding Company and its wholly owned Subsidiary together referred to as “the Group), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2024, 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 material accounting policy information 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated 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 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 we have obtained 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 the Companies (Indian Accounting Standards) Rules, 2015 (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 specified under section 143(10) of the Act, 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, 2024 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, to be included in the Auditor's Report, according to the information and explanations given to us, and based on the CARO Reports issued by us for the company and subsidiary company included in the consolidated financial statements of the company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO Reports.
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 except for the matters stated in paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - c. The Consolidated financial statements dealt with by this Report are in agreement with the books of accounts 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 read with the Companies (Indian Accounting Standards) Rules, 2015.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 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 2024, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
  - f. The modification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are stated in paragraph 2A(b) above on reporting under section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - g . 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 2024 on its financial position in its consolidated financial statements. Refer Note 45 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 amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended 31<sup>st</sup> March 2024
- 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) 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.
- f. Based on our examination which included test checks, performed by us on the Holding Company and its subsidiary incorporated in India and audited under the Act, the Holding Company, and its subsidiary in respect of financial year commencing on 1<sup>st</sup> April 2023, have used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software to log any direct data changes. Further, during the course of our audit we did not come across any instance of audit trail feature being tempered with in respect of the accounting software where such feature is enabled.

(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 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/-

**Rahul Goyal**

Partner

Membership No.: 540880

Place: Mohali

Date: 21.05.2024

ICAI UDIN: 24540880BKEBAR6627

## **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 Engineering Components Limited (“the Holding Company”) as of and for the year ended 31 March 2024, 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 2024, 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/-**  
**Rahul Goyal**  
Partner  
Membership No.: 540880

Place: Mohali  
Date: 21.05.2024  
ICAI UDIN: 24540880BKEBAR6627



**Pritika Engineering Components Limited**  
**CIN NO. L28999PB2018PLC047462**  
**C-94, Phase - VII , S.A.S Nagar , Mohali , Punjab-160055**  
**Consolidated Balance Sheet as at March 31, 2024**

Particulars	Note No.	(All amount In Rs. Lakhs , unless otherwise stated )	
		As At March 31, 2024	As At March 31, 2023
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	8,136.63	4,608.37
(b) Capital work in progress	3	4.22	930.44
(c) Financial Assets			
- Investments	4	0.03	0.02
- Other financial assets	5	2.53	-
(d) Deferred Tax Assets ( Net)	6	6.18	-
(e) Other Non-Current Assets	7	-	4.43
<b>Total Non Current Assets (A)</b>		<b>8,149.59</b>	<b>5,543.26</b>
<b>2. Current Assets</b>			
(a) Inventories	8	1,978.05	1,548.87
(b) Financial Assets			
- Trade Receivables	9	1,170.08	1,333.96
-Cash and Cash Equivalents	10	23.88	360.45
-Bank balances other than cash and cash equivalents	11	162.67	154.11
-Other Financial Assets	12	539.52	560.34
(c ) Other Current Assets	13	407.40	111.37
<b>Total Current Assets (B)</b>		<b>4,281.60</b>	<b>4,069.10</b>
<b>TOTAL ASSETS ( A+ B)</b>		<b>12,431.19</b>	<b>9,612.36</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	14	1,318.25	1,088.25
(b) Other Equity	15	2,655.94	1,650.15
<b>Total Equity (A)</b>		<b>3,974.19</b>	<b>2,738.40</b>
<b>2. Non Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	16	4,253.15	1,842.36
(b) Provisions	17	11.37	14.00
(c ) Deferred Tax Liabilities ( Net)	18	147.88	79.05
(d) Other non-current Liabilities	19	1,017.70	2,086.77
<b>Total Non Current Liabilities ( B)</b>		<b>5,430.10</b>	<b>4,022.18</b>
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	20	1,771.43	1,452.77
-Trade Payables		-	-
Total outstanding dues of micro and small enterprises	21	33.54	-
Total outstanding dues of creditors other than micro and small enterprises	21	543.72	757.49
- Other Financial Liabilities	22	625.07	546.22
(b) Other Current Liabilities	23	24.73	52.52
(c ) Provisions	24	1.74	-
(d) Current Tax Liability (Net)	25	26.67	42.78
<b>Total Current Liabilities ( C )</b>		<b>3,026.90</b>	<b>2,851.78</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>12,431.19</b>	<b>9,612.36</b>

The summary of material Accounting Policies and other explanatory information form an integral part of these consolidated financial statements 1-57

This is the Consolidated balance sheet referred to in our report of even date

For and on behalf of Board of Directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

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

Sd/-  
Ajay Kumar  
( Director )  
DIN No. 02929113

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKEBAR6627

Sd/-  
Narinder Kumar Tyagi  
C.F.O

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

Pritika Engineering Components Limited  
CIN NO. L28999PB2018PLC047462  
C-94, Phase - VII , S.A.S Nagar , Mohali , Punjab-160055  
Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(All amount In Rs. Lakhs , unless otherwise stated )

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from operations	26	8,732.39	8,232.30
II Other Income	27	23.13	12.50
<b>III Total Income ( I+II)</b>		<b>8,755.52</b>	<b>8,244.80</b>
<b>IV Expenses</b>			
a) Cost of material consumed	28	5,683.07	5,624.97
b) Changes in inventories of finished goods , Work in progress and stock in trade	29	(374.01)	(406.98)
c) Employee benefits expense	30	551.17	449.40
d) Finance costs	31	394.56	363.57
e) Depreciation and amortization expense	32	323.31	279.07
f) Other Expenses	33	1,728.57	1,535.27
<b>Total Expenses (IV)</b>		<b>8,306.67</b>	<b>7,845.30</b>
<b>V Profit/(Loss) before exceptional items and tax ( III-IV)</b>		<b>448.85</b>	<b>399.50</b>
VI Exceptional Items			-
<b>VII Profit/ (Loss) before tax ( V-VI)</b>		<b>448.85</b>	<b>399.50</b>
<b>VIII Tax Expense:</b>			
a) Current Tax	35	50.88	55.09
b) Adjustment of tax relating to earlier periods		(0.70)	(36.50)
c) Deferred Tax	35	62.66	53.26
<b>Total tax expenses ( VIII)</b>		<b>112.84</b>	<b>71.85</b>
<b>IX Profit/ (Loss ) for the year from continuing Operations ( VII-VIII)</b>		<b>336.01</b>	<b>327.65</b>
<b>X Other comprehensive income</b>			
A. (I) Items that will not to be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(4.15)	-
Impact of fair valuation of Equity shares and mutual fund		-	(0.04)
(II) Income tax relating to items that will not be reclassified to Profit & Loss			
B. (I) Items that will to be reclassified to profit or loss		-	-
(II) Income tax relating to items that will be reclassified to Profit & Loss		-	-
<b>XI Total comprehensive income for the period ( IX - X)</b>		<b>331.86</b>	<b>327.61</b>
<b>Earnings per equity share( Nominal value of Rs. 10/- per share )</b>			
Basic ( Rs.)	34	2.74	3.78
Diluted ( Rs.)	34	2.74	3.78
<b>The summary of material Accounting Policies and other explanatory information form an integral part of these consolidated financial statements</b>	1-57		

This is the consolidated statement of profit and loss referred to in our report of even date

For and on behalf of the Board of directors

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

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

Sd/-  
Ajay Kumar  
( Director )  
DIN No. 02929113

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKEBAR6627

Sd/-  
Narinder Kumar Tyagi  
C.F.O

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

**Pritika Engineering Components Limited**  
**CIN NO. L28999PB2018PLC047462**  
**C-94, Phase - VII , S.A.S Nagar , Mohali , Punjab-160055**  
**Consolidated Statement of Cash Flow for the year ended March 31, 2024**

Particulars	(All amount In Rs. Lakhs , unless otherwise stated)	
	For the year ended March 31, 2024	For the Year ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per statement of Profit & Loss	448.85	867.16
<b>Adjustments for:</b>		
- Depreciation and amortisation expense	323.31	279.07
- Interest Expenses	394.56	363.57
- Interest Received	(23.13)	(12.50)
<b>Operating profit before working capital changes</b>	<b>1,143.59</b>	<b>1,497.30</b>
<b><u>Movement in Working Capital</u></b>		
Increase/(Decrease) in Trade Payables	(180.23)	757.49
Increase/(Decrease) in Other Current Liabilities / Other Current Financial Liabilities	(1,038.29)	677.79
Increase/(Decrease) in Short Term Provisions	(2.63)	14.00
(Increase) / Decrease in Trade Receivables	163.88	(1,333.96)
(Increase) / Decrease in Inventories	(429.18)	(1,548.87)
(Increase)/ Decrease in Other Current Assets / Other Current Financial Assets	(279.11)	(674.24)
<b>Cash generated from operations</b>	<b>(621.97)</b>	<b>(610.49)</b>
Taxes paid	(42.64)	(31.00)
<b>Net Cash generated from Operating Activities ( A)</b>	<b>(664.61)</b>	<b>(641.49)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment ( including CWIP)	(2,925.35)	(5,817.88)
(Purchase)/Sale of Investment in Shares	(0.01)	(0.02)
Movement in fixed deposits (having original maturity of more than three months)	(8.56)	(154.11)
Interest Received	23.13	12.50
<b>Net Cash used in Investing Activities ( B)</b>	<b>(2,910.79)</b>	<b>(5,959.51)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Loans/Liability Raised (Net )	2,410.79	3,929.13
Short term loan Raised (Net )	318.66	1,452.77
Share Capital issued including premium	903.95	1,943.12
Interest Paid	(394.56)	(363.57)
<b>Net Cash from Financing Activities ( C)</b>	<b>3,238.84</b>	<b>6,961.45</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents ( A+B+C)</b>	<b>(336.57)</b>	<b>360.45</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>360.45</b>	<b>-</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>23.88</b>	<b>360.45</b>

**Notes:**

1.) The above Cash Flow Statement has been prepared under the indirect method set out in Indian Accounting Standard ( Ind AS - 07 ) "Statement of Cash Flow".

2.) Figures in bracket indicates cash outflow

The summary of material Accounting Policies and other explanatory information form an integral part of these consolidated financial statements ( Note No. 1 to 57 )

This is the consolidated Statement of Cash flow referred to in our report of even date

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKEBAR6627

For and on behalf of the Board of Directors

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

Sd/-  
Narinder Kumar Tyagi  
C.F.O

Sd/-  
Ajay Kumar  
( Director )  
DIN No. 02929113

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

(All amount In Rs. Lakhs , unless otherwise stated )

**A Equity Share Capital**

Particulars	No.of Shares	Amount in Lakhs
<b>Authorised Share Capital</b>		
<b>Balance as at April 1, 2022</b>	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1 , 2022	-	-
Issue of Shares during the year	1,50,00,000	1,500.00
<b>As at 31st March 2023</b>	<b>1,50,00,000</b>	<b>1,500.00</b>
<b>Balance as at April 1, 2023</b>	1,50,00,000	1,500.00
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1 , 2023	1,50,00,000	1,500.00
Issue of Shares during the year	50,00,000	500.00
<b>As at 31st March 2024</b>	<b>2,00,00,000</b>	<b>2,000.00</b>

Particulars	No.of Shares	Amount in Lakhs
<b>Issued and Subscribed Share Capital</b>		
<b>Balance as at April 1, 2022</b>	-	-
Changes in equity share capital due to prior period errors	-	-
<b>Restated balance as at April 1 , 2022</b>	-	-
Issue of Shares during the year	1,08,82,515	1,088.25
<b>As at 31st March 2023</b>	<b>1,08,82,515</b>	<b>1,088.25</b>
<b>Balance as at April 1, 2023</b>	1,08,82,515	1,088.25
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1 , 2023	1,08,82,515	1,088.25
Issue of Shares during the year	23,00,000	230.00
<b>As at 31st March 2024</b>	<b>1,31,82,515</b>	<b>1,318.25</b>

**B Other Equity**

Particulars	Reserves and Surplus		Total
	Securities premium	Retained earnings	
<b>Balance as at April 1, 2022</b>	-	-	-
Changes in accounting policy or prior period errors	-	-	-
<b>Restated balance as at April 1 , 2022</b>	421.54	467.65	889.19
Profit for the Current year	-	327.61	327.61
Other Comprehensive income	-	-	-
Security Premium during the year	617.12	-	617.12
Less : Share issue Expenses	(183.77)	-	(183.77)
<b>As at 31st March 2023</b>	<b>854.89</b>	<b>795.26</b>	<b>1,650.14</b>
<b>Balance as at April 1, 2023</b>	854.89	795.26	1,650.14
Changes in accounting policy or prior period errors	-	-	-
<b>Restated balance as at April 1 , 2023</b>	854.89	795.26	1,650.14
Profit for the Current year	-	336.01	336.01
Other Comprehensive income	-	(4.15)	(4.15)
Security Premium during the year	679.43	-	679.43
Less: Share issue expenses	(5.50)	-	(5.50)
<b>Balance as at March 31 , 2024</b>	<b>1,528.82</b>	<b>1,127.12</b>	<b>2,655.94</b>

Pursuant to the requirements of Division II to Schedule III of The Company Act 2013 , below is the nature and purpose of each reserve :

**a. Securities 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

**b. Retained Earnings :**Retained earnings comprises of prior and current year's undistributed earnings after tax.

As per our report of even date

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

For and on behalf of the Board of directors

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

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

Sd/-  
Ajay Kumar  
( Director )  
DIN No. 02929113

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKEBAR6627

Sd/-  
Narinder Kumar Tyagi  
C.F.O

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

**Note No. 1: Notes To The Financial Statement****1 GENERAL INFORMATION**

Pritika Engineering Components Limited ( " the Company ") a limited company domiciled in India was incorporated on 20.02.2018 as a Private Limited Company with the objective of manufacturing of tractor and automobile components .The company is having works at Village Simbli , Phagwara - Hoshiarpur Road , Tehsil & District Hoshiarpur , Punjab-146001. The Company is subsidiary of Pritika Auto Industries Limited .The financial statements were approved by the board of directors on 21st May 2024.

**Note No. 2: Basis Of Preparation , Measurement And Material Accounting Policies****2.1 Basis of Preparation and Measurement**

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 Consolidated Financial Statements have been prepared on historical basis , except certain financial assets and liabilities and defined benefit plans-plan assets that 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 Consolidated 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 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
Meeta Castings Limited ( Wholly owned Subsidiary)	100%

**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 Consolidated 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 Consolidated Financial Statements . The actual amounts may differ from the estimates used in the preparation of the Consolidated Financial Statements and the difference between actual results and the estimates are recognised in the period in which the results are known/ material.

**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.

### **4. Financial liabilities**

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 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 Consolidated 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
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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.

## 2.9 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.

## 2.10 Investments

All Quoted 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 book value.

## 2.11 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.

## 2.12 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, 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.

## 2.13 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.

## **2.14 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.

## **2.15 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.

## **2.16 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 Profit and loss 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.

### **2.17 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.

### **2.18 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.

### **2.19 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.

### **2.20 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.

### **2.21 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.

3. Property, Plant and Equipment

(All amount In Rs. Lakhs, unless otherwise stated)

Particulars	Air Conditioner	Computers	Plant and Machinery	Office Equipment	Lab Equipment	Vehicle	Land	Electric Installation	Furniture and Fixtures	D.G Set	Building	Total	Building under construction	Capital Work in Progress
<b>Cost or Deemed Cost</b>														
At April 1, 2022	2.83	11.38	3,259.48	15.58	24.34	14.92	328.16	104.19	12.19	23.74	741.79	4,538.60	-	142.52
Addition	1.36	2.20	592.32	5.97	0.25	2.50	135.38	12.79	6.77	1.32	27.87	788.73	-	973.38
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	(185.46)
At March 31, 2023	4.19	13.58	3,851.80	21.55	24.59	17.42	463.54	116.98	18.96	25.06	769.66	5,327.33	-	930.44
At April 1, 2023	4.19	13.58	3,851.80	21.55	24.59	17.42	463.54	116.98	18.96	25.06	769.66	5,327.33	-	930.44
Addition	5.76	40.09	2,549.35	6.49	26.51	35.44	-	192.47	71.43	19.89	904.13	3,851.56	-	2,643.34
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	3,569.56
At March 31, 2024	9.95	53.67	6,401.15	28.04	51.10	52.86	463.54	309.45	90.39	44.95	1,673.79	9,178.89	-	4.22
<b>Depreciation and Impairment</b>														
At April 1, 2022	0.31	6.08	315.70	9.45	15.86	6.66	-	27.94	2.18	5.58	50.12	439.88	-	-
Addition	0.37	3.12	228.04	3.66	4.66	1.87	-	10.62	1.49	1.52	23.72	279.07	-	-
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	0.68	9.20	543.74	13.11	20.52	8.53	-	38.56	3.67	7.10	73.84	718.95	-	-
At April 1, 2023	0.68	9.20	543.74	13.11	20.52	8.53	-	38.56	3.67	7.10	73.84	718.95	-	-
Addition	0.64	6.36	263.59	3.43	2.49	4.38	-	12.03	2.50	1.62	26.27	323.31	-	-
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	1.32	15.56	807.33	16.54	23.01	12.91	-	50.59	6.17	8.72	100.11	1,042.26	-	-
Net Block as on 31.03.2024	8.63	38.11	5,593.82	11.50	28.09	39.95	463.54	258.86	84.22	36.23	1,573.68	8,136.63	-	4.22
Net Block as on 31.03.2023	3.51	4.38	3,308.06	8.44	4.07	8.89	463.54	78.42	15.29	17.96	695.82	4,608.37	-	930.44

Note : Please Refer Note No. 42 of Consolidated Financial Statements for CWIP ageing and Refer Note No. 44 Consolidated Financial Statements for details regarding land and building

**Pritika Engineering Components Limited**

CIN NO. L28999PB2018PLC047462

C-94, Phase - VII , S.A.S Nagar , Mohali , Punjab-160055

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

**4 Investments**

(All amount In Rs. Lakhs , unless otherwise stated )

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Investments carried at Fair value through Other Comprehensive Income ( FVOCI)</b>		
<b>Investments in Equity Instruments (quoted)</b>		
Shares in Ajooni Biotech Limited {450 ( PY 450 Equity Shares of Rs 2 / - each)}	0.03	0.02
<b>Total</b>	<b>0.03</b>	<b>0.02</b>
Aggregate market value of Quoted Investments	0.03	0.02

**5 Other Financial Assets**

Particulars	As At March 31, 2024	As At March 31, 2023
Bank deposits having maturity more than 12 months	2.53	-
<b>Total</b>	<b>2.53</b>	<b>-</b>

**6 Deferred tax assets**

Particulars	As At March 31, 2024	As At March 31, 2023
Relating to origination and reversal of temporary difference	6.18	-
<b>Total</b>	<b>6.18</b>	<b>-</b>

**7 Other Non-Current Assets**

Particulars	As At March 31, 2024	As At March 31, 2023
Unamortised Cost	-	4.43
<b>Total</b>	<b>-</b>	<b>4.43</b>

**8 Inventories**

Particulars	As At March 31, 2024	As At March 31, 2023
Raw Materials	453.24	386.15
Store & Spares	50.41	62.33
Work in Process	1,424.59	1,071.94
Finished Goods	49.81	28.45
<b>Total inventories at the lower of cost and net reliasable value</b>	<b>1,978.05</b>	<b>1,548.87</b>

**9 Trade Receivables**

Particulars	As At March 31, 2024	As At March 31, 2023
Unsecured, Considered Good *	1,170.08	1,333.96
Less: Provision for doubtful debts	-	-
<b>Total</b>	<b>1,170.08</b>	<b>1,333.96</b>

\* Note : Trade receivables includes receivables from related parties . ( Refer Note No. 36) and for ageing of the trade receivables ( Refer Note no.40 ) of consolidated financial statements

**10 Cash and Cash Equivalents**

Particulars	As At March 31, 2024	As At March 31, 2023
Balances with banks		
- in current accounts	22.52	345.36
- Deposits in Bank with Original Maturity Less than 3 Months	-	13.85
Cash in Hand ( including imprest )	1.36	1.24
<b>Total</b>	<b>23.88</b>	<b>360.45</b>

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

Particulars	As At March 31, 2024	As At March 31, 2023
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months)	162.67	154.11
<b>Total</b>	<b>162.67</b>	<b>154.11</b>

## 12 Other Financial Assets

Particulars	As At March 31, 2024	As At March 31, 2023
Advance to Staff	0.68	6.15
Advances to other	203.51	367.10
Securities Deposits	335.33	187.09
<b>Total</b>	<b>539.52</b>	<b>560.34</b>

## 13 Other Current Assets

Particulars	As At March 31, 2024	As At March 31, 2023
Prepaid expenses	17.82	1.88
Balance with Govt. authorities	377.08	81.31
Other Receivable	12.50	28.18
<b>Total</b>	<b>407.40</b>	<b>111.37</b>

## 14 Equity Share Capital

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Authorised</b>		
2,00,00,000 (PY 1,50,00,000 ) Equity shares of Rs.10/- each	2,000.00	1,500.00
	<b>2,000.00</b>	<b>1,500.00</b>
<b>Issued, subscribed and fully paid-up</b>		
1,31,82,515 (PY 1,08,82,515 ) Equity shares of Rs.10/- each	1,318.25	1,088.25
<b>Total</b>	<b>1,318.25</b>	<b>1,088.25</b>

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

Particulars	No of Shares	Amount in lakhs
<b>Equity Shares</b>		
<b>At April 1, 2022</b>	76,34,515	763.45
Add: Issued during the period	32,48,000	324.80
<b>At March 31, 2023</b>	1,08,82,515	1,088.25
Add: Issued during the period	23,00,000	230.00
<b>At March 31, 2024</b>	<b>1,31,82,515</b>	<b>1,318.25</b>

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

The Company has only one class of equity share having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of the liquidation of the Company , the holders of 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) Shares held by holding company

Out of the equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Particulars	As At March 31, 2024	As At March. 31, 2024 % of holding	As At March 31, 2023	As At March. 31, 2023 % of holding
<b>Equity Shares</b>				
<b>Shares held by Holding Company</b>				
Pritika Auto Industries Limited	98,34,508	76.40%	76,34,508	70.15%

### (d) Details of Shareholding of Promoter as below

		31.03.2023		
Promoter Name	No of Shares			
Pritika Auto Industries Limited	76,34,515			
		31.03.2024		% Change during the year
Promoter Name	No of Shares			
Pritika Auto Industries Limited	98,34,508			28.81%

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

Particulars	As At March 31, 2024	% of holding
<b>Equity Shares</b>		
Pritika Auto Industries Limited	98,34,508	70.15%

(f) There are no shares issued for consideration other than cash and no shares have been bought back in last five years

15 Other Equity

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Retained Earnings</b>		
Opening balance	795.26	467.65
Net Profit / (loss ) for the year	336.01	327.61
Other Comprehensive Income	(4.15)	-
	1,127.12	795.26
<b>Securities Premium</b>		
Opening balance	854.89	421.54
Addition during the year	679.43	617.12
Less : Share issue Expenses	(5.50)	(183.77)
	1,528.82	854.89
<b>Total</b>	<b>2,655.94</b>	<b>1,650.15</b>

16 Borrowings

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Term Loan</b>		
<b>(a) Secured</b>		
(i) From Banks	1,096.04	1,017.58
(ii) From Financial Institutions / NBFC	1,876.77	824.78
	-	-
<b>(b) Un-secured</b>		
(i) From Body Corporates-related party i.e Holding Co.	1,280.34	-
<b>Total</b>	<b>4,253.15</b>	<b>1,842.36</b>

Note No.16 (a) (i): Details of Securities and Terms of Repayment

Secured : Term loans from Banks

Particulars	As At March 31, 2024	As At March 31, 2023
<b>*Canara Bank</b> : The Term loan of Rs. 1286 lacs repayable in 107 monthly installments .Current rate of interest is 10.20% 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 guaranted by director Namely Mr. Harpreet Singh Nibber and Mr. Raminder Singh Nibber ( demised on 12-03-2024). Moreover Pritika Auto Industries Limited , holding company had given corporate guarantee amounting to Rs 19.84 Cr to Canara Bank .	-	845.26
<b>HDFC Bank</b> : The Term loan of Rs.298 lacs repayable in 41 monthly instalments comprising Ist 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 ECGLS scheme .Current rate of interest is 9.25% p.a.	39.08	142.68
<b>HDFC Bank</b> : The Term loan of Rs. 105 lakhs is sanctioned out of which Rs. 36.50 lacs is disbursed by 31.03.2023 and which is 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 10.25% p.a.	20.99	27.32
<b>*Canara Bank-</b> The Working Capital Term loan of Rs. 149 lacs repayable in 60 monthly installments including moratorium period of 24 months under Guaranteed Emergency Credit Line of the NCGTCL . Amount of monthly instalment is of Rs.0.41 Lacs each . 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 9.25% p.a .	-	149.00
<b>HDFC Bank</b> : The Term loan of Rs.100 lacs repayable in 79 monthly instalments comprising of installment of Rs. 1.72 lakhs each and last installment of Rs. 0.44 lacs each . Current rate of interest is 10.00% p.a.This loan is secured against the machinery purchased out of the fund.	77.31	89.67
<b>HDFC Bank</b> : The Company has taken a term loan of Rs. 300 lakhs, out of which Rs. 297.92 lakhs has been disbursed. This loan is repayable in 62 monthly installments. Given that the amounts were disbursed on various dates and in different amounts, the remaining installments as of March 31, 2024, total 50. The repayment schedule for the upcoming years is For the financial year 2024-25: INR 82.22 lakhs, financial years 2025-26 to 2027-28: INR 82.99 lakhs per year and For the period until May 2029: INR 13.83 lakhs ( including interest ) & current rate of interest is 9.69% p.a.. The loan is fully secured by the machinery purchased with the disbursed funds.	282.56	27.38
<b>HDFC Bank</b> : The Machinery loan of Rs. 410.00 lakhs is sanctioned out of which Rs. 260.58 lacs is disbursed by 31.03.2024 which is repayable in 60 monthly instalments comprising of 1st installment of Rs..1.65 lakhs & remaining of Rs.4.79 lakhs each . Current rate of interest is 8.70% p.a.This loan is secured against the machinery purchased out of the fund.	230.48	-
<b>HDFC Bank</b> : The Company has taken a term loan from HDFC Bank amounting to INR 738.97 lakhs. This loan is repayable in 49 monthly installments of INR 17.97 lakhs each and one installment of INR 17.97 lakhs, including interest. The installment payments start from February 7, 2024, and continue until February 7, 2028. The current rate of interest is 8.70% per annum. The loan is secured by a first charge on the current assets and fixed assets of the Company, except for the machinery and equipment funded by other banks or NBFCs and by the hypothecation of the existing property where the plant is situated in Village Simbli, Hoshiarpur, Punjab. Additionally the Loan is secured by second charge on GECL.	713.66	-
<b>Canara Bank</b> : Vehicle loan of Rs.7.50 lacs repayable in 60 monthly instalments of Rs.0.16 Lacs including interest. Current rate of interest is 9.55% p.a. This loan is secured against the vehicle purchased out of the fund.	6.80	-
<b>HDFC Bank</b> : The Machinery loan of Rs. 68.50 lakhs is sanctioned out of which Rs. 30.75 lacs is disbursed by 31.03.2023 which is repayable in 63 monthly instalments comprising of installment of Rs.0.62 lakhs each . Current rate of interest is 9.10% p.a.This loan is secured against the machinery purchased out of the fund.	22.31	27.42

<b>Total</b>	<b>1,393.19</b>	<b>1,308.73</b>
Less: Amount shown in Borrowings in Note No. 20 towards Current Maturities of Long term Loans .	297.15	291.15
<b>Amount shown as Loan</b>	<b>1,096.04</b>	<b>1,017.58</b>

\*Note:-During the financial year, the company settled its outstanding loans with Canara Bank .

**Note No.16 (a) (ii): Details of Securities and Terms of Repayment**  
Secured : Term loans from Financial Institutions / NBFC

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Electronica Finance Limited</b> : The Machinery Loan of Rs 56.29 Lakhs repayable in 48 monthly installments of Rs. 1.37 lakhs each including interest @ 7.90% p.a. This loan is fully secured by the machineries purchased out of this fund .	17.03	31.52
<b>Tata Capital Financial Services Limited</b> : The Company has taken a machinery loan from Tata Capital Financial Services Limited. The loan sanctioned amounts to Rs. 705 lakhs, of which Rs. 681.99 lakhs has been disbursed by March 31, 2024. This loan is repayable in 78 monthly installments (including 6 months moratorium period ) with an interest rate of 8.75% per annum. Given that the amounts were disbursed on various dates and in different amounts, the remaining installments as of March 31, 2024 is 66. The repayment schedule for the upcoming years is For the financial year 2024-25: INR 94.86 lakhs , financial year 2025-26: INR 103.45 lakhs, financial year 2026-27: INR 112.87 lakhs financial year 2027-28: INR 123.11 lakhs, financial year 2028-29: INR 134.77 lakhs and until September 2030: INR 71.95 lakhs.	640.61	107.97
<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 8.45% 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 with the existing plant and machinery out of the term loan sanctioned 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 , also by hpothecation in favour of SIDBI on all the borrower's movables and by way of pledge of FDR with SIDBI of Rs. 25 Lakh.	95.38	101.00
<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 8.45% 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 with the existing plant and machinery out of the term loan sanctioned 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 , also by hpothecation in favour of SIDBI on all the borrower's movables and by way of pledge of FDR with SIDBI of Rs. 25 Lakh.	1,211.00	407.17
<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 10.45% p.a with a monotoriaum 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.Moreover Pritika Auto Industries Limited , holding company had given corporate guarantee amounting to Rs 375 Lakhs.	201.00	288.00
<b>Total</b>	<b>2,165.02</b>	<b>935.66</b>
Less: Amount shown in Borrowings in Note No. 20 towards Current Maturities of Long term Loans .	288.25	110.88
<b>Amount shown as Loan</b>	<b>1,876.77</b>	<b>824.78</b>

**Note No.16 (b)(i) : Loans from Body Corporate**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Un-secured loans from Pritika Auto Industries Ltd.*</b>	1,280.34	-
<b>Total</b>	<b>1,280.34</b>	<b>-</b>

\*Note:- The company has received a loan from its Holding company with the interest rate @ 8.50% p.a. The loan is repayable on demand after the completion of one year from the date of disbursement.

**17 Provisions**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Provision for Employee Benefits</b>		
(i) Compensated absences	5.30	1.50
(ii) Other including post retirement benefits i.e. gratuity*	6.07	12.50
<b>Total</b>	<b>11.37</b>	<b>14.00</b>

\*Note:- Other including post retirement benefits i.e. gratuity has been netted by Rs. 16.00 lacs on account of fair value of planned assets as at 31.03.2024

**18 Deferred Tax Liabilities**

Particulars	As At March 31, 2024	As At March 31, 2023
Relating to the origination and reversal of temporary differences of Depreciation between Income Tax and Company Act	147.88	79.05
<b>Total</b>	<b>147.88</b>	<b>79.05</b>

**19 Other Non - Current Liabilities**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>From Related Party</b>		
Tooling Advance	-	828.42
Advance against supplies*	1,017.70	1,258.35
<b>Total</b>	<b>1,017.70</b>	<b>2,086.77</b>

\*Note: Refer Note No.36 of Consolidated financial Statements for related party transaction

**20 Borrowings**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Secured</b>		
Cash Credit - Loan Repayable on Demand		
- Canara Bank *	-	646.44
- HDFC Bank **	1,009.78	404.30
- Axis Bank ***	176.25	-
Current Maturities of Long term Loans	585.40	402.03
<b>Total</b>	<b>1,771.43</b>	<b>1,452.77</b>

**Note :**

\*During the financial year, the company settled its outstanding loans with Canara Bank and transferred the loan facilities to HDFC Bank in 4th quarter.

\*\*\ Secured by Hypothecation of all kinds of Raw Material / Work in progress / Finished goods and receivable of the Company ( present and future ) and carries interest rate 8.70% p.a.

\*\*The loan is secured by a first charge on the current assets and fixed assets of the Company, except for the machinery and equipment funded by other banks or NBFCs. Additionally, the loan is secured by the hypothecation of the existing property where the plant is situated in Village Simbli, Hoshiarpur, Punjab. Additionally the Loan is secured by second charge on GECL.

This loan is also personally guaranteed by directors. Furthermore, Pritika Auto Industries Limited, the holding company, has provided a corporate guarantee to the bank.

\*\*\*The company has been granted a cash credit limit by Axis Bank with an interest rate of 8.65% per annum. The total sanctioned limit for working capital requirements is INR 7.00 crores. The security for this cash credit includes the hypothecation of the entire current assets of the borrower, both present and future, on a first pari passu basis with an equitable mortgage on a first pari passu basis with SIDBI. This mortgage covers the industrial land measuring 11K-19M, situated within the revenue estate of Simbli, H.B. No. 272, Tehsil & District Hoshiarpur, owned by the company. Additionally, this loan is personally guaranteed by the director, Mr. Harpreet Singh Nibber. Moreover, Pritika Auto Industries Limited, the ultimate holding company, has provided a corporate guarantee amounting to Rs.7.00 crores to Axis Bank.

**21 Trade Payables**

Particulars	As At March 31, 2024	As At March 31, 2023
Trade payables*		
Total Outstanding dues of micro enterprise and small enterprise	33.54	-
Total Outstanding dues of creditors other than micro enterprise and small enterprise	543.72	757.49
<b>Total</b>	<b>577.26</b>	<b>757.49</b>

\* Note : For Trade Payable ageing refer Note No.41 of consolidated Financial Statement

**22 Other Financial Liabilities**

Particulars	As At March 31, 2024	As At March 31, 2023
Interest Accrued but not due on borrowings	20.20	5.62
Creditors for Capital Expenditure	92.01	44.87
Creditors for others	349.60	431.25
Salaries and Wages payable	40.22	30.72
Audit Fee Payable	0.90	0.79
Electricity Expenses Payable	96.80	19.97
Other Liabilities	25.34	13.00
<b>Total</b>	<b>625.07</b>	<b>546.22</b>

**23 Other Current Liabilities**

Particulars	As At March 31, 2024	As At March 31, 2023
Statutory dues payable	24.73	45.02
Deferred Subsidy Income	-	7.50
<b>Total</b>	<b>24.73</b>	<b>52.52</b>

**24 Provisions**

<b>Particulars</b>	<b>As At March 31, 2024</b>	<b>As At March 31, 2023</b>
(i) Compensated absences	0.82	-
(ii) Other including post retirement benefits i.e. gratuity	0.92	-
<b>Total</b>	<b>1.74</b>	<b>-</b>

**25 Current tax liability**

<b>Particulars</b>	<b>As At March 31, 2024</b>	<b>As At March 31, 2023</b>
Provision for Income Tax ( Net of TDS/TCS/ Advance Tax of Rs.24.24 lakhs ( PY Rs.12.31 Lakhs )	26.67	42.78
<b>Total</b>	<b>26.67</b>	<b>42.78</b>



26 Revenue from Operations

Particulars	(All amount In Rs. Lakhs , unless otherwise stated )	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products ( Net of Sales Returns )	10,237.17	9,713.58
Less: Indirect Taxes	1,593.39	1,481.28
	-	-
	8,643.77	8,232.30
Other Operating Income	88.62	-
<b>Total</b>	<b>8,732.39</b>	<b>8,232.30</b>

27 Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest received on deposits with banks and others	23.13	12.25
Misc Receipt	-	0.25
<b>Total</b>	<b>23.13</b>	<b>12.50</b>

28 Cost of materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventory at the beginning of the year-Raw Materials	386.15	272.78
Inventory at the beginning of the year-Stores ,Spares, Packing Material	62.32	55.13
	<b>448.47</b>	<b>327.91</b>
Purchases	5,738.25	5,745.53
	<b>5,738.25</b>	<b>5,745.53</b>
Less: Inventory at the end of the year - Raw Materials	453.24	386.15
Less: Inventory at the end of the year- Stores ,Spares and Packing Material	50.41	62.32
<b>Total</b>	<b>5,683.07</b>	<b>5,624.97</b>

29 Changes in inventories of finished goods and Work in progress

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Opening inventories		
Work in Process	1,071.94	645.35
Finished Goods	28.45	48.06
	-	-
2. Closing inventories		
Work in Process	1,424.59	1,071.94
Finished Goods	49.81	28.45
	<b>(374.01)</b>	<b>(406.98)</b>

30 Employee Benefits Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	413.57	340.78
Director Remuneration	36.00	30.00
Contribution to Provident/ESI and other Funds	28.40	20.45
Staff Welfare Expenses	60.75	44.17
Group Gratuity & Earned Leave	12.45	14.00
<b>Total</b>	<b>551.17</b>	<b>449.40</b>

31 Finance Cost

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses	371.87	341.30
Other Borrowing costs	22.69	22.27
<b>Total</b>	<b>394.56</b>	<b>363.57</b>

32 Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Property ,Plant and Equipment	323.31	279.07
<b>Total</b>	<b>323.31</b>	<b>279.07</b>

33 Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(a) Manufacturing Expenses</b>		
Cartage & Forwarding	10.40	3.45
Power & Fuel	820.11	771.41
Contractual Job Work Expenses	87.20	82.91
Repair & Maintenance	-	
- Building	1.81	0.06
- Machinery	54.57	12.72
Workshop Expenses	489.01	456.17
Other Manufacturing Expenses	14.24	9.96
	<b>1,477.34</b>	<b>1,336.68</b>
<b>(b) Administrative &amp; Selling Expenses</b>		
Payment to Auditors*	4.57	2.00
Rates & Taxes	11.21	10.21
Insurance	13.48	10.22
Legal & Professional Charges	29.52	12.70
Communication Expenses	2.37	1.69
Printing & Stationery	6.49	4.71
Vehicle Running Expenses	14.60	1.73
Travelling & Conveyance Expenses	11.72	7.05
Director Sitting Fees	7.60	2.00
Freight Outward	81.16	86.12
CSR Expenses	9.50	4.65
Security expenses	21.65	22.27
Other Misc. Expenses	37.36	33.24
<b>Total</b>	<b>1,728.57</b>	<b>1,535.27</b>

\*Detail of Payment to Auditors

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Audit Fee	4.00	2.00
Auditor's out of pocket Expenses	0.57	-
<b>Total</b>	<b>4.57</b>	<b>2.00</b>

34 Earnings per share (EPS)

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

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Net Profit after tax attributable to equity holders</b>	<b>336.01</b>	<b>327.65</b>
Weighted average no of equity shares outstanding during the year- for Both Basic and Diluted EPS	122.65	86.76
Face value of Equity Share ( INR )	10.00	10.00
Basic and Diluted EPS per share	2.74	3.78

35 Current Tax and Deferred Tax

(All amount In Lakhs , unless otherwise stated )

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current Tax:</b>		
Current income tax:	50.88	55.09
Adjustments in respect of current income tax of earlier years	(0.70)	(36.50)
<b>Deferred Tax:</b>		
Relating to origination and reversal of temporary differences	62.66	53.26
<b>Total</b>	<b>112.84</b>	<b>71.85</b>

**Income Tax on Other Comprehensive Income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current Tax</b>	-	-
<b>Deferred Tax</b>		
Net loss/(gain) on remeasurements of defined benefit plans	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

(c) Reconciliation of deferred tax assets / ( liabilities)( net)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening Balance</b>	79.05	
Tax liability recognised in Statement of Profit and Loss	62.66	79.05
<b>Total deferred tax liabilities</b>	<b>141.71</b>	<b>79.05</b>
	-	-
<b>Net deferred tax asset (liability)</b>	<b>141.71</b>	<b>79.05</b>

(d) Reconciliation of Income tax charge

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Profit before tax</b>	<b>448.85</b>	<b>399.50</b>
<b>Income tax expense at tax rates applicable</b>	<b>109.88</b>	<b>97.80</b>
<b>Add/(Less) : Tax effects</b>		
Items deductible for tax	(151.51)	(124.75)
Items not deductible for tax	92.51	82.04
<b>Income tax expenses</b>	<b>50.88</b>	<b>55.09</b>

36 Related party transactions

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

A) Holding Company

Pritika Auto Industries Limited

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

Pritika Industries limited

C) Key Management Personnel

Mr. Harpreet Singh Nibber-Chairman & Managing Director

Mr. Raminder Singh Nibber- Director ( demised on 12.03.2024 )

Mr. Ajay Kumar- Director

Mr. Narinder Kumar Tyagi- CFO

Mr. Chander Bhan Gupta- Company Secretary

Mrs. Neha - Independent Director

Mr. Subramaniam Bala - Independent Director ( ceased w.e.f.18.08.2023 )

Mr. Bishwanath Choudhary-Independent Director

Mr. Aman Tandon-Independent Director ( w.e.f. 08.11.2023 )

(b) Breakup of the transactions during the year with related parties

A) Holding Company

Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Sale of Goods	7,898.95	3,217.07
(ii) Purchase of Goods	616.99	111.36
(iii) Interest Paid	75.94	100.51
(iv) Loan Taken	1,212.00	355.00
(v) Loan repayment	-	355.00

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

Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Sale of Goods	-	4,796.39
(ii) Purchase of Goods	-	290.62

**C) Directors and Key Management Personnel**

Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(i) Managerial Remuneration</b>		
Mr. Harpreet Singh Nibber	24.00	21.00
Mr. Ajay Kumar	12.00	9.00
<b>(ii) Remuneration to KMP's</b>		
Mr. Narinder Kumar Tyagi	4.80	3.60
Mr. Chander Bhan Gupta	3.23	2.25
<b>(iii) Director Sitting Fees to Independent Directors</b>		
Mrs. Neha	2.60	0.50
Mr. Subramaniam Bala	1.40	0.50
Mr. Aman Tandon	0.50	-
Mr. Bishwanath Choudhary	3.10	1.00

**(c) Details of balances with related parties at year end****A) Holding Company**

Balances at year end	As At March 31, 2024	As At March 31, 2023
Payables( Net of Advance against supplies)	69.89	83.35
Loan( including interest net of TDS)	1,280.34	-
Corporate Guarantee taken	4,615.79	4,486.00

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

Balances at year end	As At March 31, 2024	As At March 31, 2023
Payables	-	732.60

**37 Disclosure pursuant to IND AS 19 on Employee benefit**

The Company operates post retirement defined benefit plan for retirement gratuity, which is funded. The Company through the gratuity trust has taken Company gratuity policy of Life Insurance Corporation of India Gratuity Scheme.

**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.

**Change in the Fair Value of Plan Assets****(All amounts in Rs. Lacs, unless otherwise stated)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Fair value of Plan Assets</b>	-	-
Investment Income	0.59	-
Employer's Contribution	16.37	-
Employee's Contribution	-	-
Benefits paid	(0.75)	-
Return on plan assets,	(0.21)	-
Transfer In/Out	-	-
<b>Fair value of Plan Assets</b>	<b>16.00</b>	<b>-</b>

### Changes in the Present Value of Obligation

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present Value of Obligation as at the beginning	12.50	-
Current Service Cost	6.69	12.50
Interest Expense or Cost	0.90	-
Re-measurement (or Actuarial) (gain) / loss arising from:	-	-
change in demographic assumptions	-	-
change in financial assumptions	-	-
experience variance (i.e. Actual experience vs assumptions)	4.34	-
others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(1.45)	-
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
<b>Present Value of Obligation as at the end</b>	<b>22.99</b>	<b>12.50</b>

### Actuarial Assumptions:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary Growth rate per annum	5.00%	-
Discount Rate rate per annum	7.20%	-

### 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, 2024	For the year ended March 31, 2023
Current Liability (Short term)	0.92	-
Non-Current Liability (Long term)	22.07	12.50
<b>Present Value of Obligation</b>	<b>22.99</b>	<b>12.50</b>

### Expenses Recognised in the Income Statement

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Service Cost	6.69	-
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	0.31	-
<b>Expenses Recognised in the Income Statement</b>	<b>7.00</b>	<b>-</b>

### Other Comprehensive Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gains) / losses	-	-
change in demographic assumptions	-	-
change in financial assumptions	-	-
experience variance (i.e. Actual experience vs assumptions)	4.34	-
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	0.21	-
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>4.55</b>	<b>-</b>

**38 Fair values**

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

**Assets and liabilities carried at amortised cost**

(All amount In Rs. Lakhs , unless otherwise stated )

Particulars	Carrying Value		Fair Value	
	As At March 31, 2024	As At March 31, 2023	As At March 31, 2024	As At March 31, 2023
<b>Financial assets</b>				
Trade Receivables	1,170.08	1,333.96	1,170.08	1,333.96
Cash and cash equivalents	23.88	360.45	23.88	360.45
Bank balances other than cash and cash equivalents	162.67	154.11	162.67	154.11
Other financial assets(Non Current)	2.53	-	2.53	-
Other financial assets	539.52	560.34	539.52	560.34
<b>Total</b>	<b>1,898.68</b>	<b>2,408.86</b>	<b>1,898.68</b>	<b>2,408.86</b>
<b>Financial liabilities</b>				
Borrowings	4,253.15	1,842.36	4,253.15	1,842.36
Trade Payables	577.26	757.49	577.26	757.49
Other Financial Liabilities	625.07	546.22	625.07	546.22
<b>Total</b>	<b>5,455.48</b>	<b>3,146.07</b>	<b>5,455.48</b>	<b>3,146.07</b>

**Assets and liabilities carried at FVOCI**

Particulars	Carrying Value		Fair Value	
	As At March 31, 2024	As At March 31, 2023	As At March 31, 2024	As At March 31, 2023
<b>Financial assets</b>				
Investments	0.03	0.02	0.03	0.02

**C) Fair value Measurement**

**(i) Fair Value hierarchy**

Level 1- It includes financial instruments measured using quoted prices in active markets for identical assets or liabilities.

Level 2- Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs other than Level 1 inputs; and

Level 3- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3

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

Investments in Quoted Equity instruments have been carried at fair value through the other comprehensive income.

**39 Capital Management**

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

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

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

Particulars	As At March 31, 2024	As At March 31, 2023
Debt	6,024.59	3,295.13
Less: cash and cash equivalents	23.88	360.45
<b>Net Debt (A)</b>	<b>6,000.69</b>	<b>2,934.67</b>
Equity (B)	3,974.19	2,738.40
<b>Gearing ratio (A/B)</b>	<b>1.51</b>	<b>1.07</b>

**40 Trade Receivable Ageing**

Particulars ( As at 31.03.2024)	Outstanding for following periods from					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	years	
(i) Undisputed trade receivables- Considered good	1,170.08	-	-	-	-	1,170.08
(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 ( As at 31.03.2023)	Outstanding for following periods from					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- Considered good	1,333.96	-	-	-	-	1,333.96
(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	-	-	-	-	-	-

41 Trade Payables ageing Schedule

Particulars ( As at 31.03.2024)	Outstanding for following periods from due date for payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	33.54	-	-	-	33.54
(ii) Others	543.72	-	-	-	543.72
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-

Particulars ( As at 31.03.2023)	Outstanding for following periods from due date for payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	757.49	-	-	-	757.49
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-

42 Capital Work in Progress Ageing

Particulars ( As at 31.03.2024)	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	4.22	-	-	-	4.22
Project temporarily suspended	-	-	-	-	-

Particulars ( As at 31.03.2023)	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	930.44	-	-	-	930.44
Project temporarily suspended	-	-	-	-	-

43 Additional Regulatory Information - Analytical Ratios

Name of Ratio	Numerator	Denominator	As At March 31, 2024	As At March 31, 2023	% Variance	Reasons
Current Ratio ( In times )	Current Assets	Current Liabilities	1.41	1.43	-0.87%	
Debt Equity Ratio( In times )	Debt ( Borrowings + Lease Liabilities)	Shareholders Equity	1.22	0.82	48.55%	Increase in Debt
Debt Service Coverage Ratio( In times )	PAT + depreciation +finance cost+ Profit on sale of PPE	Debt Service ( Interest and lease payments + Principal repayments)	1.19	1.36	-12.54%	
Return On Equity ( In % )	Net Profit for the year	Average Shareholder Equity	8.35%	11.96%	-30.20%	Due to issue of shares during year
Inventory Turnover( In times )	Revenue from Operations	Average Inventory	4.41	5.32	-16.94%	
Trade Receivable Turnover ( In times )	Revenue from Operations	Average trade receivables	7.46	6.17	20.93%	
Trade Payable Turnover Ratio( In times )	Purchase	Average trade Payable	10.55	7.58	39.14%	
Net Capital Turnover Ratio( In times )	Revenue from Operations	Net Working Capital	6.96	6.76	2.91%	
Net Profit Margin( In % )	Net Profit for the year	Revenue from Operations	3.80%	4.16%	-8.65%	
Return On Capital Employed( In % )	Profit before tax and finance cost	Capital Employed ( Net Worth + borrowings +lease liabilities )	8.97%	11.29%	-20.54%	

44 Details of Land and Building in Property, Plant and Equipment

Rellevant line item in the Balance Sheet	Description of item of property	Gross carrying value as on 31.03.2024	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 - Phagwara-Simbli	365.85	Pritika Engineering Components Limited	Company	30/04/2018	-
	land - Phagwara-Simbli	97.69	Meeta Castings Limited	Company	17/03/2022	-
	Building - Phagwara-Simbli	995.96	Pritika Engineering Components Limited	Company	30/04/2018	-
	Building - Phagwara-Simbli	677.83	Meeta Castings Limited	Company	March, 2024*	-
Investment Property	-	-	-	-	-	-
PPE retired from active use and held for disposal	-	-	-	-	-	-
others	-	-	-	-	-	-

#### 45 Commitments and Contingencies

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(a) Contingent Liabilities :</b>		
Claim against the Company not acknowledged as debts	-	-
- GST *	5.78	5.78
- Bank Guarantee	-	50.00
- Letter of credit	94.50	90.45

\* Note : The GST demand is under appeal with GST Appellate authority and the management is hopeful to get relief hence no provision to be made.

#### 46 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss related to adverse changes in market prices, including interest rates and foreign exchange rates. In the normal course of business, we are exposed to certain market risks including foreign exchange rate risk and interest risk.

##### (i) Liquidity risk

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and deposits to meet the obligations as and when fall due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period

Particulars	(Rs. In lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>Borrowings</b>		
expiring with in one year	1,771.43	1,452.77
expiring beyond one year	4,253.15	1,842.36
	6,024.58	3,295.13
<b>Trade payables</b>		
expiring with in one year	577.26	757.49
expiring beyond one year	-	-
	577.26	757.49
<b>Other financial liabilities</b>		
expiring with in one year	625.07	546.22
expiring beyond one year	-	-
	625.07	546.22

##### (ii) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in shares of bank having proven track record and taken as a stipulation of credit facility availed from them. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Customer credit risk is managed by the Entities's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

The impairment analysis is performed on client to client basis at each reporting date for major customers. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

##### Write off Policy

The financial assets are written off, in case there is no reasonable expectation of recovering from the financial asset.

##### (iii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

##### Exposure to Interest Rate risk

Particulars	(Rs. In lakhs)	
	As at 31.03.2024	As at 31.03.2023
Long term debts from Banks and Financial Institutions and others	4,253.15	1,842.36
Current Maturities of long term debts	585.40	402.03
Short term Borrowings from Banks	1,186.03	1,050.74
Total borrowings	6,024.58	3,295.13
% of Borrowings out of above bearing variable rate of interest	100%	100%

##### Interest rate Sensitivity

A change of 50 bps in interest rate would have following impact on Profit before tax

Particulars	(Rs. In lakhs)	
	As at 31.03.2024	As at 31.03.2023
50 bps increase would decrease the profit before tax by	(30.12)	(16.48)
50 bps decrease would increase the profit before tax by	30.12	16.48



47 Details of CSR Expenditure

Particulars	(All amounts in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
a. Gross amount required to be spent by the Company during the	7.14	4.40
b. Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) Purposes other than (i) above	9.50	4.65
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 ,Sports healthcare including preventive health care and menstrual hygiene awareness program	Promoting Education ,Sports healthcare including preventive health care and menstrual hygiene awareness program
g. Details of the related party transaction	-	-
h. Movement in provision during the year	-	-

48 Foreign Exchange Earnings and Outgo

Particulars	(All amounts in Lacs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Earning in Foreign Exchange	-	-
Outgo in Foreign Exchange	293.93	-

49 There is no charge pending yet to be registered or satisfy beyond the due date .

50 No funds have been advanced or loaned or invested (either from borrowed funds or share premium 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.

51 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.

52 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.

53 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

54 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

55 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

56 The Company do not have any transactions with companies struck off during the year .

57 Previous year figures has been regrouped/rearranged wherever considered necessary.

As per our report of even date

For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Regn No. 003645N

Sd/-  
CA Rahul Goyal  
Partner  
Membership No.: 540880

For and on behalf of Board of Directors

Sd/-  
Harpreet Singh Nibber  
(Chairman & Managing D  
DIN No. 00239042

Sd/-  
Ajay Kumar  
( Director )  
DIN No. 02929113

Place: Mohali  
Date: 21-05-2024  
ICAI UDIN NO. : 24540880BKEBAR6627

Sd/-  
Narinder Kumar Tyagi  
C.F.O

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

## Pritika Engineering Components Limited

Regd Office: C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab-160055

CIN: L28999PB2018PLC047462

### Form No. MGT – 11

#### Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

### Annual General Meeting of the Members of Pritika Engineering Components Limited to be held on Friday, 06<sup>th</sup> September, 2024 at 11.30 am at the Registered Office of the Company

CIN : L28999PB2018PLC047462  
Name of the Company : Pritika Engineering Components Limited  
Registered office : Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S Nagar, Mohali- 160055, Punjab

Name of the member (s):
Registered address:
E-mail Id:
Folio No/Client Id:
DP ID:

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1. Name: **Mr./Ms.** E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him
2. Name: **Mr./Ms.** E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him
3. Name: **Mr./Ms.** E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, the 06<sup>th</sup> day of September, 2024 at 11:30 AM at the registered office at Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S Nagar, Mohali- 160055, Punjab, and any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Options	
		For	Against
<b>Ordinary Business</b>			
1.	Adoption of Financial Statements		
2.	Adoption of Consolidated Financial Statements		
3.	Appointment of Mr. Ajay Kumar as a Director liable to retire by rotation.		
<b>Special Business</b>			
4.	To increase the authorized share capital of the company and amend the Capital Clause in the Memorandum of Association of the company		
5.	Appointment of Mr. Narinder Kumar Tyagi (DIN: 00483827) Additional Director, as Director of the company.		
6.	To approve payment of remuneration to Mr. Narinder Kumar Tyagi (DIN: 00483827), Director of the Company.		
7.	Approval of the material related party transactions with Pritika Auto Industries Ltd.		
8.	Approval of the material related party transactions with Meeta Castings Ltd.		
9.	Approval of the material related party transactions with Pritika Industries Ltd.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024

Signature of Member: \_\_\_\_\_

Signature of Proxy: \_\_\_\_\_

Note:

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. It is optional to indicate your preference. If you leave the for or against Column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Affix Revenue Stamp
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**Pritika Engineering Components Limited**  
**Regd Office: C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab-160055**  
**CIN: L28999PB2018PLC047462**

**ATTENDANCE SLIP**  
**(To be presented at the entrance)**

**Annual General Meeting of the Members of Pritika Engineering Components Limited to be held on Friday, 06<sup>th</sup> September, 2024 at 11.30 am at the Registered Office of the Company at Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S Nagar, Mohali- 160055, Punjab**

Folio No. / DPID No.: \_\_\_\_\_

Client ID: \_\_\_\_\_

No. of shares held: \_\_\_\_\_

I/ We record my/ our presence at the Annual General Meeting of the Company held on Friday, 06<sup>th</sup> September, 2024 at 11.30 am at the Registered Office of the Company at Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S Nagar, Mohali- 160055, Punjab

Name of the Member: \_\_\_\_\_ Signature: \_\_\_\_\_

Name of the Proxy-holder: \_\_\_\_\_ Signature: \_\_\_\_\_

Note:

1. Only Member / Proxy-Holder can attend the Meeting.
2. You are requested to sign and handover this slip at the entrance of the meeting venue.
3. Members are requested to bring their copy of notice for reference at the Meeting.

# ROUTE MAP

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

