

# PRITIKA

Auto Industries Limited



39<sup>TH</sup>  
ANNUAL  
REPORT

2019

### **Board of Directors**

Mr. Raminder Singh Nibber	Chairman & WTD
Mr. Harpreet Singh Nibber	Managing Director
Mr. Ajay Kumar	Whole Time Director
Mr. Neeraj Bajaj	Independent Director
Mr. Yudhisthir Lal Madan	Independent Director
Mrs. Neha	Independent Director

### **Chief Financial Officer**

Mr. Ramesh Chander Saini	Retired w.e.f. 30.04.2019
Mr. Narinder Kumar Tyagi	Appointed w.e.f. 22.05.2019

### **Company Secretary**

Mr. Vedant Bhatt	Resigned w.e.f. 22.05.2019
Mr. Chander Bhan Gupta	Appointed w.e.f. 22.05.2019

### **Registered Office**

Plot No. C-94, Phase-VII  
Industrial Focal Point  
S.A.S Nagar, Mohali  
Punjab - 160055  
Ph. 0172-5008900

### **Works**

Vill-Batheri, Teh Haroli  
Tahliwala-Garhshankar  
Road, Distt. Una  
Himachal Pradesh-174301

### **Statutory Auditors**

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

### **Bankers**

Canara Bank  
ICICI Bank

### **Registrar & Transfer Agents**

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

### **Works**

Village Saidomajra  
Post Office Mubarkpur,  
Near Focal Point, Derabassi  
Distt. S.A.S. Nagar, Punjab-140507

### **CIN**

L45208PB1980PLC046738

### **Website**

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

### **E-mail**

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

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## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 39TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PRITIKA AUTO INDUSTRIES LIMITED WILL BE HELD AT ITS REGISTERED OFFICE SITUATED AT PLOT NO. C-94, PHASE-VII INDUSTRIAL FOCAL POINT, S.A.S. NAGAR, MOHALI, PUNJAB -160055 ON MONDAY, 30TH SEPTEMBER, 2019 AT 9.30 A.M. TO TRANSACT FOLLOWING BUSINESS:**

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### **ORDINARY BUSINESS**

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

To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors ('the Board') and auditors thereon.

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

To consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the reports of the auditors thereon.

#### **ITEM NO. 3 – DECLARATION OF DIVIDEND**

To declare a final dividend of 50 paise per equity share for the year ended March 31, 2019.

#### **ITEM NO. 4 - APPOINTMENT OF MR. AJAY KUMAR AS A DIRECTOR LIABLE TO RETIRE BY ROTATION**

To appoint a director in place of Mr. Ajay Kumar (DIN:02929113), who retires by rotation and being eligible, seeks reappointment.

### **SPECIAL BUSINESS**

#### **ITEM NO. 5 - RATIFICATION OF REMUNERATION OF COST AUDITOR**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), payment of remuneration of Rs. 65,000 and applicable taxes and out of pocket expenses, if any, to M/s. Khushwinder Kumar & Co., Cost Accountants (Registration Number 100123), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31 March 2020, be and is hereby approved.

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

#### **ITEM NO. 6: ALTERATION IN ARTICLES OF ASSOCIATION OF THE COMPANY**

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

“RESOLVED THAT pursuant to the provisions of section 14 and other applicable provisions of the Companies Act, 2013, if any, read with Companies (Incorporation) Rules, 2014, exiting Article 150 of the 'Articles of Association' of the company be deleted and be substituted with the following Article.

#### **The Seal**

150. The Directors shall provide for the safe custody of the Seal. The Seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and except in the presence of at least one director of the company as the Board may appoint for that purpose; and that director shall sign every instrument to which the seal of the company is so affixed in his/her presence.

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

Sd/-

**Harpreet Singh Nibber  
Managing Director**

**Date: 05/08/2019  
Place: Mohali**

**Notes:**

- 1) Explanatory statement pursuant to sub-section (1) of Section (102) is annexed to the Notice.
- 2) **A member entitled to attend and vote at the meeting is entitled to appoint proxy / proxies to attend and vote instead of himself and the proxy need not be a member of the Company.**
- 3) A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
- 4) Corporate Members intending to send their authorised representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
- 5) The dividend of Rs.0.50 per share has been recommended by the Board of Directors for the year ended 31st March 2019, which is subject to the approval of the shareholders at the ensuing Annual General Meeting. The dividend as recommended by the Board, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear as beneficial owners with depositories or in the Register of Members as at the end of 23<sup>rd</sup> September, 2019, the record date for the purpose.
- 6) Members are requested to claim dividends for the year ended 31<sup>st</sup> March, 2018 that remain unclaimed by corresponding with the Registrar and Share Transfer Agents. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act 2013, be transferred to the Investor Education and Protection Fund (IEPF). The detail of Unclaimed Dividend is available on the website of the company at <http://www.pritikaautoindustries.com/investors.html>
- 7) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
- 8) The members whose bank particulars are not updated with their Depositories are requested to update their details.
- 9) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
- 10) The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.
- 11) The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
- 12) Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
- 13) Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification.
- 14) The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from 24<sup>th</sup> day of September 2019 to 30<sup>th</sup> day of September, 2019 (both days inclusive).

- 15) Adopting Green Initiatives, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the Meeting.
- 16) 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.
- 17) Members who are holding shares in identical order or names in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
- 18) 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.
- 19) Members are requested to kindly notify changes including email address, if any, in their address to the R & T Agent of the Company, Satellite Corporate Services Pvt. Ltd. situated at Unit No. 49, Bldg. No. 13-A-B, 2nd Floor Samhita Commercial Co-Op. Soc. Ltd. Off. Andheri Kurla Lane, MTNL Lane Sakinaka, Mumbai - 400072. Website: [www.satellitecorporate.com](http://www.satellitecorporate.com). Phone no. 022-28520461, 022-28520462.
- 20) 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.
- 21) 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. Members holding shares in physical form are advised to get them dematerialized.
- 22) Electronic copy of the Notice of the 39<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Annual Report, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the above is being sent in the permitted mode.
- 23) Members may also note that the Notice of the 39<sup>th</sup> Annual General Meeting and the Annual Report for 2019 will also be available on the Company's website [www.pritikaautoindustries.com](http://www.pritikaautoindustries.com) for their download. The physical copies of the aforesaid documents as enumerated in the said Annual Report will also be available at the Company's Registered Office at Mohali for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the Shareholders may also send requests to the Company's investor email id: [compliance@pritikaautoindustries.com](mailto:compliance@pritikaautoindustries.com).
- 24) 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.
- 25) Pursuant to the prohibition imposed vide Secretarial Standards on General Meetings (SS2) issued by ICSI and MCA Circular, no gifts/coupons shall be distributed at the meeting.
- 26) **Additional information on director recommended for appointment/reappointment as required under Regulation 36 of the Listing Regulations**

Mr. Ajay Kumar aged 44 years, is a young B.E with M.B.A. He has more than 18 years experience in industry. He is associated with the group for the last 13 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 does not hold directorship or membership of committees of the board in any other listed entity.

He is holding 970 shares of the company.

**27) Voting through electronic means :**

- A. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means and the business is to be transacted through such voting.
- B. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. A member can opt only for one mode of voting i.e either through e-voting or by Ballot. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- C. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
- D. The Members desiring to vote through electronic mode may refer to the detailed procedure on e- voting given hereinafter:

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

**Step 1: Log-in to NSDL e-Voting system**

- 1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- 3. A new screen will open. You will have to enter your User ID, your Password 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 will be as per details given below :
  - a. For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
  - b. For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
  - c. For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).

5. Your password details 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, your 'initial password' is communicated to you on your postal address.
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.
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:

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.



7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **Other Instructions**

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

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

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

The remote e-voting period will commence at 9.00 a.m. on 26<sup>th</sup> September, 2019 and will end at 5.00 p.m. on 29<sup>th</sup> September, 2019. During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently.

The Members, whose names appear in the Register of Members/list of Beneficial Owners as on 23<sup>rd</sup> day of September, 2019, are entitled to vote on the Resolutions set forth in this Notice. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September, 2019.

Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23<sup>rd</sup> September, 2019 may obtain the login ID and password by sending an email to [compliance@pratikaautoindustries.com](mailto:compliance@pratikaautoindustries.com) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No. /DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

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

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

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

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

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Harpreet Singh Nibber**  
**Managing Director**

**Date: 05/08/2019**  
**Place: Mohali**

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

### **Item No. 5**

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

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Khushwinder Kumar & Co., Cost Accountants as Cost Auditor of the Company for the financial year ending on 31 March 2020, to conduct audit of cost accounting records of the Company as may be required for cost audit under the Companies Act, 2013, and Rules made there under, at a remuneration of ` Rs. 65,000 /-, and applicable taxes and out of pocket expenses, if any.

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

### **Item No. 6**

#### **Alteration in Articles of Association of the Company**

The existing Article 150 requires that Common Seal of the company shall be affixed under the authority of the Board by resolution and in the presence of at least two directors and the secretary or such other person as the Board may appoint. The requirement of presence of three persons delays the execution of documents/instruments to be executed under the seal of the company. To make it convenient, the Board of Directors has approved the alteration of the existing article by substituting it with the article proposed in the resolution.

Pursuant to the provisions of section 14 of the Companies Act, 2013 and Companies (Incorporation) Rules, 2014, any alteration in the Articles is to be approved by the members of the company by Special Resolution. Accordingly, consent of the members is sought for passing Special Resolution as set out in the Notice for alteration of Articles of Association of the company. None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board has recommended the approval of said item by the members of the company by Special Resolution.

**For and on behalf of the Board of Directors**  
Sd/-

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

**Date: 05/08/2019**  
**Place: Mohali**

## Chairman's Message to Shareholders

I am pleased to inform that our Company has had a very successful year, with significant progress towards cementing our position as a market leader in the various segments of component manufacturing.

The industry has enjoyed some tailwinds in the form of support from government policies in the agriculture and automotive sectors, and a fairly healthy agricultural year, boosting the demand for tractors. To capitalize on these opportunities, we continue to strategize and invest in capacity expansions, to be better positioned to cater to the anticipated growth in demand. Consequently, our growth numbers indicate the relevance of our strategy and vision.

We also continue to strive towards improving our capacity utilizations, to maintain a lean and cost-efficient manufacturing process as well as optimal inventory.

I am happy to share that our Company recorded sales growth of 23.3% from Rs. 170cr (net of excise) in FY2018 to Rs. 209.7 cr. in FY2019. The Company produced 33,110 tons of machined casting during the year. This year also saw the Company reach its highest ever quarterly production volumes at 9,647 tons in the second quarter of the financial year. About 92-93% of the revenue was contributed by the tractor components segment while the rest was from commercial vehicle segment. A strong order book, increasing capacity and better utilizations facilitated a 21.9% growth in EBITDA from Rs. 24.7 cr. in FY2018 to Rs. 30.2 cr. in FY2019. EBITDA margin stood at 14.4%. This was mainly due to the addition of value-added products and better operational efficiencies. The Company registered a 27.6% growth in net profit from Rs. 11.1 cr. in FY2018 to Rs. 14.1 cr. in FY2019. PAT margin also improved by 20 bps to 6.7%.

I am pleased to share that during the year FY19, we won an initial order from TAFE and Eicher to supply 1,200 tons per annum of components for low horse-power tractors. This testifies the confidence and reliability that our client-OEMs have in us. In line with this, our Company has made capacity expansion initiatives to prepare for our growing order book. During this year, we expanded the capacity at one of our facilities by 3,200 tons per annum. This has increased our total installed capacity to over 50,000 tons per annum.

We have already crossed our 'Vision 2020' goal of reaching an installed capacity of 50,000 tons per annum in 2018 itself. Driven by a robust order book, we expect our growth trajectory to continue in a similar fashion.

Indian agriculture is yet to be fully mechanized and there is a growing need to strengthen productivity and viability. We are working on technologies and solutions that would help create highly mechanized and evolved farms of the future. We are developing new, large and smaller tractor components that will not only help us expand our range, but also give our customers a wider choice, especially for newer tractor models. With the tractor industry recording the highest growth in the past few years, we believe and expect this trend to continue going forward.

The past couple of years have witnessed the announcement of various policies and incentives by the Indian government, benefitting the agriculture and automotive sectors. Schemes centred around the development of rural economy, such as the vision to double farmers' income by 2022 and other subsidies granted to this sector, are likely to open up our market to investments and development. We, at Pritika, are well poised to drive this development, by optimally supporting the tractor and commercial vehicles industry.

I am also glad to share that Pritika's participation in 'Agritechnica', a trade fair for agricultural machinery held in Germany, not only increased our visibility to the global industry, but has also garnered substantial queries (across our suite of offerings) from overseas automotive companies. This may open up avenues for us to export to foreign markets, thereby boosting our top line and margins. Moreover, Pritika's focus on high-margin value-added products also reflects our strategy to not just maintain our margins but also target at improving them.

Going forward, we see a positive financial year ahead, supported by growth in the country's rural sector. Pritika remains well positioned to grow in tandem with the economy, both organically as well as through potential acquisitions. We continue to focus on maintaining long-standing relationships with our valued OEMs as well as adding more to our order book.

The Company's success is primarily attributable to our most important asset – our team. I would like to take this opportunity to thank each and every member of the Pritika Group family for their untiring efforts. I would also like to thank our clients, creditors, banks, financial institutions and other stakeholders, without whose patronage we could not have been where we are today.

**Raminder Singh Nibber**  
Chairman

# DIRECTORS' REPORT

Dear Shareholders,

The Directors have pleasure in presenting their 39th 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, 2019.

## 1. FINANCIAL RESULTS

The Financial results are briefly indicated below:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from operations (net)	19515.93	17194.87	20971.20	17194.87
Other Income	194.53	61.48	165.36	61.48
Profit before Interest, Depreciation and Tax (PBIDT)	3032.65	2541.86	3182.51	2536.21
Interest	696.49	554.30	785.27	559.39
Profit before Depreciation and Tax (PBIT)	2336.16	1987.56	2397.24	1976.82
Depreciation	582.13	568.04	633.35	568.04
Profit before Tax Expenses	1754.03	1419.52	1763.89	1408.78
Tax Expenses	349.46	302.39	351.75	302.39
Profit after Tax	1404.57	1117.13	1412.14	1106.49
EPS- Basic	7.98	7.63	8.03	7.56
Diluted	7.97	7.63	8.01	7.56

The Standalone Revenue from the operations (net) for the Financial Year 2018-19 was Rs. 19515.93 lac (Previous Year Rs. 17194.87 lac). The company earned Net Profit of Rs. 1404.57 lac as against Rs. 1117.13 lac in the previous year.

The Consolidated Revenue from the operations (net) for the Financial Year 2018-19 was Rs. 20971.20 lac (Previous Year Rs. 17194.87 lac). The company earned Consolidated Net Profit Rs. 1412.14 lac as against Rs. 1106.49 lac during previous year. There was no change in the nature of business of the company during the year.

The Amalgamated Financial Statement of the company are prepared for the Financial Year 2018-19 after considering amalgamation of Pritika Autocast Ltd. and Nibber Castings Pvt. Ltd. (the wholly owned subsidiaries) with the company. The previous year figures have been restated, rearranged, regrouped and consolidated upon amalgamation of wholly owned subsidiaries, to enable comparability of the current year figures of amalgamated accounts with the relative previous year's figures.

## 2. INDUSTRIAL SCENARIO

The Indian tractor industry witnessed a double digit growth for the third consecutive year in Financial Year 2018-2019, however, the pace was slowest in the last three years. In FY'19 tractor sales grew by 10.24 per cent at 878, 476 units as compared to 20.52 per cent and 15.74 per cent in FY'18 and FY'17 respectively. On a yearly basis the growth rate was almost halved in FY'19 over FY'18.

The growth was marred due to weak sentiment in later part of the year as sales slipped into negative in February and March 2019 on year-on year (YOY). This ensued into the fourth quarter performance posting a year on year decline of 5.78 per cent. Lack of optimum financing, poor rabi crop sowing and weak crop prices have limited tractor sales. The growth rate is even lower than what the industry executives had pegged post the December quarter. The month of March was slow in the domestic market due to postponement of festive season to April and lower rabi sowing than expected.

The first long-range forecast for the south-west monsoon by the India Meteorological Department (IMD) signaled a positive market trend for FY19-2020 as it predicted near to normal monsoon for the current year. Despite this, analysts remain conservative as they predict a mere 5 per cent growth in tractor sales for FY'20. CRISIL Research expects domestic tractor sales volumes to continue its growth momentum, and increase by 6-8% in fiscal 2020, assuming normal monsoon.

Governments renewed thrust towards improving the rural economy, via measures such as doubling farm income by 2022, increasing spend towards irrigation, direct farmer income support through PM-KISAN scheme and improving crop productivity by distributing soil health cards is expected to drive growth in the long term. This will also be supported by other measures like the e-NAM (National Agriculture Market), expanding crop insurance, and gradual spread of Custom Hiring centers. With growth in rural wages also decelerating, and increasing mechanization on farm fields, this bodes well for structural tractor demand growth.

In fiscal 2020, capacity utilization levels are expected to improve marginally. While tractor demand is expected to improve moderately, capacity additions are also expected by players, offsetting the contribution by growth in tractor production.

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

The Hon'ble National Company Law Tribunal, Chandigarh Bench at Chandigarh vide its order dated 6/2/2019 has approved Scheme for Amalgamation of Pritika Autocast Limited and Nibber Castings Private Limited (the Transferor Companies) WITH Pritika Auto Industries Limited (the Transferee Company) with the Appointed Dated 1/4/2017. Consequently, Pritika Autocast Limited and Nibber Castings Private Limited have amalgamated with the company. The company has prepared amalgamated financial statements for the year ended 31<sup>st</sup> March, 2019.

### **4. SHARE CAPITAL**

During the year under review, the company has issued 175000 equity shares of ₹10/- each at a premium of ₹ 190/- per share, on preferential basis, to non-promoter (public) category. Consequently, as at March 31, 2019, the total paid-up share capital of the company stood at ₹ 1773.45 lacs divided into 17734500 equity shares of ₹ 10/- each.

The company has also issued, on preferential basis to non-promoter (public) category, 575000 convertible warrants at ₹ 200/- per warrant (paid-up ₹ 50/-), each convertible into one equity share of ₹ 10/- each to be issued at a price of ₹ 200/- per share i.e. at a premium of ₹ 190/- per share.

### **5. DIVIDEND**

Based on the Company's performance, the Directors are pleased to recommend for approval of the members a final dividend of 50 paise per share for FY19. The final dividend on equity shares, if approved by the members, would involve a cash outflow of Rs. 106.89 Lacs, including dividend distribution tax resulting in a payout of 7.61% of the standalone profits of the Company.

### **6. AUDITORS & AUDITORS' REPORT**

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

The Auditors' Report for the fiscal 2019 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.

## **7. 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, The 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.

## **8. 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**.

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

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

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

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

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

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

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

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

## **10. CORPORATE GOVERNANCE**

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

## **11. SUBSIDIARIES**

Pursuant to the Scheme of Amalgamation approved by NCLT, Chandigarh Bench, two of the wholly owned subsidiaries of your company, namely Pritika Autocast Limited and Nibber Castings Private Limited have been amalgamated with the company during the year. Now there is one wholly owned subsidiary namely 'Pritika Engineering Components Pvt. Limited'.

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

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

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

### **13. RELATED PARTY TRANSACTIONS**

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

### **14. EXTRACT OF ANNUAL RETURN**

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

### **15. SECRETARIAL AUDIT REPORT**

As required under section 204(1) of the Companies Act, 2013 and Rules made there under, the Company has appointed Mr. Sushil K Sikka, Prop. S K Sikka & Associates, Company Secretary as Secretarial Auditor of the Company for the Financial Year 2018-19. The Secretarial Audit Report forms part of the Annual Report.

The Copy of Secretarial Audit Report for the Financial Year 2018-19 issued by Mr. Sushil K Sikka, Company Secretary in Practice has been attached and marked as **Annexure – G**. The Secretarial Auditors' Report for the fiscal 2019 does not contain any qualification, reservation or adverse remark.

### **16. MANAGEMENT DISCUSSION ANALYSIS REPORT**

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

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

There is no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations. However, the Hon'ble National Company Law Tribunal, Bench Chandigarh, vide its order dated 6/2/2019 has approved the 'Scheme of Amalgamation' of Pritika Autocast Ltd. and Nibber Castings Pvt. Ltd., (the Transferor companies) with Pritika Auto Industries Ltd. (the Transferee Company).

### **18. 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.

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

For the financial year 2018-19, the provisions of Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 were applicable on Pritika Autocast Limited, wholly owned subsidiary, which has been amalgamated with the company. The details about the policy developed and implemented by the company on CSR initiatives taken during the year is enclosed at **Annexure -I**. The company has also developed a policy on Corporate Social Responsibility which can be viewed at the company's website at <https://www.pritikaautoindustries.com/investors.html>

### **20. MEETINGS OF BOARD OF DIRECTORS**

The Board met 7 times during the year, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

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

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

## **22. CORPORATE ACTIONS DURING THE YEAR 2018-19**

During the Financial Year 2018-19, the Company made several Corporate Actions the details of which are as below:

### **EXTRA-ORDINARY GENERAL MEETING**

The Company held Extra-Ordinary General Meeting on 9<sup>th</sup> January, 2019 in order to seek the approval of the Shareholders for the following matters:

- Increase in the limit of investment by Foreign Institutional Investors (FIIs) and Non Resident Individuals (NRIs) in the Company's Equity Share Capital, by Special Resolution
- Issue of Equity Shares on Preferential Allotment Basis to the Non Promoters (Public Category) for Cash, by Special Resolution
- Issue of Warrants convertible into Equity Shares, on Preferential Allotment Basis to the Non Promoters (Public Category) for Cash, by Special Resolution
- Approval of Material Related Party Transactions with Holding and other Subsidiary Companies, by Ordinary Resolution

All the above resolutions were passed with requisite majority.

### **POSTAL BALLOT**

The Company conducted Postal Ballot in order to seek the approval of the Shareholders for the following matters vide notice dated 12<sup>th</sup> February, 2019, by Special Resolution.

- Continuance of Mr. Raminder Singh Nibber as director and Chairman of the company notwithstanding that he has attained the age of 75 years
- Appointment of Mr. Raminder Singh Nibber (DIN: 00239117) as whole time director and payment of remuneration for a period of three years w.e.f. 01.04.2019.
- Payment of remuneration to Mr. Harpreet Singh Nibber (DIN: 00239042) Managing Director of the company for a period of three years w.e.f. 01.04.2019
- Appointment of Mr. Ajay Kumar, director (DIN: 02929113) as whole time director of the company and payment of remuneration for a period of three years w.e.f. 01.04.2019
- Approval of loans, investments, guarantee or security under Section 185 of Companies Act, 2013

All the above resolutions were passed with requisite majority.

## **23. COMPOSITION OF COMMITTEES**

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



## 24. BOARD EVALUATION

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

## 25. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Re-Appointment of Director

Mr. Ajay Kumar (DIN: 02929113) 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.

### Change in Composition of Board

During the Financial Year 2018-19, Mrs. Neha was appointed as an Independent Director w.e.f. 24.04.2018.

### Key Managerial Personnel

There was no change in Key Managerial Personnel during the FY 2018-19.

Mr. Ramesh Chander Saini, Chief Financial Officer on his retirement, resigned from the post w.e.f. 30.04.2019 & Mr. Narinder Kumar Tyagi was appointed as Chief Financial Officer w.e.f. 22.05.2019.

Mr. Vedant Bhatt, Company Secretary & Compliance Officer resigned w.e.f. 22.05.2019 and Mr. Chander Bhan Gupta was appointed as Company Secretary & Compliance Officer w.e.f. 22.05.2019.

## 26. 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, 2019 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 31<sup>st</sup> March, 2019 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.

## 27. COST AUDITORS

As per requirement of the Regulation 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors on the recommendation of Audit Committee, has appointed M/s. Khushwinder Kumar & Co., Cost Accountants, (Firm Registration No. 100123) as Cost Auditor to audit the Cost Accounts of the company for the Financial Year 2019-20. As required under the Act, a resolution seeking members' approval for remuneration payable to the Cost Auditor, forms part of the notice convening the Annual General Meeting for their ratification.

## 28. INTERNAL AUDITORS

The Company has appointed Mr. Gaurav Kumar, CMA (Cost Accountant), as Internal Auditor of the Company for financial year 2019-20.

## 29. COST RECORDS

As specified by the Central government under sub section (1) of section 148 of the Companies Act, 2013, cost records were maintained by Pritika Autocast Ltd. and Nibber Castings Pvt. Ltd., the wholly owned subsidiaries, amalgamated with the company.

## 30. 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.

## 31. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

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

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

The company has complied with the provisions of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details pertaining to complaints are mentioned in the Corporate Governance Report placed at **Annexure-B**.

## 33. 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

Date: 05/08/2019  
Place: Mohali

Sd/-  
Harpreet Singh Nibber  
Managing Director

Sd/-  
Ajay Kumar  
Whole Time Director

## 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

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

#### 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 31.03.2019

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 through out year or part thereof	Whether relative of any director/ manager of the company
1.	Mr. Harpreet Singh Nibber	Managing Director	84,00,000	Contractual	B.E (Mech.) 23 Yrs	30/05/2017	48 Yrs	Pritika Autocast Ltd.	11.59	Through out year	Yes, son of Mr. Raminder Singh Nibber, Chairman
2.	Mr. Ajay Kumar	Executive Director	37,80,000	Contractual	B.Tec., M.B.A 18 yrs.	01/08/2017	45 Yrs	Pritika Autocast Ltd.	0.00	Through out year	No
3.	Mr. Ram Lal Dhiman	Head-Development & Projects	32,00,000	Permanent	M.B.A. Material Management 43 years	15/11/2012	65 Yrs.	Amtek Ltd.	Nil	Through out year	No
4.	Mr. Raminder Singh Nibber	Chairman	30,00,000	Contractual	Mech. Engineer 54 years	30/05/2017	78 Yrs.	Nibber Castings Pvt. Ltd.	6.60	Through out year	Yes, father of Mr. Harpreet Singh Nibber, MD
5.	Mr. Narendra Kumar Tyagi	Vice President Finance	21,66,667	Permanent	Chartered Accountant 27 yrs.	01/06/2018	55 Yrs.	Lark Non Ferrous Metals Ltd.	Nil	Part of the year	No
6.	Mr. Ramesh Chander Saini	Chief Financial Officer	21,00,060	Permanent	B.Com. 47 yrs.	30/08/2017	68 Yrs	Pritika Autocast Ltd.	Nil	Through out year	No
7.	Mr. Harish Chander Bhardwaj	GM Foundry	14,40,000	Permanent	B. Tech. 23 yrs.	20/06/2018	44 Yrs.	Bhagwati Autocast Ltd.	Nil	Part of the year	No
8.	Mr. Chander Bhan Gupta	Company Secretary	11,28,660	Permanent	B.Com., LL.B., FCS 32 yrs.	01/07/2014	57 yrs	Pritika Autocast Ltd.	Nil	Through out year	No
9.	Mr. Rajesh Rattan	AGM	12,39,928	Permanent	Diploma in Mech. Engg. 31 yrs.	04/12/2006	50 yrs.	DCM Engg. Products Ltd.	Nil	Through out year	No
10.	Mr. P. Narayan	AGM	12,60,980	Permanent	ITI Moulder Trade 13 years	01/12/1998	52 Yrs.	AB Tools Ltd.	Nil	Through out year	No

\* These persons were employees of Pritika Autocast Ltd./Nibber Castings Pvt. Ltd. during the year 2018-19 and were paid salary by these companies. They became employees of the company on amalgamation of Pritika Autocast Ltd./Nibber Castings Pvt. Ltd. with Pritika Auto Industries Ltd. pursuant to order dated 06.02.2019 passed by NCLT Bench, Chandigarh.

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

Name of Director	Designation	Ratio of remuneration to median remuneration of employees
Mr. Harpreet Singh Nibber	Managing Director	67
Mr. Raminder Singh Nibber	Chairman	24
Mr. Ajay Kumar	Executive Director	30
Mr. Neeraj Bajaj	Independent Director	6
Mr. Yudisthir Lal Madan	Independent Director	4
Ms. Neha	Independent Director	2

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

Name of Director	Designation	Percentage increase in remuneration
* Mr. Harpreet Singh Nibber	Managing Director	2.44
* Mr. Raminder Singh Nibber	Chairman	Nil
*Mr. Ajay Kumar	Executive Director	17.21
Mr. Neeraj Bajaj	Independent Director	N.A. (Sitting fees was paid)
Mr. Yudisthir Lal Madan	Independent Director	N.A. (Sitting fees was paid)
Ms. Neha	Independent Director	N.A. (Sitting fees was paid)
* Mr. Ramesh Chander Saini	Chief Financial Officer	22.24
Mr. Vedant Bhatt	Company Secretary	28.13

*\*No Remuneration to these directors / KMP was paid by the company during the year.*

4. In the financial year, there was an increase of 8.35% in the median remuneration of employees.
5. There were 372 permanent employees on the rolls of the Company as on March 31, 2019.
6. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e 2018-19 was 9.36 % whereas the percentile increase in the managerial remuneration for the same financial year was 7.65%.
7. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the company.

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

**Date: 05/08/2019**  
**Place: Mohali**

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

**Sd/-**  
**Ajay Kumar**  
**Whole Time Director**

## ANNEXURE B

### Report on Corporate Governance

In compliance with regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), the Company submits the report for the year ended 31<sup>st</sup> March, 2019 on the matters mentioned in the said regulations and lists the practices followed by the Company.

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

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

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

**2. BOARD OF DIRECTORS:**

The Board of Directors of your Company as on 31<sup>st</sup> March, 2019 comprised of six Directors as detailed below:

**Composition of Board of Directors**

Name of the Directors	Category	Inter-se Relationship between Directors
Mr. Harpreet Singh Nibber	Managing Director, Promoter	Son of Mr. Raminder Singh Nibber
Mr. Raminder Singh Nibber	Chairman- Non-Executive Director, Promoter	Father of Mr. Harpreet Singh Nibber
Mr. Ajay Kumar	Executive Director, Non-Promoter	-
Mr. Yudhisthir Lal Madan	Independent Director	-
Mr. Neeraj Bajaj	Independent Director	-
Mrs. Neha	Independent Director	-

During the financial year under review, Seven (7) Board Meetings were held on the following dates: (i) 29<sup>th</sup> May, 2018 (ii) 20<sup>th</sup> June, 2018 (iii) 11<sup>th</sup> August, 2018 (iv) 3<sup>rd</sup> November, 2018 (v) 8<sup>th</sup> December, 2018 (vi) 21<sup>st</sup> January, 2019 and (vii) 12<sup>th</sup> February, 2019.

Name of Director	Board Meetings attended	Attendance at last AGM	No. of Directorships held in Companies (including PAIL)	Other Listed Entities where person is director		No. of Committees of Public Ltd Company in which director is Member or Chairperson (including PAIL)*	
				Name of Listed Entity	Category	Members	Chairperson
Mr. Harpreet Singh Nibber	07	Yes	03	None	NA	01	-
Mr. Raminder Singh Nibber	07	Yes	03	None	NA	01	01
Mr. Ajay Kumar	06	Yes	02	None	NA	-	-
Mr. Yudhisthir Lal Madan	04	No	03	Ramkrishna Forgings Ltd.	Independent Director	02	02
Mr. Neeraj Bajaj	04	Yes	05	Precision Electronics Ltd.	Independent Director	03	01
Mrs. Neha	07	No	01	None	NA	01	-

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

Details of Board Meeting attended, attendance at AGM, and number of directorship held position of membership/ chairmanship of Committees as on 31st March, 2019 is explained in the above table.

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

Mr. Raminder Singh Nibber, Non-Executive Director of the Company was holding 11,71,182 Equity Shares of the Company as on 31.03.2019.

#### • Key Board Qualifications

Area of Expertise	Financial	Leadership	Board Service & Governance	Technical Knowledge	Sales & Marketing
Availability of expertise with the Board	✓	✓	✓	✓	✓

- In the opinion of the Board, the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the management.
- The details of familiarization program imparted to independent directors can be found at <http://www.pritikaautoindustries.com/investors.html>
- No Independent director resigned before the expiry of his/her tenure during the year 2018-19.

### 3. AUDIT COMMITTEE:

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

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

The Composition of the Audit Committee as on 31.03.2019 and the number of meetings attended by members is given herein below:

Member's Name	Category	Designation	No. of meetings attended
Mr. Neeraj Bajaj	Independent Director	Chairman	04
Mr. Raminder Singh Nibber	Non-Executive Director, Promoter	Member	05
Mr. Yudhisthir Lal Madan	Independent Director	Member	04
Mrs. Neha	Independent Director	Member	04

During the financial year under review, Five (5) Audit Committee Meetings were held on 29<sup>th</sup> May, 2018, 11<sup>th</sup> August, 2018, 3<sup>rd</sup> November, 2018, 8<sup>th</sup> December, 2018 and 12<sup>th</sup> February, 2019.

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

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

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

The Composition of the Nomination and Remuneration Committee as on 31.03.2019 and the attendance of members is given below:

<b>Member's Name</b>	<b>Category</b>	<b>Designation</b>	<b>No. of meetings attended</b>
Mr. Neeraj Bajaj	Independent Director	Chairman	03
Mr. Raminder Singh Nibber	Non-Executive Director	Member	03
Mr. Yudhisthir Lal Madan	Independent Director	Member	02
Mrs. Neha	Independent Director	Member	02

During the financial year under review, Three (03) Nomination and Remuneration Committee meetings were held on 29<sup>th</sup> May, 2018, 3<sup>rd</sup> November, 2018 and 12<sup>th</sup> February, 2019.

#### **Performance Evaluation criteria for Independent/Non-Independent Directors:**

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

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

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

- Adequate qualifications & skills to understand Corporate Culture, Business & its complexities.
- Adequate preparation for Board, Committee & General Meetings and updating knowledge of area of expertise.
- Attendance & active participation in above meetings.
- Objective & constructive participation in informed & balanced decision-making.
- No abuse of position detrimental to Company's/ shareholder's interest and/or personal advantage, direct or indirect.
- Ability to monitor Management Performance and integrity of financial controls & systems.
- Active and timely execution of any tasks assigned by the Board.
- Communication in open and fair manner.
- Credibility, directions & guidance on Key issues in the best interest of Company.
- Criteria of Independence.

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

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

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

The remuneration paid to the Executive Directors i.e. Managing Directors and Whole Time Director is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors subject to shareholders' approval in the subsequent General Meeting. Also, there are no performance linked incentives.

Details of remuneration paid to Directors for the Financial Year 2018-19 are as follows:

Amount in Rs.

Sr No.	Name of Director	Sitting Fees	Salary	Perquisites	Benefits	Commission	Bonus	Stock Option	Total
01	*Mr. Harpreet Singh Nibber	-	8400000	-	-	-	-	-	8400000
02	*Mr. Raminder Singh Nibber	-	3000000	-	-	-	-	-	3000000
03	*Mr. Ajay Kumar	-	3780000	-	-	-	-	-	3780000
04	Mr. Yudhisthir Lal Madan	500000	-	-	-	-	-	-	500000
05	Mr. Neeraj Bajaj	700000	-	-	-	-	-	-	700000
06	Mrs. Neha	250000	-	-	-	-	-	-	250000
	<b>Total</b>	<b>1450000</b>	<b>15180000</b>						<b>16630000</b>

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

\*The remuneration to Mr. Harpreet Singh Nibber, Mr. Raminder Singh Nibber and Mr. Ajay Kumar was paid by Pritika Autocast Limited/Nibber Castings Private Limited, the transferor companies during the year which after amalgamation has been considered as paid by the company in the amalgamated financial statements prepared for the year ended 31.03.2019.

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

## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

The composition of Stakeholders Relationship Committee as on 31.03.2019 was as under:

Member's Name	Category	Designation	No. of meetings attended
Mr. Raminder Singh Nibber	Non-Executive Director	Chairman	02
Mr. Harpreet Singh Nibber	Executive Director	Member	02
Mr. Neeraj Bajaj	Independent Director	Member	02

During the financial year under review, Two (2) Stakeholder Relationship Committee meetings were held on 29<sup>th</sup> May, 2018 and 3<sup>rd</sup> November, 2018.

Mr. Vedant Bhatt, Company Secretary of the Company was designated as the Compliance Officer of the Company for the year 2018-19.

**The details of Complaints received; resolved/pending during the financial year 2018-19 are given below:**

Brought Forward: NIL Received: NIL Resolved NIL Pending: NIL



## 7. GENERAL BODY MEETINGS

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

Financial Year	Date Of AGM	Time	Venue	Whether Special Resolution passed
2015-16	26 <sup>th</sup> September 2016	10.30 A.M.	Old Motor Stand Itwari, Nagpur.	YES, Approval for payment of Minimum Remuneration to Mr. Chetan Shinde, Managing Director in case of inadequacy of profits and ratification of the excess remuneration paid for the financial year ended March 31, 2016.
2016-17	27 <sup>th</sup> September 2017	11:30 A.M.	Plot No. C -94, Phase-VII Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab	YES, To Appoint Mr. Harpreet Singh Nibber (holding DIN 00239042) as a Managing Director of the Company.
2017-18	27 <sup>th</sup> September 2018	11:30 A.M.	Plot No. C -94, Phase-VII Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab	YES - Re-classification of the promoters of the company - Approval of the Shareholders for borrowing monies under section 180(1)(c). - Approval of the Shareholders for Creating Charge(s)/ Hypothecation(s) under Section 180(1)(a) - Approval of the Shareholders to give Loan(s), Guarantee(s)/ provide any Security(ies) in connection with Loan(s), and/or to acquire Securities under Section 186.

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

During the Year 2018-19, the Company's Extra-ordinary General Meeting was held on 09.01.2019 and the following resolutions were passed with requisite majority unanimously:

Sr.No.	Description	Resolution type
01	To increase the limit of investment by Foreign Institutional Investors (FIIs) and Non Resident Individuals (NRIs) in the Company's Equity Share Capital.	Special
02	To issue equity shares on Preferential Allotment basis to the non promoters (public category) for cash.	Special
03	To issue warrants convertible into equity shares on preferential allotment basis to the non promoters – public category for cash.	Special
04	To approve material related party transactions with holding and other subsidiary companies.	Ordinary

### Special Resolutions passed through Postal Ballot during FY 2018-19

The details of Postal Ballot are as follows:

Date of Postal Ballot Notice: 12.02.2019

Date of declaration of result: 28.03.2019

Voting Period: 25.02.2019 – 26.03.2019

Date of approval: 28.03.2019

Name of the resolution	Type of Resolution	No. of Votes Polled	Votes cast in favor		Votes cast against	
			No. of Votes	%	No. of Votes	%
Continuance of Mr. Raminder Singh Nibber as director and Chairman of the company not withstanding that he has attained the age of 75 years	Special	2,395,562	2,395,562	100	0	0
Appointment of Mr. Raminder Singh Nibber (DIN: 00239117) as whole time director and payment of remuneration for a period of three years w.e.f. 01.04.2019.	Special	2,395,562	2,395,562	100	0	0

Payment of remuneration to Mr. Harpreet Singh Nibber (DIN: 00239042) Managing Director of the company for a period of three years w.e.f. 01.04.2019	Special	2,395,562	2,395,562	100	0	0
Appointment of Mr. Ajay Kumar, Director (DIN: 02929113) as whole time director of the company and payment of remuneration for a period of three years w.e.f. 01.04.2019	Special	5,711,575	5,711,575	100	0	0
Approval of loans, investments, guarantee or security under Section 185 of Companies Act, 2013.	Special	2,395,562	2,395,562	100	0	0

Scrutinizer

Mr. Sushil K Sikka of M/s. S.K. Sikka & Associates, Practicing Company Secretaries, Chandigarh, was appointed as the scrutinizer for carrying out the above postal ballot in a fair and transparent manner.

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

## 8. MEANS OF COMMUNICATION

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the format prescribed by Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The approved financial results are forthwith sent to the Stock Exchanges where the Company is listed (BSE & CSE) and are published normally in the Newspapers in accordance with provision of Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :-
- The Company has published the newspaper advertisement pursuant to SEBI (LODR) Regulation 47 in one English Newspaper (Financial Express) and one Vernacular (Punjabi) Newspaper (Rozana Spokesman) in which quarterly/half yearly/yearly results were published
- The Company's financial results are also displayed on the Company's Website [www.pritikaautoindustries.com](http://www.pritikaautoindustries.com).
- The Company communicates Official Media Releases and Presentations made to Investors to the Stock Exchange(s) and also uploads the same on its website.

## 9. GENERAL SHAREHOLDERS' INFORMATION

- **39th Annual General Meeting:**  
Day & Date: 30<sup>th</sup> day of September 2019 (Monday)  
Time : 9.30 AM  
Venue : Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali , Punjab- 160055  
Financial year: 1st April, 2018 to 31st March, 2019
- **Dates of Book Closure:**  
The register of members and share transfer books of the company will remain closed from 24<sup>th</sup> September, 2019 to 30<sup>th</sup> September, 2019 (both days inclusive), for the purpose of Annual General Meeting.
- **Dividend Payment Date:**  
Based on the Company's performance, the Directors are pleased to recommend for approval of the members a final dividend of 50 paise per share for FY19, to the members whose name appear on Company's Register of Members in respect of physical shareholders as on 23<sup>rd</sup> September, 2019 and whose name appear in the list of Beneficial Owner on 23<sup>rd</sup> September, 2019 furnished by NSDL and CDSL for this purpose.

- **Listing on Stock Exchanges:**

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

BSE Limited

\*Calcutta Stock Exchange Limited (CSE)

Stock Code : 539359

Stock Code: 18096

P.J.Towers, Dalal Street

7, Lyons Range,

Mumbai -400 001

Calcutta - 700 001

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

- **Listing Fees:**

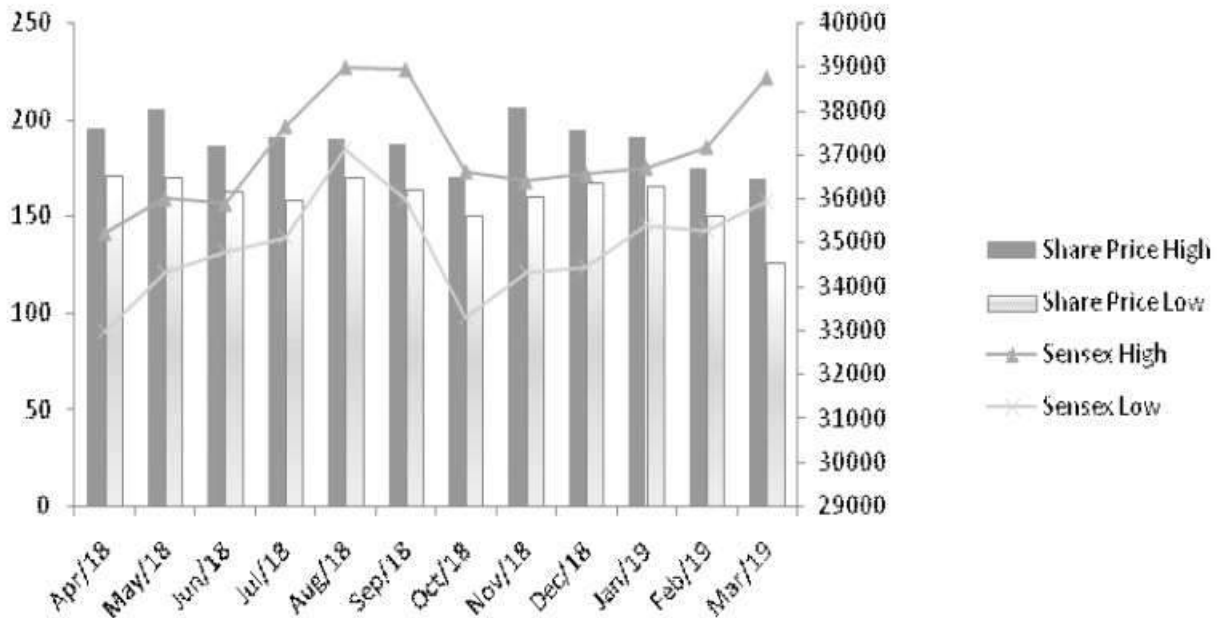
The Annual Listing Fees for the Financial Year 2019-2020 have been paid to the aforesaid Stock Exchange.

- **Market Price Data:**

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

Month	Share Price		Sensex	
	High	Low	High	Low
April 2018	195.00	171.10	35213.30	32972.56
May 2018	205.00	170.00	35993.53	34302.89
June 2018	185.85	162.50	35877.41	34784.68
July 2018	190.60	158.65	37644.59	35106.57
August 2018	190.00	170.00	38989.65	37128.99
September 2018	187.25	164.00	38934.35	35985.63
October 2018	170.00	150.00	36616.64	33291.58
November 2018	205.70	160.00	36389.22	34303.38
December 2018	194.35	167.70	36554.99	34426.29
January 2019	191.05	166.00	36701.03	35375.51
February 2019	174.40	150.00	37172.18	35287.16
March 2019	169.50	126.00	38748.54	35926.94

Share Price vis-à-vis BSE Sensex



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

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

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

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

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

Samhita Commercial Co-Op. Soc. Ltd.

Off. Andheri Kurla Road, MTNL Lane

Sakinaka, Mumbai - 400072.

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

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

- **Share Transfer System:**

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

- **Distribution of Share Holding as on March 31, 2019:**

Sl. No.	Share holding of nominal value of		Share Holders		Share Amount	
	Rs.	Rs.	Number	% to Total	Rs	% to Total
	( 1 )		( 2 )	( 3 )	( 4 )	( 5 )
1	Up to	2,500	1066	62.63	672130	0.38
2	2,501 -	5,000	150	8.81	611170	0.35
3	5,001 -	10,000	122	7.17	1042300	0.59
4	10,001 -	20,000	92	5.40	1390510	0.78
5	20,001 -	30,000	50	2.94	1298370	0.73
6	30,001 -	40,000	28	1.65	1031140	0.58
7	40,001 -	50,000	41	2.41	1909130	1.08
8	50,001 -	1,00,000	43	2.53	3039370	1.71
9	1,00,001 and above		110	6.46	166350880	93.80
	<b>TOTAL</b>		<b>1702</b>	<b>100</b>	<b>177345000</b>	<b>100</b>

- **Dematerialization of Shares and Liquidity:**

The Company has connectivity with NSDL & CDSL for dematerialization of its equity shares. The ISIN No. INE583R01011 has been allotted for the Company. 99.23% of the Company's Paid-up Share Capital is in dematerialized form as on 31<sup>st</sup> March, 2019 and balance 0.77% is in physical form.

Further the Company does not have any Equity shares lying in the Suspense Account.

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

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

During the year, the company has issued 5,75,000 warrants at the rate of Rs. 200 per warrant (paid up Rs. 50 per warrant) on preferential basis to non promoter (public) category. Each warrant is convertible into one equity share of Rs. 10 each at a price of Rs. 200 per share. The warrants are issued for a maximum tenure of 18 months. Conversion date of warrants is 20<sup>th</sup> July, 2020. Post-conversion the paid up equity share capital of the company shall be 18309500 equity shares of Rs. 10 each.

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

- **Plant Locations:**

**Unit I**

Village Saidomajra  
Post Office Mubarakpur,  
Near Focal Point, Derabassi  
Distt. S.A.S. Nagar, Punjab

**Unit II**

Village -Batheri, Teh. Haroli  
Tahliwala-Garhshankar Road  
Distt. Una, Himachal Pradesh

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

#### 10. OTHER DISCLOSURES:

- No transaction of a material nature has been entered into by the Company with the related parties that may have a potential conflict with the interest of the Company at large. The Register of Contracts containing details of contracts, in which directors are interested, is placed before the Board of Directors regularly. The transactions with the related parties are disclosed in the Financial Statements.
- There were no instances of non-compliance by the Company on any matters related to the Capital market and no penalties/strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority during the last three financial years.
- The Company has a Whistle Blower Policy and has put in place a mechanism to monitor the actions taken on complaints received under the said policy. This Policy also outlines the reporting procedure and investigation mechanism to be followed in case an employee blows the whistle for any wrong-doing in the Company. No personnel has been denied access to the Audit Committee.
- During the year the Company has not adopted any discretionary requirements as specified in Part E of Schedule II of Listing Regulations.
- The company has complied with corporate governance requirement specified in regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Web link of the policy for determining 'material subsidiaries is <http://www.pritikaautoindustries.com>.
- The web link of the policy on dealing with related party transactions is <http://www.pritikaautoindustries.com/investors.html>.
- There are no commodity price risks and commodity hedging activities in the Company. However, the company keeps close watch on the price risk of input materials.
- The Company raised a sum of Rs. 637.50 Lacs by making preferential allotment of Equity Shares and Convertible Warrants on 21.01.2019 which has been fully utilized. The utilization of funds is as follows:
  - Utilized for Capex: Rs. 323.03 Lacs
  - Utilized for Working Capital: Rs. 314.47 Lacs
- M/s. Sushil Kumar Sikka & Co., Practicing Company Secretary, has issued a certificate as required under the Listing Regulations that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies, by SEBI/Ministry of Corporate Affairs or any such statutory authority.
- There was no instance where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.
- Audit Fees Paid during the FY 2018-19

Company	Audit Firm	Audit Fee (Rs. in lac)
Pritika Auto Industries Ltd. Pritika Autocast Ltd. (amalgamated with company) Nibber Castings Pvt. Ltd. (amalgamated with company)	M/s. Sunil Kumar Gupta & Co.	*12.89
Pritika Auto Industries Ltd.	M/s. Koshal & Associates	0.12
Pritika Engineering Components Pvt. Ltd., Wholly Owned Subsidiary	M/s. Chetal Vikesh & Associates	1.25

\* Includes audit fees and out of pocket expenses paid to Statutory Auditors by Pritika Autocast Ltd. & Nibber Castings Pvt. Ltd., Wholly Owned Subsidiaries, amalgamated with the company.

- Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company strongly believes in providing a safe and harassment-free workplace for each and every individual working for the Company through various interventions and practices. It is the continuous endeavor of the Management of the Company to provide an environment to all its employees that is free from discrimination and harassment, including sexual harassment. The company has constituted Internal Complaints Committee in compliance with the Sexual Harassment of Women at workplace (prevention, prohibition and redressal) Act, 2013.

During the year ended 31<sup>st</sup> March, 2019, no complaint pertaining to sexual harassment was received by the Company.

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

**11. COMPLIANCE WITH THE REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:**

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

**12. DISCRETIONARY REQUIREMENTS:**

During the year the Company has not adopted any discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**13. COMPLIANCE WITH THE REQUIREMENTS OF CORPORATE GOVERNANCE:**

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

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

**Date: 05/08/2019**

**Place: Mohali**

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

**Sd/-  
Ajay Kumar  
Whole Time Director**

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

In compliance with the requirements of regulation 17(5) of the SEBI (LODR) Regulations, the company has laid Code of Conduct which, inter alia, incorporates the duties of all members of Board of Directors and Senior Management and Independent Directors as laid down in the Companies Act, 2013. All the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management, as applicable to them for the year ended March 31, 2019.

**Date: 05.08.2019**

**Place: Mohali**

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

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

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

I have examined the compliance of the conditions of Corporate Governance by **Pritika Auto Industries Limited** for the year ended 31<sup>st</sup> March, 2019, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations (including any statutory modification(s) or enactment thereof for the time being in force).

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

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

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

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

**Sd/-**

**Sushil K. Sikka**

**Prop.**

**FCS 4241**

**CP 3582**

**Place: Chandigarh  
Date: 22.07.2019**

## ANNEXURE C

### Form AOC – 1

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

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

#### **Part 'A' - Subsidiaries**

Name of the Subsidiary Company	Amount (Rs. in lacs)
<b>Year</b>	<b>2018-19</b>
Share Capital	499.99
Reserves and Surplus	(3.07)
Total Assets	3677.06
Total Liabilities	3677.06
Details of Current and Non Current Investments	--
Net Turnover	1647.99
Profit/Loss before taxation	9.86
Provision for taxation	2.29
Profit/(Loss) after taxation	7.57
Proposed Dividend	--
% of Share-holding	100%

Name of Subsidiaries which are yet to commence operations	None
Name of Subsidiaries which have been liquidated or Sold during the year	Pritika Autocast Limited and Nibber Castings Pvt. Ltd. the Wholly owned subsidiaries have been amalgamated with the company pursuant to order dated 6/2/2019 passed by NCLT, Bench Chandigarh.

For and on behalf of the Board of Directors

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

Sd/-  
Ajay Kumar  
(Whole Time Director)  
DIN 02929113

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

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

Date : 05/08/19  
Place : Mohali



## ANEXURE D

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

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

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

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

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

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

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

a) The Company is taking all possible measures to conserve energy. The company has upgraded Automatic Power Factor Controller to improve the Power Factor. The company is using Sand Dryer to reduce diesel consumption. The employees are educated and made aware to save power.

The company has replaced Cupola Furnace with energy efficient Induction Furnace of (1000 kg. X 3nos.). It will give boost in energy saving as well quality improvement.

b) Manual grinding machine operations have been converted to chipping with chisel hammers resulting in less energy consumption.

c) The company is using LED lights/lamps in place of filaments bulbs/tubes to save energy.

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

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

The company has upgraded Automatic Power Factor Controller to improve the Power Factor. Company has converted the Diesel Fire Sand Dryer & oven from diesel to LPG, which is cleaner & energy efficient. The company is continuously upgrading to CNC Machines from conventional machines which is better, efficient and more productive. The company has added six nos. of machines namely VTL, CNC and VMC. The company is educating and making the employees aware to save power.

The company has replaced 750 kg. crucible to 1000 kg. for the same energy and added two crucible of 1500 kg. resulting into increase in 5% output. High H.P. motors are replaced with low H.P. motors through changed gear train.

The power supply from H.P. State Electricity Board will be at 11 KV and supplied to 33KV HT Line which resulted into reduction in Power Transmission Losses and fluctuation in the voltage has reduced.

To save heat energy, the liquid metal transfer ladle are covered with blankets. The company is using LED lights/lamps in place of filament bulbs/tubes and sodium/mercury lights.

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

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

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

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

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

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

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

**(B) Technology absorption:**

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

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

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

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

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

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

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

The company has not absorbed any imported technology.

- |  |                |
|--|----------------|
| (a) the details of technology imported;  | Not applicable |
| (b) the year of import   | Not applicable |
| (c) whether the technology been fully absorbed;  | Not applicable |
| (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof : | Not applicable |

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

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

**(C) Foreign Exchange Earnings and Outgo**

- i. Earning-FOB value of Exports - Nil
- ii. Outgo-CIF Value of Imports - Nil

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

**Date: 05/08/2019**  
**Place: Mohali**

<b>Sd/-</b>	<b>Sd/-</b>
<b>Harpreet Singh Nibber</b>	<b>Ajay Kumar</b>
<b>Managing Director</b>	<b>Whole Time Director</b>

## ANNEXURE E

### FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section(1) of section 188 of the Companies Act, 2013 including transactions entered into ordinary course of business and at an arms length basis under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at Arm's length basis:** NIL
2. **Details of contracts or arrangements or transactions at Arm's length basis.**
  - a) Related party and nature of the related party relationship with whom transactions have taken place during the year:
    - A) Key Management Personnel**

Mr. Harpreet Singh Nibber	Managing Director
Mr. Raminder Singh Nibber	Chairman
Mr. Ajay Kumar	Executive Director
Mr. Ramesh Chander Saini	C.F.O
Mr. Vedant Bhatt	Company Secretary
    - B) Subsidiary Companies**  
Pritika Engineering Components Private Limited
    - C) Enterprises owned or significantly influenced by Key Management Personnel or their Relatives**  
Pritika Industries Limited

(Rs. in Lacs)

Nature of Transactions During the year	Related Parties					
	Referred in A Above		Referred in B Above		Referred in C Above	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Income</b>						
Sales	-	-	114.44	-	9121.76	8476.07
Interest Received	-	-	30.68	-	-	-
<b>Expenditure</b>						
Purchases	-	-	110.35	-	1364.17	1514.07
Director Remunerations	151.80	144.25	-	-	-	-
Director Sitting Fees to Independent Directors	14.50	4.48	-	-	-	-
Salary to KMP's	27.15	21.83	-	-	-	-
Interest Payment	1.20	1.20	-	-	16.96	-
Investment made	-	-	49.99	450.00	-	-
Balance as at 31 <sup>st</sup> March, 2019	-	-	18.50	1.79	3394.89	2475.54
Debit/(Credit)						
Corporate Guarantee Given	-	-	1486.00	1486.00	-	-
<b>Loan &amp; Advances</b>						
Loan taken during the year	-	-	-	-	268.10	-
Repayment of Loan during the year	-	-	-	-	268.10	-
Loan given during the year	-	-	304.61	127.88	-	-
Repayment of Loan during the year	8.60	-	49.99	-	-	-
Loan balance as at 31 <sup>st</sup> March 2018-19	(14.16)	(22.76)	382.50	127.88	-	-
Debit/(Credit)						

Note: Salary to Mr. Harpreet Singh Nibber, Mr. Raminder Singh Nibber, Mr. Ajay Kumar and Mr. Ramesh Chander Saini was paid by Pritika Autocast Limited/Nibber Castings Private Limited, wholly owned subsidiaries which have been amalgamated with the Company.

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

**Date: 05/08/2019**  
**Place: Mohali**

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

**Sd/-**  
**Ajay Kumar**  
**Whole Time Director**

## ANNEXURE F

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on financial year ended on 31.03.2019**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company**  
**(Management & Administration) Rules, 2014.**

### I REGISTRATION & OTHER DETAIL:

i	CIN	L45208PB1980PLC046738
ii	Registration Date	11/04/1980
iii	Name of the Company	PRITIKA AUTO INDUSTRIES LIMITED
iv	Category/Sub-category of the Company	Company Limited By Shares/Indian Non-Government Company
v	Address of the Registered office & contact details	Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali Punjab- 160055 Email ID: compliance@pritikaautoindustries.com Phone No. 0172-5008900
vi	Whether listed company	Yes, Listed at BSE LTD & CSE
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Satellite Corporate Services Pvt. Ltd. Unit No. 49, Bldg. No. 13-A-B, 2nd Floor Samhita Commercial Co-Op. Soc. Ltd. Off. Andheri Kurla Road, MTNL Lane Sakinaka, Mumbai - 400072. Tel : 022-28520461, 022-28520462 Fax No.: 022-28511809 e-mail: info@satellitecorporate.com, service@satellitecorporate.com

### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacturing of parts & accessories for Motor Vehicles	2930	54.52
2	Casting of Iron	2431	44.57

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

S. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
01	Pritika Engineering Components Pvt. Ltd.	U28999PB2018PTC047462	Subsidiary	100	2(87)(ii)

**IV. SHARE HOLDING PATTERN**  
**(i) CATEGORY - WISE SHARE HOLDING**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-4-2018]				No. of Shares held at the end of the year[As on 31-03-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	3226116	0	3226116	18.37	3226116	0	3226116	18.19	-0.18
b) Central Govt	0	0	0	0	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0	0	0	0	0.00	0.00
d) Bodies Corp.	4910253	0	4910253	27.96	4941338	0	4941338	27.86	-0.10
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0
f) Any other	341862	0	341862	1.95	321055	0	321055	1.81	-0.14
Total shareholding of Promoter (A)(1)	8478231	0	8478231	48.28	8488509	0	8488509	47.86	-0.42
(2) Foreign	0	0	0	0.00	0	0	0	0.00	0
a) NRIs Individuals	0	0	0	0.00	0	0	0	0.00	0
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0
c)Bodies Corp	0	0	0	0.00	0	0	0	0.00	0
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0
e) Any other	0	0	0	0.00	0	0	0	0.00	0
Total shareholding of Promoter (A)(2)	0	0	0	0.00	0	0	0	0.00	0
Total shareholding of Promoter (A)(1) +(A)(2)	8478231	0	8478231	48.28	8488509	0	8488509	47.86	-0.42
B. Public Shareholding									
I. Institutions	0	0	0	0.00	0	0	0	0.00	0
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others: Foreign Portfolio Investors	0	0	0	0.00	89104	0	89104	0.50	+0.50
Sub-total (B)(1):-	0	0	0	0.00	89104	0	89104	0.50	+0.50

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	628612	0	628612	3.58	935265	0	935265	5.27	+1.69
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1140995	24600	1165595	6.64	1344848	24600	1369448	7.72	+1.08
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	3066485	60000	3126485	17.81	2524267	60050	2584317	14.57	-3.24
c) Others-									
Non Resident Indians	3879362	0	3879362	22.09	4175309	0	4175309	23.54	+1.45
FCCB	59484	0	59484	0.34	0	0	0	0	-0.34
Foreign Nationals	17200	0	17200	0.10	0	0	0	0	-0.10
Clearing Members	5822	0	5822	0.03	1405	0	1405	0.01	-0.02
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Hindu Undivided Family	147909	50800	198709	1.13	40393	50750	91143	0.51	-0.62
Foreign Bodies - D R	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	8945869	135400	9081269	51.72	9021487	135400	9156887	51.63	-0.08
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>8945869</b>	<b>135400</b>	<b>9081269</b>	<b>51.72</b>	<b>9110591</b>	<b>135400</b>	<b>9245991</b>	<b>52.14</b>	<b>+0.42</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>17424100</b>	<b>135400</b>	<b>17559500</b>	<b>100.00</b>	<b>17599100</b>	<b>135400</b>	<b>17734500</b>	<b>100.00</b>	<b>0.00</b>

**(ii) SHAREHOLDING OF PROMOTERS**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year _01.04.2018			Share holding at the end of the Year 31.03.2019			% change in shareholding during the year
		No. of Shares	**% of total Shares of the company	% of Shares pledged / encumbered to total shares	No. of Shares	**% of total Shares of the company	% of Shares pledged / encumbered to total shares	
1	Pritika Industries Limited	4910253	27.96	0	4941338	27.86	0	-0.10
2	Harpreet Singh Nibber	2054934	11.70	0	2054934	11.59	0	-0.11
3	Raminder Singh Nibber	1171182	6.67	0	1171182	6.60	0	-0.07
4	Pavit Nibber	45664	0.26	0	45664	0.26	0	-
5	Gurkaran Singh Nibber	231158	1.32	0	231158	1.30	0	-0.02
6	Rishi Mangat	65040	0.37	0	44233	0.25	0	-0.12

\* Percentage calculated on the paid-up share capital (17559500 shares) as at beginning of the year.

\*\*Percentage calculated on the paid-up share capital (17734500 shares) as at end of the year.

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

Sr No.	Name	Shareholding at beginning of the year		Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		Cumulative /Shareholding at end of the year	
		No. Of Shares	**%	Date	Reason	No. Of Shares	**%
01	Pritika Industries Limited	49,10,253	27.96	30.11.2018 15.03.2019 31.03.2019	Increase - Purchase 21085 Increase - Purchase 10000	49,31,338 49,41,338 49,41,338	28.08 27.86 27.86
02	Harpreet Singh Nibber	20,54,934	11.70	-	-	20,54,934	11.59
03	Raminder Singh Nibber	11,71,182	6.67	-	-	11,71,182	6.60
04	Pavit Nibber	45,664	0.26	-	-	45,664	0.26
05	Gurkaran Singh Nibber	2,31,158	1.32	-	-	2,31,158	1.30
06	Rishi Mangat	65,040	0.37	16.11.2018 23.11.2018 31.03.2019	Decrease - Sale 5,807 Decrease- Sale 15,000	59,233 44,233 44,233	0.34 0.25 0.25

\* Percentage calculated on the paid-up share capital (17559500 shares) as at beginning of the year.

\*\*Percentage calculated on the paid-up share capital (17734500 shares) as at end of the year.

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDR AND ADRS)

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year 01.04.2018		Date wise increase/decrease in shareholding during the year specifying reasons			Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	Date	(+)Increase/(-) Decrease in Share Holding	Reason	No. of Shares	% of total shares of the company
1	Rajesh Sadhwani	1625000	9.25	01.04.2018			1625000	9.25
				31.03.2019			1625000	9.16
2	Lalit Sadhwani	540000	3.08	01.04.2018			540000	3.08
				31.03.2019			540000	3.04
3	Ashok Sadhwani	521990	2.97	01.04.2018			521990	2.97
				31.03.2019			521990	2.94
4	Himatbhai Babubhai Sorathia	400000	2.28	01.04.2018			400000	2.28
				31.03.2019			400000	2.26
5	Mukeshkumar Bhayabhai Patel	400000	2.28	01.04.2018			400000	2.28
				31.03.2019			400000	2.26
6	Syed Wajid Ali	390000	2.22	01.04.2018			390000	2.22
				31.03.2019			390000	2.20
7	Bullish Bonds & Holding Ltd	0	0.00	01.04.2018			0	0.00
				26.10.2018	207369	Purchase	207369	1.18
				09.11.2018	27047	Purchase	234416	1.33
				30.11.2018	9771	Purchase	244187	1.39
				21.12.2018	15093	Purchase	259280	1.48
				28.12.2018	7082	Purchase	266362	1.52
				04.01.2019	22127	Purchase	288489	1.64
				25.01.2019	7150	Purchase	295639	1.67
				01.02.2019	685	Purchase	296324	1.67
				08.02.2019	250	Purchase	296574	1.67
				15.02.2019	5778	Purchase	302352	1.70
				15.03.2019	11252	Purchase	313604	1.77
				22.03.2019	6499	Purchase	320103	1.80
30.03.2019	2940	Purchase	323043	1.82				
31.03.2019			323043	1.82				
8	Advance Products Private Ltd.	239316	1.36	01.04.2018			239316	1.36
				08.06.2018	-2600	Sale	236716	1.35
				22.06.2018	-1379	Sale	235337	1.34
				20.07.2018	-7500	Sale	227837	1.30



				27.07.2018	-3500	Sale	224337	1.28
				04.01.2019	-3100	Sale	221237	1.26
				15.02.2019	-7000	Sale	214237	1.21
				22.02.2019	-13209	Sale	201028	1.13
				01.03.2019	-1948	Sale	199080	1.12
				08.03.2019	-1199	Sale	197881	1.12
				15.03.2019	-137	Sale	197744	1.12
				31.03.2019			197744	1.12
9	Generic Pharmasec Limited	0	0.00	01-04-2018			0	0.00
				07-12-2018	16200	Purchase	16200	0.09
				08-02-2019	13508	Purchase	29708	0.17
				15-02-2019	8300	Purchase	38008	0.21
				22-02-2019	15300	Purchase	53308	0.30
				22-02-2019	175000	Allotment	228308	1.29
				01-03-2019	1900	Purchase	230208	1.30
				15-03-2019	22000	Purchase	252208	1.42
				30-03-2019	150	Purchase	252358	1.42
				31-03-2019			252358	1.42
10	Jigna Bhadresh Shah	180000	1.03	01.04.2018			180000	1.03
				31.03.2019			180000	1.01

The number of issued & subscribed shares of the company up till 20.01.2019 were 17559500. After allotment of 175000 equity shares on 21.01.2019, the number of issued and subscribed shares became 17734500. Percentage is calculated accordingly.

Sr No.	Name	Shareholding at beginning of the year (01.04.2018)		Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		Cumulative/Share - holding at end of the year (31.03.2019)	
		No. of Shares	%*	Increase/Decrease	Reason	No. of Shares	%**
01	Mr. Harpreet Singh Nibber	20,54,934	11.70	-	-	20,54,934	11.59
02	Mr. Raminder Singh Nibber	11,71,182	6.67	-	-	11,71,182	6.60
03	Mr. Ajay Kumar	970	00	-	-	970	00
04	Mr. Neeraj Bajaj	-	-	-	-	-	-
05	Mr. Yudhisthir Lal Madan	-	-	-	-	-	-
06	Ms. Neha	-	-	-	-	-	-
07	Mr. Ramesh Chander Saini	1,106	00	-	-	1,106	00
08	Mr. Vedant Bhatt	-	-	-	-	-	-

\* Percentage calculated on the paid-up share capital (17559500 shares) as at beginning of the year.

\*\*Percentage calculated on the paid-up share capital (17734500 shares) as at end of the year.

**V. INDEBTEDNESS**
**(In Lacs)**

<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4379.92	168.31	-	4548.23
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4.85	-	-	4.85
<b>Total (i+ii+iii)</b>	<b>4384.77</b>	<b>168.31</b>	<b>-</b>	<b>4553.08</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	485.17	140.00		625.17
Reduction	393.82	168.67		562.69
<b>Net Change</b>	<b>91.35</b>	<b>(28.87)</b>	<b>-</b>	<b>62.48</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4468.53	139.44	-	4607.97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	7.59	-	-	7.59
<b>Total (i+ii+iii)</b>	<b>4476.12</b>	<b>139.44</b>	<b>-</b>	<b>4615.56</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:**

<b>Sl.No</b>	<b>Particulars of Remuneration</b>	<b>Name of the MD/WTD/Manager</b>		<b>Total Amount</b>
1	<b>Gross salary</b>	<b>Harpreet Singh Nibber</b>	<b>Ajay Kumar</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961. (in Rs.)	84,00,000	37,80,000	1,21,80,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A) (in Rs.)</b>	<b>84,00,000</b>	<b>37,80,000</b>	<b>1,21,80,000</b>
	<b>Ceiling as per the Act</b>	As per Schedule V of the Companies Act, 2013, ceiling for the company, for remuneration to one Managerial personnel is Rs. 84.00 lacs per year .		

\* Remuneration to Mr. Harpreet Singh Nibber and Mr. Ajay Kumar was paid by Pritika Autocast Ltd. / Nibber Castings Pvt. Ltd., both wholly owned subsidiaries, amalgamated with the company.

**B. REMUNERATION TO OTHER DIRECTORS**

Amount (in Rs.)

Sl.No.	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Yudhisthir Lal Madan	Neeraj Bajaj	Neha	
	(a) Fee for attending board and committee meetings	5,00,000	7,00,000	2,50,000	14,50,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	5,00,000	7,00,000	2,50,000	14,50,000
2	Other Non Executive Directors	Raminder Singh Nibber			
	(a) Fee for attending board committee meetings	-			
	(b) Commission	-			-
	© Others, please specify: Salary Remuneration to Mr. Raminder Singh Nibber, who was Executive Director in Nibber Castings Pvt. Ltd., was paid by Nibber Castings Pvt. Ltd., wholly owned subsidiary which amalgamated with the company.	30,00,000			-
	Total (2)	30,00,000			30,00,000
	Total (B)=(1+2)				44,50,000
	Total Managerial Remuneration				1,66,30,000
	Overall Ceiling as per the Act	As per provisions of section 197 of the Companies Act, 2013 the total managerial remuneration payable by a public company shall not exceed 11% of the Net Profit. But in case of appointments made under the provisions of Schedule V of the Act, the said limit may exceed with the approval of members of the company by Special Resolution.			

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		TOTAL
		Company Secretary	CFO	
1	<b>Gross Salary</b>	<b>Vedant Bhatt</b>	<b>Ramesh Chander Saini</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	6,15,000	21,00,060	27,15,060
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission	-	-	
	as % of profit	-	-	
	others, specify	-	-	
5	Others, please specify	-	-	
	Total (in Rs.)	6,15,000	21,00,060	27,15,060

Remuneration to Mr. Ramesh Chander Saini was paid by Pritika Autocast Ltd., wholly owned subsidiary, amalgamated with the company.

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

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

Date: 05/08/2019  
Place: Mohali

For and on behalf of the Board of Directors

Sd/-  
Harpreet Singh Nibber  
Managing Director

Sd/-  
Ajay Kumar  
Whole Time Director

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

The Board of Directors  
Pritika Auto Industries Limited  
Plot No. C-94, Phase-VII Industrial Focal Point,  
S.A.S. Nagar Mohali Punjab - 160055

Dear Sir(s),

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

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:
- I. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee, the following:
- I. significant changes in internal control over financial reporting during the year, if any;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For Pritika Auto Industries Limited**

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

Sd/-  
**Narinder Kumar Tyagi**  
Chief Financial Officer

**Date: 22.05.2019**  
**Place: Mohali**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members,  
Pritika Auto Industries Limited  
Mohali

As required by Clause 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 inserted vide SEBI notification dated 9<sup>th</sup> May 2018, I certify that none of the Directors on the Board of Pritika Auto Industries Limited, as stated below, has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority for the year ended 31<sup>st</sup> March, 2019.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>
1	Mr. Harpreet Singh Nibber	00239042
2	Mr. Raminder Singh Nibber	00239117
3	Mr. Ajay Kumar	02929113
4	Mr. Neeraj Bajaj	00035778
5	Mr. Yudhisthir Lal Madan	05123237
6	Mrs. Neha	08109734

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

Sd/-  
**Sushil K. Sikka**  
Prop.

**FCS 4241**  
**CP 3582**

**Place: Chandigarh**  
**Date: 22.07.2019**

**ANNEXURE G**

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

For the Financial Year Ended March 31, 2019

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

To  
The Members,  
PRITIKA AUTO INDUSTRIES LIMITED

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

Based on my verification of Pritika Auto Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- 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;
- 6) Apprentices Act, 1961
- 7) Employment Exchange (Compulsory Notification of Vacancies Act, 1959)
- 8) Industrial Employment (Standing Orders) Act, 1956
- 9) Minimum Wages Act, 1948
- 10) Payment of Bonus Act, 1965
- 11) Payment of Wages Act, 1936
- 12) Motor Vehicle Act, 1988
- 13) The Water (Prevention & Control of Pollution) Act, 1974
- 14) The Water (Prevention & Control of Pollution) Cess Act, 1977
- 15) The Goods & Services Tax Act, 2017
- 16) Employees' State Insurance Act, 1948
- 17) Employees' Provident Fund & Misc. Provisions Act, 1952

- 18) Central Sales Tax Act, 1956 & Punjab VAT Act, 2005
- 19) Air (Prevention & Control of Pollution) Act, 1981
- 20) Payment of Gratuity Act, 1972
- 21) Indian Electricity Act, 1910 & Rules 1956
- 22) Hazardous Waste (Management & Handling) Rules 1989 under EP Act, 1986
- 23) Industrial Development & Regulation Act, 1951
- 24) Contract Labour Regulation & Abolition Act, 1971

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

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

I further report that

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

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

Decisions at the Board meetings, as represented by management, were taken unanimously.

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

I further report that during the audit period:

- i. The company has issued, on preferential issue basis to the non-promoter (public) category, 175000 equity shares of Rs. 10/- each at a premium of Rs. 190/- each & 575000 convertible warrants @ Rs. 200 per warrant (paid up Rs. 50/- per warrant), each warrant convertible into one equity share of Rs. 10/- each to be issued at a price of Rs. 200/- per share i.e. at a premium of Rs. 190/- per share.
- ii. The scheme of amalgamation of Pritika Autocast Limited and Nibber Castings Pvt. Ltd. (the wholly owned subsidiaries) with Pritika Auto Industries Limited (the company) was sanctioned by the NCLT Bench Chandigarh vide its order passed on 6<sup>th</sup> February, 2019.
- iii. The company has passed Special Resolutions pursuant to Section 180(1)(a) and Section 180(1)(c) and 186 of the Companies Act 2013, increasing the limit from Rs. 100 crores to Rs. 300 crores under the respective sections.

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

- i. Redemption / buy-back of securities.
- ii. Foreign technical collaborations.

**For S.K.SIKKA & ASSOCIATES**  
**Company Secretaries**  
**Sd/-**  
**Sushil K. Sikka**  
**Prop.**  
**FCS 4241**  
**CP 3582**

**Place: Chandigarh**  
**Date: 22.07.2019**



To

The Members  
Pritika Auto Industries Limited

My report of even date is to be read along with this letter.

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

**For S.K.SIKKA & ASSOCIATES**  
**Company Secretaries**  
**Sd/-**  
**Sushil K. Sikka**  
**Prop.**  
**FCS 4241**  
**CP 3582**

**Place: Chandigarh**  
**Date: 22.07.2019**

## ANNEXURE H

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### MANAGEMENT DISCUSSION AND ANALYSIS

##### Forward looking statement

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

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

The financial statements are prepared as per the IND AS guidelines and comply with the Accounting Standards notified under Section 211(3C) of the Act read with the Companies (Accounting Standards) Rules, 2015. The management of Pritika Auto Industries Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements, reflect in a true and fair manner, the state of affairs and profit for the year.

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

#### ECONOMIC OVERVIEW

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

The Indian auto-components industry has grown steadily over the last few years. Some of the factors driving investments in this sector include increased purchasing power, large domestic market, a stable government framework and rising development in infrastructure. The auto-components industry in India expanded by 18.3% to reach USD 51.2 billion in FY 2017-18.

The Indian auto-components industry can be broadly classified into the organized and unorganized sectors. The organized sector caters to the Original Equipment Manufacturers (OEMs) and comprises high-value precision instruments while the unorganized sector consists of low-valued products and caters mostly to the aftermarket category.

As per IBEF, the Indian auto-components industry is expected to have grown by 8-10% in FY 2018-19, based on higher localization by OEMs, higher component content per vehicle, and rising exports from India.

As per the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is forecast to register a turnover of USD 100 billion by 2020 backed by strong exports ranging between USD 80- USD 100 billion by 2026. (vis-à-vis USD 10.8 billion in 2015-16).

India exports auto components to several parts of the world, the major markets being developed countries such as the US, Germany and the UK. Some of the important Asian markets for auto components include Sri Lanka, Bangladesh and Thailand.

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

### **Indian Agriculture Industry - an overview**

Agriculture plays a vital role in India's economy. Over 58% of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, are key contributors to the country's Gross Domestic Product (GDP). The Gross Value Added (GVA) by agriculture, forestry and fishing is estimated at INR 17.67 trillion (USD 274.23 billion) in FY2018.

During 2017-18 crop year, food grain production is estimated to have been 284.83 million tons. In 2018-19, Government of India is targeting foodgrain production of 285.2 million tons.

This growth is being driven by strong domestic demand (owing to rising population) as well as global exports. Total agricultural exports from India grew at a CAGR of 16.45% over FY2010-18 to reach USD 38.21 billion in FY2018. Spices, tea and coffee exports from India have also been on the rise during this period.

Consequently, investments into this sector have grown significantly. For instance, agri-food start-ups in India received funding worth USD 1.66 billion between 2013-17 in 558 deals.

The agriculture sector has received substantial support from the Government of India, some of the recent initiatives include:

- The Agriculture Export Policy, 2018 was approved by Government of India in December 2018. The new policy aims to increase India's agricultural exports to USD 60 billion by 2022 and USD 100 billion in the next few years with a stable trade policy regime.
- In September 2018, the Government of India announced Rs 15,053 crore (USD 2.25 billion) procurement policy named 'Pradhan Mantri Annadata Aay Sanrakshana Abhiyan' (PM-AASHA), under which states can decide the compensation scheme and can also partner with private agencies to ensure fair prices for farmers in the country.
- In September 2018, the Cabinet Committee on Economic Affairs (CCEA) approved a Rs 5,500 crore (USD 820.41 million) assistance package for the sugar industry in India.
- With an aim to boost innovation and entrepreneurship in agriculture, the Government of India is introducing a new AGRI-UDAAN program to mentor start-ups and to enable them to connect with potential investors.
- The Government of India has launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs 50,000 crore (USD 7.7 billion) aimed at development of irrigation sources for providing a permanent solution from drought.
- The Government of India plans to triple the capacity of food processing sector in India from the current 10 per cent of agriculture produce and has also committed Rs 6,000 crore (USD 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).

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

### **Indian Tractor Industry**

The tractor industry, a part of the farm equipment market, has been growing significantly in India. Demand for tractors has risen in tandem with increasing mechanization in farming across India. As per industry estimates, the tractor market in India registers annual sales of 600,000 – 700,000 units.

As per the Tractor Manufacturers' Association, domestic sales volumes of tractors experienced a growth of 18.2% from April 2016-March 2017. Furthermore, according to India Ratings & Research, domestic sales grew by 17% to 6.59 lakh units between April 2017 and January 2018.

The domestic tractor market recorded a volume growth of approximately 12-13% during FY2018 with positive growth momentum also spilling over in the next fiscal. Most major manufacturers, including Mahindra & Mahindra, Sonalika ITL and Escorts, reported a rise in production volumes in FY2018, with strong outlook for FY2019.

Overall, the industry is forecast to grow at a CAGR of 8-10% during 2017-22. A sustained focus by the government on the promotion of farmer welfare and rural development along with mechanization in agriculture, laid out in the Union Budget, would support this growth trajectory.

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

*Source: IBEF, <https://www.ibef.org/blogs/india-strong-in-tractor-manufacturing>*

### **Government Initiatives**

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

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

- Contribution of auto industry in the country's GDP will rise to 13%, vis-à-vis the current 10%
- More than 100 million jobs will be created
- Companies would invest around USD80 billion as a part of their capital expenditure
- End of Life Policy would be implemented for old vehicles

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

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

Pritika Auto Industries Ltd. is a flagship company of the Pritika Group of Industries which was set up in 1974 by Mr. Raminder S. Nibber, manufacturing small forgings. Over the last four decades and under Mr. Nibber's visionary leadership, the Company has established itself as a robust and reliable brand in its market, specializing in machined castings and automotive components. A quality driven organization, Pritika produces world class components from modern facilities. The merger process of Pritika Autocast Ltd. and Nibber Castings Pvt. Ltd (Wholly owned subsidiaries of Pritika Auto Industries Ltd.) was approved by the Honorable NCLT Bench, Chandigarh in February 2019. Pritika has manufacturing facilities situated at Derabassi and Hoshiarpur (Punjab), and Tahliwal (Himachal Pradesh) with a total capacity exceeding 50,000 metric tons per annum (MTPA) in FY19.

Catering primarily to tractors and commercial vehicles, Pritika focuses on expanding and diversifying its product portfolio. The Company manufactures a wide range of products such as axle housings, wheel housings, hydraulic lift housings, end cover, plate differential carrier, brake housings, cylinder blocks, and crank cases, among others. Pritika is one of the biggest component suppliers in the tractor segment of the automobile industry in India and supplies to OEMs like M&M Swaraj, Swaraj Engines Ltd, TAFE, Escorts, SML Isuzu, TMTL, Ashok Leyland, New Holland Tractors India Ltd., Brakes India etc. The Company's vision is to provide products which meet customer's quality requirement constantly at competitive prices.

## **CONSOLIDATED FINANCIAL OVERVIEW**

The consolidated performance of the Company for the financial year ended March 31, 2019, is as follows:

Total revenue from operations at Rs. 209.7 crore for the year ended March 31, 2019, as against Rs. 170.0 crore (net of excise) for the corresponding previous period, an increase of 23.3%, mainly on account of addition and better utilization of new capacities.

The EBIDTA (earnings before interest, depreciation and tax, excluding other income) was Rs. 30.2 crore for the year ended March 31, 2019, as against Rs. 24.7 crore for the corresponding previous period, an increase of 21.9%.

The PAT (profit after tax) was Rs. 14.1 crore for the year ended March 31, 2019, as against Rs. 11.1 crore for the corresponding previous period, an increase of 27.6% on account of higher efficiencies.

EPS was at Rs. 8.03, YoY growth of 6.2% (7.56 in FY18).

The Board of Directors have recommended, subject to the shareholders' approval, a final dividend @ 5% i.e. Rs. 0.50 per equity share of Rs. 10 each for the financial year ended March 31, 2019.

## **RESOURCES AND LIQUIDITY**

As on March 31, 2019, the consolidated networth stood at Rs. 115.41 crore and the consolidated debt was at Rs. 55.8 crore. The net debt to equity ratio of the Company stood at 0.48 as on March 31, 2019.

## **BUSINESS PERFORMANCE**

Pritika registered a growth of 23.3% in revenue clocking a turnover of Rs. 209.7 cr in FY19. The Company produced 33,110 tons of machined casting during the year. About 92-93% of the revenue was contributed by the tractor components segment while the rest was from the commercial vehicle segment. With incremental capacity, Pritika is focusing on higher production and better utilization for financial year 2019-20. The Company is also adding high-value products and trying to improve operational efficiencies.

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

## **ACHIEVEMENTS IN BUSINESSES DURING THE YEAR**

- Pritika won an initial order from TAFE and Eicher to supply 1,200 tons per annum of components for low horse-power tractors.
- In February 2019, the National Company Law Tribunal (NCLT) approved the Company's application for amalgamation of Pritika Autocast Ltd. and Nibber Castings Pvt. Ltd. with the company.
- Pritika acquired Amrit Duraparts' plant and assets, adding 12,000 tons per annum of capacity, and bringing its total installed capacity to 50,000 tons per annum. In October 2018, the Company recorded its highest ever monthly production volume, at 3,299 tons.
- In 2018, the Company expanded its capacity at one of its facilities by 3,200 tons per annum.

## **KEY FINANCIAL RATIOS**

There was no significant change i.e. 25% or more in Debtor Turnover Ratio, Inventory Turnover Ratio, Interest Coverage Ratio, Current Ratio, Operating Profit margin and Net Profit Margin, as compared to immediately previous year ended 31<sup>st</sup> March 2018.

Return on Networth has increased from 11.72% in FY 2018 to 12.17% in FY 2019 due to higher rate of growth in Profit after tax.

## **RISKS AND CONCERNS**

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

The Company faces the following Risks and Concerns:

### **Economy and Market Risk**

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

### **Credit Risk**

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

### **Interest Rate Risk**

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

### **Contractual Risk**

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

### **Competition Risk**

Like in most other industries, growth opportunities lead to a rise in competition. We face different levels of competition, from domestic as well as multinational companies. Pritika has created strong differentiators in project execution, quality and delivery which make it resilient to competition. Furthermore, the Company continues to invest in technology and its people to maintain a competitive edge. A stable and long-standing client base comprising large and mid-sized companies further helps maintain a strong order book and insulate the Company from this risk. We also mitigate this risk with the quality of our infrastructure, our customer-centric approach and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined project executions, coupled with prudent financial and human resources management and better control over costs. Thus, we do not expect to be significantly affected by this risk.

### **Input Cost Risk**

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

### **Liability Risk**

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

### **OPPORTUNITIES**

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

- **Support from Government Policies:**

- Establishment of special auto parks & virtual SEZs for auto components.
- Lower excise duty on specific parts of hybrid vehicles.
- Policies such as Automotive Mission Plan 2016-26, Faster Adoption & Manufacturing of Electric Hybrid Vehicles (FAME, April 2015), NMEM 2020, likely to infuse growth in the auto component sector of the country.

- **Investments:**

- Investments in the auto components sector touched USD 372.44 million in 2016-17.
- With the launch of 'Make in India' initiative, the government is expected to mobilize substantial investments in the auto component sector.
- The auto components sector is expected to witness investments up to USD 4.5 billion for upgradation of products and keeping up with new industry regulations.

- **Export Advantage:** India is a leading auto exporter and has strong near-term export growth expectations. As per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to reach USD 70 billion by 2026 from USD 10.9 billion in FY17. The Indian auto component industry aims to achieve USD 200 billion in revenues by 2026.

*Source: IBEF, <https://www.ibef.org/download/Auto-Components-Report-Feb-2018.pdf>.*

- **Union Budget 2019:** increased duties of customs on imports of Auto Parts, which is expected to boost domestic manufacturing.
- Reduction of tax to 25% for companies with turnover up to Rs 400 crore (USD 58.02 million) was also announced in the Union Budget.

### **THREATS**

- Competition from domestic and multinational players
- Regulatory changes impacting the automotive and agricultural sectors
- Unfavourable volatility in labour and raw material costs
- Attraction and retention of skilled human capital
- Risk from unforeseen impediments in execution

## **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, 2019, the Company had a workforce of 815 (permanent and contractual).

## **OUTLOOK**

The tractors (and corresponding ancillary sub-sectors) industry is expected to expand in the next year, supported by a normal/good monsoon, increased focus on infrastructure spending, and continuing favorable monetary policy changes. The long term outlook remains positive for the automotive industry with all major global players having a base in India for engineering, manufacturing and global sourcing. Regular product launches by OEMs, driven by technological advancements and rising demand, is likely to bode well for overall industry growth. India now supplies a range of high-value and critical automotive components to the global auto market.

Pritika's periodical capacity expansion initiatives reflect in the Company's robust and growing order book. The Company is well positioned to cater to the strong demand expected over the short and medium-term by various tractor manufacturers.

Pritika's long-standing relationships with its clients demonstrates the continued faith the OEMs have in the Company's expertise and capability.

The Company continues to improve capacity utilization while looking to expand total installed capacity, driven by a strong order pipeline. Margins are also expected to improve with addition of new capacity, export opportunities, high-margin product mix, value added services and better operating efficiencies.



This year's achievements are in line with our Vision 2020 targets. The growth potential for the Indian auto component industry is tremendous and the Company is well positioned to leverage these opportunities.

**Road Ahead**

The transport industry is making a gradual shift towards electric and hybrid cars, which are deemed more efficient and environment-friendly modes of transportation. Over the next decade, this is likely to give rise to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to this change with R&D and product innovation.

The Indian auto-components industry is expected to become the third largest in the world by 2025. Consequently, strong export potential in the coming years would open up more avenues for Indian auto-component makers.

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

**Date: 05/08/2019**  
**Place: Mohali**

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

**Sd/-**  
**Ajay Kumar**  
**Whole Time Director**

## ANNEXURE I

### ANNUAL REPORT ON CSR ACTIVITIES

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

The provisions of Corporate Social Responsibility (CSR) were applicable on Pritika Autocast Limited, wholly owned subsidiary, amalgamated with the company. The details mentioned here under pertain to the CSR activities carried out by Pritika Autocast Limited.

#### 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 CSR Committee ensured activities were taken out as per the CSR Policy of the company. Implementing agencies were appointed to carry out the projects/programs.

#### 2. Composition of CSR Committee of Pritika Autocast Limited

Mr. Neeraj Bajaj	Independent Director	Chairman
Mr. Raminder Singh Nibber	Director	Member
Mr. Harpreet Singh Nibber	Director	Member

#### 3. Average Net Profit of the company (Pritika Autocast Limited) for last three financial years:

Rs. 4,91,09,268

#### 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 9,82,185

#### 5. Details of CSR spent during the financial year: Total amount to be spent for the financial year: Rs. 9.82 Lacs. Rs. 9.32 Lacs was spent during the year, in the manner detailed below. A sum of Rs. 50,000/- was kept for contingencies in carrying out projects, which will be spent on the CSR projects to be undertaken during the financial year 2019-20.

#### Statement of detail of CSR spent during the financial year 2018-19

S. No	CSR Project/activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs: (1) Direct expenditure (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing agency
01	Renovation of the building of Govt. Senior Secondary School, Village Nada, S.A.S. Nagar, Mohali, Punjab	Education	Mohali, Punjab	732000	682101	682101	Implementing Agency: Chandigarh Central Rotary Club Service Trust
02	Contribution to BJJ Stars Program of Bhai Jaita Jee Foundation	Education	Chandigarh	250000	250000	250000	Implementing Agency: Bhai Jaitajee Foundation India (BJFI)
Total				982000	932101	932101	

**6. Details of implementing agencies:**

The CSR Projects were implemented through implementing agencies which were selected through a comprehensive due diligence process. The company partnered with:

- a. Chandigarh Central Rotary Club Service Trust is registered under Societies Registration Act, 1860, since 1995 and is engaged in various charitable works.
- b. Bhai Jaita Jee Foundation India (BJFI) is registered under Indian Trust Act 1882 since 2010 and is working on promoting education by focusing primarily on socio-economically deprived strata of society.

**7. Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.**

The CSR Committee confirms that the implementing and monitoring of the CSR Policy is in compliance with CSR objects and policy of the Company.

Date: 05.08.2019  
Place: Mohali

Sd/-  
Harpreet Singh Nibber  
Managing Director

Sd/-  
Neeraj Bajaj  
Chairman, CSR Committee

**INDEPENDENT AUDITOR'S REPORT TO  
The Members of  
PRITIKA AUTO INDUSTRIES LIMITED**

**Report on the Audit of the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the accompanying Standalone Ind AS financial statements of **PRITIKA AUTO INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss, statement of Changes in Equity and statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31<sup>st</sup> March 2019, and its profit, cash flows and change in equity 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matter stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2019 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

As required by the Companies (Auditor's Report) Order 2016 ("the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 1**, a statement on the matters specified in the paragraph 3 and 4 of the Order.

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

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Company does not have any branch office so Section 143(8) of the Act is not applicable to the company.
- d. the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- e. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- f. on the basis of written representations received from the directors as on 31<sup>st</sup> March 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019, from being appointed as a director in terms of section 164(2) of the Act.
- g. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure 2**"; and
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There are no items which required to be transferred, to the Investor Education and Protection Fund by the Company.
- I. The managerial remuneration for the year ended 31<sup>st</sup> March, 2019 has been paid/ provided by the company in accordance with the provisions of Section 197 read with Schedule V to the Act.

**For Sunil Kumar Gupta & Co.**  
Chartered Accountants  
Firm's Registration No.: 003645N

Sd/-  
**Rahul Goyal**  
Partner  
Membership No: 540880

Place: Mohali

Date: 22<sup>nd</sup> May, 2019

## Annexure – 1 to INDEPENDENT AUDITORS' REPORT

**(Annexure referred to in our report of even date to the members of Pritika Auto Industries Limited, on the Standalone Ind AS Financial Statements for the year ended 31<sup>st</sup> March 2019).**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone Ind AS 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) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property plant and equipment.
  - (b) All Property plant and equipment have not been physically verified by the management during the year but there is regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising some of immovable properties are not held in the name of the Company as at the balance sheet date. The above immovable properties are held by the company as ultimate beneficial owner and change of name in title deeds is under process as on balance sheet date.
- (ii) As explained to us, the management during the year has physically verified inventories. In our opinion, the frequency of verification is reasonable. The discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.
- (iii) (a) The Company has granted loan to a wholly owned subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
  - (b) The schedule of repayment of principal and interest have been stipulated for the loans granted and the repayments if any are regular.
  - (c) There are no amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 overdue for more than ninety days.
- (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) According to the information given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 or any relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) from time to time. Accordingly, the provisions of clause 3(v) of the Order are 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) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Goods & Service Tax, cess and other statutory dues have generally been regularly deposited though minor delay with the appropriate authorities as on 31<sup>st</sup> March, 2019 and no dues are outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues in respects of wealth tax, duty of custom and goods & Service tax wherever applicable to the company which have not been deposited with the appropriate authorities on account of any dispute. The due in respect of Income Tax that have not been deposited with the appropriate authorities on account of any dispute and the forum where the dispute is pending given below:

Name of Dues and Name of Statute	Year to which amount relates	Forum where matter is pending	Amount in Rs.
Income Tax Income Tax Act, 1961	FY 2016 - 17	Assessing officer	Rs. 5,88,250
Income Tax Income Tax Act, 1961	FY 2015 - 16	Assessing officer	Rs. 17,27,840

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or Government. The Company did not have any outstanding debentures during the year.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending litigation.

(x) According to the information and explanation given to us and as represented by the management and based of our examination of the books and records of the company and in accordance with the generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the company or by its officers or employees during the year.

(xi) In our opinion and according to the information and explanations given to us, the company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, and where applicable the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, during the year, the Company has made preferential allotment of equity shares/warrants. In respect of the same, in our opinion, the company has complied with the requirement of section 42 of the Act and the amounts raised have been used for the purpose for which the funds were raised.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as covered under section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.



(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

**For Sunil Kumar Gupta & Co.**  
Chartered Accountants  
Firm's Registration No.: 003645N

**Sd/-**  
**Rahul Goyal**  
Partner  
Membership No: 540880

Place: Mohali  
Date: 22<sup>nd</sup> May, 2019

## **Annexure – 2 to INDEPENDENT AUDITORS' REPORT**

**(Annexure referred to in our report of even date to the members of Pritika Auto Industries Limited, on the Standalone Ind AS Financial Statements for the year ended 31<sup>st</sup> March 2019).**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **PRITIKA AUTO INDUSTRIES LIMITED** (“the Company”) as of 31<sup>st</sup> March 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

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

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

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company and the 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).

**For Sunil Kumar Gupta & Co.**  
Chartered Accountants  
Firm's Registration No.: 003645N

**Sd/-**  
**Rahul Goyal**  
Partner  
Membership No: 540880

Place: Mohali  
Date: 22<sup>nd</sup> May, 2019

**STANDALONE BALANCE SHEET AS AT MARCH 31, 2019**

(All amounts Rs. in Lakhs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	6,161.11	4,708.46
(b) Capital Work in Progress	3	238.12	726.18
(c) Goodwill	4	1,354.77	1,354.77
(d) Financial Assets			
- Investments	5	522.99	451.00
- Other Financial Assets	6	496.83	252.72
- Deferred Tax Assets (net)	7	183.42	29.19
- Other Non-Current Assets	8	83.46	83.56
<b>Total Non Current Assets (A)</b>		<b>9,040.70</b>	<b>7,605.88</b>
<b>2. Current Assets</b>			
(a) Inventories	9	5,096.26	4,809.93
(b) Financial Assets			
- Trade Receivables	10	4,362.61	3,770.25
-Cash and Cash Equivalents	11	47.85	311.77
-Bank balances other than cash and cash equivalents	12	87.63	75.05
-Other Current Financial Assets	13	1,724.77	1,361.92
(c) Other Current Assets	14	195.30	310.71
<b>Total Current Assets (B)</b>		<b>11,514.42</b>	<b>10,639.63</b>
<b>TOTAL ASSETS ( A+ B)</b>		<b>20,555.12</b>	<b>18,245.51</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	1,773.45	1,755.95
(b) Other Equity	16	9,770.82	7,773.60
<b>Total Equity (A)</b>		<b>11,544.27</b>	<b>9,529.55</b>
<b>2. LIABILITIES</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	17	1,140.21	872.68
(b) Provisions	18	128.34	138.68
(c) Deferred Tax Liabilities ( net )	19	162.51	121.66
(d) Other non-current liabilities		-	-
<b>Total Non Current Liabilities ( B)</b>		<b>1,431.06</b>	<b>1,133.02</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	20	3,059.57	3,332.30
-Trade Payables	21		
Total Outstanding dues of micro enterprise and small enterprise		-	-
Total Outstanding dues of creditors other than micro enterprise and small enterprise		1,763.17	1,712.66
- Other Financial Liabilities	22	2,216.49	1,919.88
(b) Other Current Liabilities	23	355.32	377.03
( c ) Provisions	24	185.24	241.07
<b>Total Current Liabilities ( C )</b>		<b>7,579.79</b>	<b>7,582.94</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>20,555.12</b>	<b>18,245.51</b>

The accompanying notes are integral part of the financial statements

As per our report of even date  
For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

Sd/-  
Rahul Goyal  
Partner  
Membership no.: 540880

Place: Mohali  
Date: 22-05-2019

For and on behalf of Board of Directors

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

Sd/-  
Narinder Kumar Tyagi  
C.F.O

Sd/-  
Raminder Singh Nibber  
( Whole Time Director )  
DIN No. 00239117

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

**STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts Rs. in Lakhs)

Particulars	Note	For the Year ended	
		March 31, 2019	March 31, 2018
I Revenue from operations	25	19,515.93	17,194.87
II Other Income	26	194.53	61.48
<b>III Total Income ( I+II)</b>		<b>19,710.46</b>	<b>17,256.35</b>
<b>IV Expenses</b>			
a) Cost of material consumed	27	11,625.08	10,738.09
b) Changes in inventories of finished goods , Work in progress and stock in trade	27(a)	(107.60)	(516.12)
c) Excise Duty on sale of goods		-	190.66
d) Employee benefits expense	28	1,163.56	1,021.30
e) Finance costs	29	696.49	554.30
f) Depreciation and amortization expense	30	582.13	568.04
g) Other Expenses	31	3,996.77	3,280.56
<b>Total Expenses (IV)</b>		<b>17,956.43</b>	<b>15,836.83</b>
<b>V Profit /(Loss) before exceptional items and tax</b>		<b>1,754.03</b>	<b>1,419.52</b>
VI Exceptional Items		-	-
<b>VII Profit / ( Loss) before tax</b>		<b>1,754.03</b>	<b>1,419.52</b>
<b>VIII Tax Expense:</b>			
a) Current Tax	33	337.92	372.46
b) Adjustment of tax relating to earlier periods		13.83	(19.14)
c) Deferred Tax	33	(2.29)	(50.93)
<b>Total tax expenses ( VIII )</b>		<b>349.46</b>	<b>302.39</b>
<b>IX Profit / (Loss ) for the period</b>		<b>1,404.57</b>	<b>1,117.13</b>
<b>X Other comprehensive income</b>			
Items that will not to be reclassified to profit or loss		-	-
Re-measurement (gains)/ losses on defined benefit plans		-	-
<b>XI Total comprehensive Profit / ( loss ) for the period ( IX + X )</b>		<b>1,404.57</b>	<b>1,117.13</b>
<b>Earnings per equity share( Nominal value of Rs. 10 /- per share )</b>			
Basic	32	7.98	7.63
Diluted	32	7.97	7.63

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

**As per our report of even date**

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

Sd/-

**Rahul Goyal**  
Partner  
Membership no.: 540880

Place: Mohali

Date: 22-05-2019

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

Sd/-

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

Sd/-

**Narinder Kumar Tyagi**  
C.F.O

Sd/-

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

Sd/-

**Chander Bhan Gupta**  
Company Secretary  
M.No. F2232

**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019**

(All amounts Rs.in Lakhs)

	<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per statement of Profit & Loss	1,754.03	1,419.52
	<b>Adjustments for:</b>		
	- Depreciation and amortisation expense	582.13	568.04
	- Finance costs	696.49	554.30
	- Adjustment of earlier Year	-	(24.23)
	- Creditors balance written back	(38.93)	-
	- Gratuity Provision	6.78	-
	- Earned leave written back	(2.38)	-
	- Profit on Sale of Fixed Assets	(8.47)	-
	<b>Operating profit before working capital changes</b>	<b>2,989.65</b>	<b>2,517.63</b>
	<b>Adjustments for :</b>		
	Increase/(Decrease) in Trade Payables	50.51	145.42
	Increase/(Decrease) in Other Current Liabilities	274.90	(708.72)
	Increase/(Decrease) in Short Term Provisions	1.69	47.60
	(Increase) / Decrease in Trade Receivables	(592.36)	64.27
	(Increase) / Decrease in Inventories	(286.33)	(553.14)
	(Increase) / Decrease in Short Term Advances	115.41	(278.71)
	(Increase) / Decrease in Other Current Assets	(611.60)	(408.14)
	<b>Cash generated from operations</b>	<b>1,941.87</b>	<b>826.21</b>
	Taxes paid	(522.63)	(261.59)
	<b>Net Cash from Operating Activities</b>	<b>1,419.24</b>	<b>564.62</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant & Equipment	(1,568.22)	(2,354.99)
	Sale of Property, Plant & Equipment	33.82	-
	Movement in fixed deposits (having original maturity of more than three months)	(12.58)	(12.17)
	Increase in Investment	(49.99)	-
	Investment in Mutual fund	(22.00)	-
	<b>Net Cash used in Investing Activities</b>	<b>(1,618.97)</b>	<b>(2,367.16)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Long Term Loans Raised (Net)	267.53	45.05
	Short Term Loans Raised	(272.73)	-
	Increase in Share Capital	17.50	(48.25)
	Proceed from issue of Share Warrant	287.50	
	Share premium	332.50	2,575.22
	Interest Paid	(696.49)	(559.39)
	<b>Net Cash from Financing Activities</b>	<b>(64.19)</b>	<b>2,012.63</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(263.92)</b>	<b>210.09</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>311.77</b>	<b>101.68</b>
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>47.85</b>	<b>311.77</b>

**Notes:**

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

**As per our report of even date**  
**For Sunil Kumar Gupta & Co.**  
**Chartered Accountants**  
**Firm Registration number: 003645N**

**Sd/-**  
**Rahul Goyal**  
**Partner**  
**Membership no.: 540880**

**Place: Mohali**  
**Date: 22-05-2019**

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

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

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

**Sd/-**  
**Raminder Singh Nibber**  
**( Whole Time Director )**  
**DIN No. 00239117**

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

**ANNEXURES TO THE BALANCE SHEET**  
**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**

Amounts (Rs.in Lakhs)

<b>A. Equity Share Capital</b>								
<b>Particulars</b>	<b>Balance as on April 1, 2017</b>	<b>Changes during the year</b>	<b>Balance as on March 31, 2018</b>	<b>Balance as on April 1, 2018</b>	<b>Changes during the year</b>	<b>Balance as on 31st March 2019</b>		
<b>a) Authorised Share Capital *</b>								
3,65,00,000 (PY 2,00,00,000) Equity shares of Rs.10/- each	1,500.00	500.00	2,000.00	2,000.00	1,650.00	3,650.00		
<b>b) Issued, Subscribed And Fully Paid Up</b>								
1,77,34,500 (PY 1,75,59,500 ) Equity shares of Rs.10/- each	1,354.20	401.75	1,755.95	1,755.95	17.50	1,773.45		
<b>B. Other Equity</b>								
<b>Particulars</b>	<b>Equity component of compound financial instruments.</b>	<b>Reserves and Surplus</b>				<b>Other comprehensive income</b>		<b>Total</b>
		<b>Securities premium</b>	<b>Share Warrant</b>	<b>Capital Reserve</b>	<b>Retained earnings</b>	<b>Actuarial Gain / (Loss)</b>	<b>Unrealised Gain</b>	
<b>Balance as at April 1, 2017</b>								
Balance at the beginning of the reporting period	-	2,462.25	-	-	1,618.98	-	-	4,081.23
Profit / Addition during the year	-	2,575.22	-	-	1,117.15	-	-	3,692.37
<b>Balance as at March 31 , 2018</b>	-	<b>5,037.47</b>	-	-	<b>2,736.13</b>	-	-	<b>7,773.60</b>
<b>Balance as at April 1, 2018</b>								
Balance at the beginning of the reporting period	-	5,037.47	-	-	2,736.13	-	-	7,773.60
Profit / Addition during the year	-	332.50	287.50	-	1,404.57	-	-	2,024.57
Corporate Dividend and Tax	-	-	-	-	(42.34)	-	-	(42.34)
Mat Adjustment	-	-	-	-	14.99	-	-	14.99
<b>Balance as at March 31 , 2019</b>	-	<b>5,369.97</b>	<b>287.50</b>	-	<b>4,113.35</b>	-	-	<b>9,770.82</b>

\* Note: In view of scheme of amalgamation approved by the honourable NCLT , Chandigarh bench , the Authorised Capital of the transferor co's namely Pritika Autocast Limited. (INR 14 Cr.)and Nibber Casting Private Limited (INR 2.50 Cr.) has been merged /consolidated with the Authorised capital of Pritika Auto Industries Limited (transfree co.)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

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

#### 1 GENERAL INFORMATION

Pritika Auto Industries Limited ("the Company") (formerly known as Shivkrupa Machineries and Engineering Services Limited) a Listed company domiciled in India was incorporated on 11.04.1980 and is engaged in the manufacturing of tractor and automobile components. Its Shares are listed with Bombay Stock Exchange (BSE). Information on related party relationships of the Company is provided in Note no.34. The financial statements were approved for issue by the board of directors on May 22,2019.

### Note No. 2: SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of Preparation of Financial Statements

These Standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The Financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments). The Financial statements are presented in Indian Rupees (INR) and all values are recorded to the nearest Lakhs except otherwise indicated.

#### 2.2 Summary of Significant Accounting Policies

##### 2.2.1 Current versus non - current classification

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

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

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

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

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

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



**Asset Useful live**

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

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

**2.2.3 Intangible assets**

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

**Asset Useful life**

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

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

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

**2.2.5 Non-derivative financial instruments**

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

**2.2.6 Cash and cash equivalents**

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

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**Cash flow statement**

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

**2.2.7 Financial Assets****Financial assets at amortised cost**

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

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

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

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

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

**Financial liabilities**

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

**Re classification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition . After initial recognition , no reclassification is made for financial assets which are equity instruments and financial liabilities . For Financial assets which are debt instruments , a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent .

**Off setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balancesheet if there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis , to realise the assets and settle the liabilities simultaneously .

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

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

**2.2.8 Impairment****PPE and intangibles assets**

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

**2.2.9 Inventories**

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

### 2.2.10 Revenue recognition

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

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

#### **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.

### 2.2.11 Leases

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

#### **Operating Lease:**

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

#### **Finance Lease:**

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

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

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

#### **2.2.12 Employee benefit expenses**

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

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

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

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

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

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

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

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

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

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

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

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

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

### 2.2.13 **Foreign currency translation**

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

### 2.2.14 **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.

### 2.2.15 **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.

### 2.2.16 **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.

**2.2.17 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.

**2.2.18 Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

**2.2.19 Ind AS 115 Revenue from Contracts with Customers**

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

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

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

**2.2.20 Government Grants**

Government Grants are recognised only when there is reasonable assurance that the company will comply with the condition attaching to them and the grants will be received.

Government grants are recognised in profit & loss on a systematic basis over the periods in which the company recognise as expenses the related cost of which the grant are intended to compensate.

### 3. Property, Plant and Equipment

(All amounts in Lakhs)

Particulars	Air Conditioner	Computers	D.G Set	Furniture & Fixtures	Office Equipment	Vehicle	Weigh Bridge	Free hold Land	Building	Electric Fitting	Plant & Machinery	Building Other Than Factory	Total	Building under Construction	Capital Work in Progress	Total CWIP
<b>Cost or Deemed Cost</b>																
At April 1, 2017	3.07	3.15	38.69	8.54	6.54	132.48	0.88	69.31	648.24	159.94	2,789.51	23.82	3,884.17	39.73	201.52	241.25
Addition/ Adjustment	-	0.56	-	2.94	0.28	0.67	-	696.10	95.65	97.06	995.50	-	1,888.76	40.04	1,069.46	1,109.50
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	(18.71)	-	(18.71)	(61.70)	(562.87)	(624.57)
<b>At March 31, 2018</b>	<b>3.07</b>	<b>3.71</b>	<b>38.69</b>	<b>11.48</b>	<b>6.82</b>	<b>133.15</b>	<b>0.88</b>	<b>765.41</b>	<b>743.89</b>	<b>257.00</b>	<b>3,766.30</b>	<b>23.82</b>	<b>5,754.22</b>	<b>18.07</b>	<b>708.11</b>	<b>726.18</b>
At April 1, 2018	3.07	3.71	38.69	11.48	6.82	133.15	0.88	765.41	743.89	257.00	3,766.30	23.82	5,754.22	18.07	708.11	726.18
Addition/ Adjustment	0.25	2.28	-	2.34	2.84	127.11	-	53.32	161.41	90.24	1,620.33	-	2,060.12	87.72	703.22	790.94
Transfer / Sale	-	-	-	-	-	(11.69)	-	-	-	-	(31.25)	-	(42.94)	(0.50)	(1,278.50)	(1,279.00)
<b>At March 31, 2019</b>	<b>3.32</b>	<b>5.99</b>	<b>38.69</b>	<b>13.82</b>	<b>9.66</b>	<b>248.57</b>	<b>0.88</b>	<b>818.73</b>	<b>905.30</b>	<b>347.24</b>	<b>5,355.38</b>	<b>23.82</b>	<b>7,771.40</b>	<b>105.29</b>	<b>132.83</b>	<b>238.12</b>
<b>Depreciation and Impairment</b>																
At April 1, 2017	0.69	0.59	8.70	1.56	2.43	7.71	0.26	-	35.72	24.46	395.45	1.52	479.09	-	-	-
Addition	0.54	0.76	5.80	2.62	1.30	33.95	0.26	-	37.91	62.81	421.08	1.01	568.04	-	-	-
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	(1.37)	-	(1.37)	-	-	-
<b>At March 31, 2018</b>	<b>1.23</b>	<b>1.35</b>	<b>14.50</b>	<b>4.18</b>	<b>3.73</b>	<b>41.66</b>	<b>0.52</b>	<b>-</b>	<b>73.63</b>	<b>87.27</b>	<b>815.16</b>	<b>2.53</b>	<b>1,045.76</b>	<b>-</b>	<b>-</b>	<b>-</b>
At April 1, 2018	1.23	1.35	14.50	4.18	3.73	41.66	0.52	-	73.63	87.27	815.16	2.53	1,045.76	-	-	-
Addition	1.27	0.79	6.36	1.43	1.17	23.77	0.21	-	31.86	29.26	485.00	1.01	582.13	-	-	-
Transfer / Sale	-	-	-	-	-	(5.68)	-	-	-	-	(11.92)	-	(17.60)	-	-	-
<b>At March 31, 2019</b>	<b>2.50</b>	<b>2.14</b>	<b>20.86</b>	<b>5.61</b>	<b>4.90</b>	<b>59.75</b>	<b>0.73</b>	<b>-</b>	<b>105.49</b>	<b>116.53</b>	<b>1,288.24</b>	<b>3.54</b>	<b>1,610.29</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Carrying Amount as on 31/03/2018</b>	<b>1.84</b>	<b>2.36</b>	<b>24.19</b>	<b>7.30</b>	<b>3.09</b>	<b>91.49</b>	<b>0.36</b>	<b>765.41</b>	<b>670.26</b>	<b>169.73</b>	<b>2,951.14</b>	<b>21.29</b>	<b>4,708.46</b>	<b>18.07</b>	<b>708.11</b>	<b>726.18</b>
<b>Net Carrying Amount as on 31/03/2019</b>	<b>0.82</b>	<b>3.85</b>	<b>17.83</b>	<b>8.21</b>	<b>4.76</b>	<b>188.82</b>	<b>0.15</b>	<b>818.73</b>	<b>799.81</b>	<b>230.71</b>	<b>4,067.14</b>	<b>20.28</b>	<b>6,161.11</b>	<b>105.29</b>	<b>132.83</b>	<b>238.12</b>

\*During the year Nibber Castings Private Limited, Pritika Autocast Limited (transferor Companies) has been amalgamated with Pritika Auto Industries Limited (Transferee Company) vide order dated 06th February 2019. The updation of name of Pritika Auto Industries Limited on title deeds of properties in the name of Nibber Castings Private Limited and Pritika Autocast Limited is under process.

**4 Goodwill**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Opening Balance	1,354.77	-
Addition /(Disposal) during the year	-	1,354.77
<b>Total</b>	<b>1,354.77</b>	<b>1,354.77</b>

**5 Investments**

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Investments carried at Fair Value through Other Comprehensive Income (FVOCI)</b>		
<b>Investments in Equity Instruments fully paid up - Subsidiary Company (Unquoted)</b>		
Pritika Engineering Components Pvt Ltd ( 49,99,902 , PY 45,00,002 Equity shares of Rs. 10 each)	499.99	450.00
<b>Investments in Equity Instruments fully paid up (Unquoted)</b>		
Shares in Shivalik Solid Waste Management Limited ( 10,000 Equity shares of Rs. 10/- )	1.00	1.00
<b>Investments in Mutual Fund- Canara Bank Robeco</b>	22.00	-
<b>Total</b>	<b>522.99</b>	<b>451.00</b>
Aggregate book value/Fair Market value of unquoted investments	<b>500.99</b>	<b>451.00</b>
Aggregate market value of Mutual Fund Investment	<b>23.38</b>	-

**6 Other Financial Assets**

Particulars	As At March 31, 2019	As At March 31, 2018
Bank deposits having original maturity more than 12 months	114.33	124.83
Loan to Related Party ( Ref Note No. 34 )	382.50	127.89
<b>Total</b>	<b>496.83</b>	<b>252.72</b>

**7 Deferred Tax Assets(Net)**

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Opening Balance</b>	-	-
Relating to origination and reversal of temporary differences *	183.42	29.19
<b>Closing Balance</b>	<b>183.42</b>	<b>29.19</b>
*Note:Deferred tax assets balance includes the balance of MAT credit entitlement of INR 46.53 lakh( At March 31 2018 : INR 29.19 lakh )		

**8 Other Non-Current Assets**

Particulars	As At March 31, 2019	As At March 31, 2018
Unamortised Processing Cost	10.97	12.50
Security Deposits	72.49	71.06
<b>Total</b>	<b>83.46</b>	<b>83.56</b>



**9 Inventories**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Raw Materials {include in transit of INR 71.65 lakh ( At March 31 ,2018 INR 5.91 Lakh )}	1,249.53	1,135.80
Store & Spares	205.86	140.85
Work in Progress	3,567.02	3,533.28
Finished Goods	73.85	-
<b>Total inventories at lower of cost and net reliasable value</b>	<b>5,096.26</b>	<b>4,809.93</b>

**10 Trade Receivables**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Unsecured, Considered Good.*	4,372.40	3,780.04
	<b>4,372.40</b>	<b>3,780.04</b>
Less : Provision for Doubtful Debts	(9.79)	(9.79)
<b>Total</b>	<b>4,362.61</b>	<b>3,770.25</b>
* Note : Trade receivables includes receivable from related parties as at March 2019 :INR 3273.48 lakh ( as at March 2018 INR 2475.54 lakh)	-	-

**11 Cash and Cash Equivalents**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Balances with banks - in current accounts	34.02	303.63
Cash on Hand	13.83	8.14
<b>Total</b>	<b>47.85</b>	<b>311.77</b>

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

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months( including interest accrued)	87.63	75.05
<b>Total</b>	<b>87.63</b>	<b>75.05</b>

**13 Other Current Financial Assets**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Unsecured Considered Good</b>		
Loan and advances others *	1,721.67	1,361.20
Advance to Staff	3.10	0.72
<b>Total</b>	<b>1,724.77</b>	<b>1,361.92</b>
* Note : Loan & Advance includes receivable from related parties as at March 2019 :INR 180.70 lakh ( as at March 2018 INR 168.70 lakh)		

**14 Other Current Assets**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Unsecured , Considered good</b>		
Prepaid expenses	16.14	5.51
Balance with Revenue Authorities	113.09	243.17
Other Receivables	66.07	62.03
<b>Total</b>	<b>195.30</b>	<b>310.71</b>

**15 Equity Share Capital**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Authorised</b> 3,65,00,000 (PY 2,00,00,000) Equity shares of Rs.10/- each	3,650.00	2,000.00
	<b>3,650.00</b>	<b>2,000.00</b>
<b>Issued, subscribed and fully paid-up</b> 1,77,34,500 (PY 1,75,59,500 ) Equity shares of Rs.10/- each	1,773.45	1,755.95
<b>Total</b>	<b>1,773.45</b>	<b>1,755.95</b>

<b>(a) Reconciliation of shares outstanding at the beginning and at the end of the period</b>	
Particulars	No of shares (in lakhs)
<b>Equity Shares</b>	
<b>At April 1, 2017</b>	135.42
Add: Issued during the period	40.18
<b>At March 31, 2018</b>	175.60
Add: Issued during the period	1.75
<b>At March 31, 2019</b>	<b>177.35</b>
<b>(b) Term/right attached to equity shares:</b>	
The Company has only one class of equity share having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.	
In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.	

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

Particulars	As At March 31, 2019	As At March 31, 2019	As At March 31, 2018	As At March 31, 2018
	% of holding	Amount (In Lacs)	% of holding	Amount (In Lacs)
<b>Equity Shares</b>				
Harpreet Singh Nibber	11.59%	205.49	11.70%	205.49
Raminder Singh Nibber	6.60%	117.12	6.67%	117.12
Pritika Industries Limited	27.86%	494.13	27.96%	491.03
Rajesh Sadhwani	9.16%	162.5	9.25%	162.50

**16 Other Equity**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>(A) Retained Earnings</b>		
Opening balance	2,736.13	1,618.98
Net Profit / (loss ) for the year	1,404.57	1,117.15
Less: Corporate Dividend	(35.12)	-
Less : Corporate Dividend Tax	(7.22)	-
Add : Mat Credit Adjustment	14.99	-
<b>Closing balance</b>	<b>4,113.35</b>	<b>2,736.13</b>
<b>(B) Securities Premium</b>		
Opening Balance	5,037.47	2,462.25
Securities Premium during the year	332.50	2,575.22
<b>Closing balance</b>	<b>5,369.97</b>	<b>5,037.47</b>
<b>(C) Share Warrant</b>		
Share Warrant 5,75,000 ( PY Nil ), Rs. 50 paid up of Rs. 200 each	287.50	-
<b>Closing Balance</b>	<b>287.50</b>	<b>-</b>
<b>Total</b>	<b>9,770.82</b>	<b>7,773.60</b>
During the year, the Company under Section 42 and other applicable provisions of the Companies Act, 2013 has issued and allotted on preferential basis 5.75 Lakh warrants at a price of Rs. 200 per Warrant ( Rs. 50 Paid up ) to public ( non - promoters), which will be converted into equivalent number of equity shares of Rs. 10 each at a premium of Rs. 190 per share on or before 20-07-2020 at the discretion of warrant holder.		

**17 Borrowings**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Secured</b>		
<b>Term Loan</b>		
<b>(a) Secured *</b>		
- From Banks	399.88	395.53
- From Financial Institutions / NBFC	639.42	386.68
<b>( b ) Unsecured</b>		
- From Financial Institutions / NBFC	86.75	67.71
- From Directors	14.16	22.76
<b>Total</b>	<b>1,140.21</b>	<b>872.68</b>

**Note No.17: Details of Securities and Terms of Repayment**
**I(I). Secured : Term loans from Banks**
**Canara Bank**

Secured by first charge by way of hypothecation of Trade receivables, Inventories, other current assets and Plant and Machinery of the company including land & Building. These loans are also personally guaranteed by directors namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber. Vehicles loans is secured by first charge by way of hypothecation of vehicles purchase out from these loan funds.

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
The Term loan of Rs 112 lacs repayable in 72 monthly installments comprising of 71 monthly installments of Rs 1.56 lacs and last monthly installment of Rs 1.24 lacs. Current rate of interest is 12.90%.	7.48	26.20
The Term loan of Rs 200 lacs repayable in 60 monthly installments comprising of 59 installments of Rs 3.33 lacs each and last monthly installment of Rs. 3.53 lakh. Current rate of interest is 12.90%.	40.00	80.00
The Term loan of Rs 125 lacs repayable in 84 monthly installments comprising of first 83 monthly installments of Rs 1.50 lacs and one installment of 0.50 Lacs. Current rate of interest is 13.25%.	-	12.03
The Term Loan of Rs 75 lacs repayable in 72 Installments of Rs 1.05 Lacs and one monthly installment of 0.45 lacs excluding interest part. Current rate of interest is 12.90%.	15.29	28.39
The Term Loan of Rs 2.73 lacs repayable in 36 Installments of Rs 0.09 Lacs current rate of interest is 9.95%. Current rate of interest is 8.90%.	0.17	1.11
The Term Loan of Rs. 96.00 lacs repayable in 60 monthly installments of Rs.1.60 lacs excluding interest part @ 12.90%	-	9.62
The Term Loan of Rs. 265.00 lacs repayable in 54 monthly installments of Rs. 4.91 lacs excluding interest part @ 13.75%.	235.54	104.25
Quasi Equity Loan of Rs. 220.00 lacs repayable in 72 Monthly Installments of Rs.3.06 lacs each excluding interest part @12.90% having 12 month moratorium period.	73.33	110.85
Working Capital Term Loan of Rs. 150.00 lacs repayable in 60 monthly instalment of Rs. 2.50 lacs each excluding interest part @ 14.25% .	150.00	150.00
The Vehicle loan of Rs 6.50 lacs repayable in 48 monthly installments of Rs 0.17 lacs. Current rate of interest is 9.65%.	0.16	2.16
The Vehicle loan of Rs 3.00 lacs repayable in 60 monthly installments of Rs 0.06 lacs. Current rate of interest is 9.45%.	0.84	1.49
The Vehicle Loan of Rs 6.50 lacs repayable in 60 Installments of Rs.0.13 lakh including interest part. Current rate of interest is 9.00%.	5.79	-
The Vehicle Loan of Rs 10.50 lacs repayable in 60 Installments of Rs.0.21 including interest part. Current rate of interest is 9.10%.	9.50	-
The Vehicle Loan of Rs 5.50 lacs repayable in 60 Installments of Rs.0.11 lakh including interest part. Current rate of interest is 9.20%.	5.42	-
The Vehicle Loan of Rs.6.30 lacs repayable in 60 Monthly Installments of Rs. 0.13 lacs each including interest part @9.65%.	-	0.94
The Vehicle Loan of Rs.8.25 lacs repayable in 60 Monthly Installments of Rs.0.17 each including interest part @9.00%.	7.23	-
The Vehicle Loan of Rs.50.00 lacs repayable in 60 Monthly Installments of Rs.1.05 lac each including interest part @9.10%.	27.42	36.97
Less: Amount shown in Other Financial liabilities in Note No. 22 towards Current Maturities of Loans .	578.17 182.78	564.01 177.77
<b>Total</b>	<b>395.39</b>	<b>386.24</b>

### Secured Loans from other Banks

Secured by first charge by way of hypothecation of vehicles purchased out these loan funds. (All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
ICICI Bank : The Vehicle loan of Rs 5.65 lacs repayable in 60 monthly installments comprising of 59 monthly installments of Rs 0.116 lacs each and last monthly installments of Rs 0.09 Lacs (including interest part).current Interest rate is 8.75%.	3.67	4.70
ICICI Bank : Vehicle Loan of Rs. 4.50 lacs repayable in 60 Monthly Installments of Rs.0.12 lacs each including interest part @9.50%.	0.00	1.98
HDFC Bank : Vehicle Loan of Rs.12.00 lacs repayable in 60 Monthly Installments of Rs.0.25 each including interest part.	4.64	7.14
<b>Total</b>	<b>8.31</b>	<b>13.82</b>
Less: Amount shown in Other Financial liabilities in Note No. 22 towards Current Maturities of Loans.	3.82	4.53
<b>Total</b>	<b>4.49</b>	<b>9.29</b>
<b>GRAND TOTAL OF SECURED LOANS FROM BANKS</b>	<b>399.88</b>	<b>395.53</b>

### I(II) Secured Loans

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

Secured by first charge by way of hypothecation of all the moveable including plant, machinery and equipment acquired/ to be acquired under the project/scheme. These loans are personally guaranteed by directors namely Sh. Raminder Singh Nibber and Sh. Harpreet Singh Nibber.

Particulars	As At March 31, 2019	As At March 31, 2018
<b>SIDBI</b> : The term loan of Rs 90 lacs repayable in 72 monthly installments of Rs 1.25 lacs (excluding interest part). Current Interest rate is 9.60%.	81.25	90.00
<b>SIDBI</b> : The term loan of Rs 225 lacs repayable 54 monthly installments comprising of 53 monthly installments of Rs 4.15 lacs and 1 monthly installments of Rs 5.05 lacs (excluding interest part). Current Interest rate is 12.50%.	100.50	150.30
<b>SIDBI</b> : The term loan of Rs 130 lacs repayable in 72 monthly installments comprising of 24 monthly installments of Rs 0.25 lacs and 12 monthly installments of Rs 0.50 lacs each and next 12 monthly installments of Rs 2.00 lacs each and next 12 monthly installment Rs 3.00 lacs each and next 11 installment of Rs.5.00 lacs each and the last installment of Rs.3.00 lacs (excluding interest part). Current Interest rate is 9.95%.	126.25	129.25
<b>SIDBI</b> : The term loan of Rs 20 lacs repayable in 72 monthly installments comprising of 71 monthly installments of Rs 0.28 lacs each and 1 monthly installments of Rs 0.12lacs (excluding interest part). Current Interest rate is 9.35%.	15.80	19.16
<b>SIDBI</b> : Term Loan of Rs. 75 Lacs repayable in 54 monthly installments comprising of first 53 installments of Rs. 1.39 lacs each and last i.e 54th Installment of Rs. 1.33 lacs @9.60%	52.76	69.44
<b>SIDBI</b> : Soft Loan of Rs. 10 Lacs repayable in 54 monthly installments comprising of first 53 installments of Rs. 0.19 lacs each and last i.e 54th Installment of Rs. 0.20 lacs @8.95%	7.04	9.26
<b>Mahindra &amp; Mahindra Financial Services Limited</b> : The vehicle term loan of Rs. 11.80 lacs repayable in 60 monthly installments comprising of Rs. 0.24 lac Each (including interest part).Interest rate is 9%	11.33	-
<b>Bajaj Finance Ltd.</b> : The term loan of Rs.2 crore repayable in 60 installments comprising of Rs. 4.29 lac including interest part.Interest rate is 10.50%.	192.22	-

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Daimler Financial Service Pvt. Ltd.</b> : The vehicle loan of Rs. 56.02 lacs repayable in 48 monthly installments comprising of 47 installments of Rs. 1.09 lac and 48th installment of Rs. 24.09 lac .Interest rate is 11.75%	53.26	-
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 245 lacs repayable 48 monthly ( 3 months moratoriaum period ) installments comprising of Rs 6.86 lacs each (Including interest part) .Interest rate is 12.35%	186.60	-
<b>Punjab Reliable Investment Ltd:</b> Loan of Rs 16.50 Lacs for machinery repayable in 47 installments comprising of first 16 installments of Rs 0.60 lacs each, next 16 installments of Rs 0.46 lacs each, last 15 installments of Rs 0.28 lacs each (Including interest part).	3.07	7.23
<b>Total</b>	830.08	474.64
Less: Amount shown in Other Financial liabilities in Note No. 22 towards Current Maturities of Loans .	190.66	87.96
<b>Total</b>	<b>639.42</b>	<b>386.68</b>
<b>GRAND TOTAL OF UNSECURED LOANS FROM OTHERS</b>	<b>639.42</b>	<b>386.68</b>

## II Unsecured Loans

### A. From NBFC/Financial Institutions

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 100 lacs repayable 24 monthly installments comprising of Rs 4.80 lacs each (Including interest part). Current Interest rate is 14.00%	-	33.17
<b>Tractors and Farm Equipments Limited (Tafe)</b> : Loan of Rs 60 Lacs repayable in 24 monthly installments of Rs. 2.5 Lakhs each. Interest rate is 10.50%	47.93	-
<b>Cholamandalam Investment and Finance Company Ltd.:</b> The loan of Rs. 80 lacs repayable in 84 monthly installments of Rs. 1.34 lacs each .Current interest rate @ 10.25%.	77.35	-
<b>Hero Fincorp Ltd.</b> : The Loan of Rs. 93.00 lacs repayable in 120 Monthly Installments of Rs.1.42 lacs each including interest part @13.50%) .	-	75.02
<b>Neo Growth Credit Private Ltd:</b> Loan of Rs 51 Lacs repayable in 24 fortnightly installments comprising of Rs 2.40 lacs each(Including interest part).	-	37.36
Less: Amount shown in Other Financial liabilities in Note No. 22 towards Current Maturities of Loans .	125.28 38.53	145.55 77.84
<b>Total</b>	<b>86.75</b>	<b>67.71</b>

### From Directors

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

Particulars	As At March 31, 2019	As At March 31, 2018
Sh. Raminder Singh Nibber	14.16	21.57
Sh. Harpreet Singh Nibber	-	1.19
<b>Total</b>	<b>14.16</b>	<b>22.76</b>

## 18 Provisions

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Provision for Employee Benefits</b>		
Leave encashment	10.94	16.47
Provision for Gratuity	117.40	122.21
<b>Total</b>	<b>128.34</b>	<b>138.68</b>

## 19 Deferred Tax Liabilities (net)

Particulars	As At March 31, 2019	As At March 31, 2018
Deferred Tax -Relating to origination and reversal of temporary differences	162.51	121.66
<b>Total</b>	<b>162.51</b>	<b>121.66</b>

## 20 Borrowings

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Secured</b> From Bank- Cash Credit - Loan Repayable on Demand	3,059.57	3,332.30
<b>Total</b>	<b>3,059.57</b>	<b>3,332.30</b>

The Cash Credit limit is secured by first charge by way of hypothecation of Trade receivables, Inventories, other current assets and Plant and Machinery of the company including land & Building . This Limit is also personally guaranteed by directors namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber.

## 21 Trade Payables

Particulars	As At March 31, 2019	As At March 31, 2018
Trade payables		
Total Outstanding dues of micro enterprise and small enterprise	-	-
Total Outstanding dues of creditors other than micro enterprise and small enterprise**	1,763.17	1,712.66
<b>Total</b>	<b>1,763.17</b>	<b>1,712.66</b>

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

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

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

\*\* Note : Trade payable includes payable to related parties as at March 2019 :INR 40.79 lakh ( as at March 2018 INR Nil)

**22 Other Financial Liabilities**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Current Maturities of Long term Loans	415.79	348.11
Interest Accrued but not due on borrowings	7.59	4.85
Creditors for Capital Expenditure	172.04	164.12
Creditors for Expenses	1,530.54	1,318.95
<b>Employee Related Liabilities</b>		
Salaries and Wages payable	60.89	55.29
Other Employee related payments	29.64	28.56
<b>Total</b>	<b>2,216.49</b>	<b>1,919.88</b>

**23 Other Current Liabilities**

Particulars	As At March 31, 2019	As At March 31, 2018
Audit Fee Payable	7.74	3.85
Electricity Expenses Payable	109.00	119.19
Statutory dues payable	127.21	165.72
Other Liabilities	87.37	61.27
Deferred Income	24.00	27.00
<b>Total</b>	<b>355.32</b>	<b>377.03</b>

**24 Provisions**

Particulars	As At March 31, 2019	As At March 31, 2018
Provision for Gratuity	25.77	14.18
Provision for Leave encashment	0.94	0.50
Provision for Income Tax ( Net of advance tax )Dividend payable	158.53	226.39
<b>Total</b>	<b>185.24</b>	<b>241.07</b>



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

25 Revenue from Operations

(All amounts in INR in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
<b>Sale of Products ( Net of Sales Returns )</b>	22,794.23	19,997.27
Less :- Indirect Taxes	3,278.30	2,802.40
	<b>19,515.93</b>	<b>17,194.87</b>
<b>Total</b>	<b>19,515.93</b>	<b>17,194.87</b>

26 Other Income

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Interest received on deposits with banks and others	140.31	58.40
Misc Receipt	4.07	3.08
Profit/(Loss ) on sale of Assets	8.47	-
Dividend Income	0.37	-
Balance Written back	38.93	-
Earned Leave Written back	2.38	-
<b>Total</b>	<b>194.53</b>	<b>61.48</b>

27 Cost of materials consumed

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
<b>Raw material and components consumed</b>		
Inventory at the beginning of the year-Raw Materials	1,129.90	1,053.99
Inventory at the beginning of the year-Stores ,Spares, Packing Material	140.85	185.65
	1,270.75	1,239.64
<b>Purchases</b>		
Raw Materials includes stores , spares and packing material etc.	11,738.06	10,769.20
Less: Inventory at the end of the year - Raw Materials	1,177.87	1,129.90
Less: Inventory at the end of the year- Stores, Spares and Packing Material	205.86	140.85
<b>Total</b>	<b>11,625.08</b>	<b>10,738.09</b>

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

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
1. Opening inventories		
Work in Progress	3,533.28	3,017.16
Finished Goods	-	-
2. Closing inventories		
Work in Progress	3,567.03	3,533.28
Finished Goods	73.85	-
<b>Total</b>	<b>(107.60)</b>	<b>(516.12)</b>

**28 Employee Benefits Expense**

(All amounts in INR in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Salaries and wages	781.25	612.25
Director Remuneration	114.00	112.00
Contribution to Provident and ESI Funds	62.96	55.32
Bonus and Incentives	155.52	140.94
Staff Welfare Expenses	32.82	39.47
Group Gratuity & Earned Leave	10.78	54.29
Other Expenses	6.23	7.03
<b>Total</b>	<b>1,163.56</b>	<b>1,021.30</b>

**29 Finance Cost**

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Interest on Borrowings	575.58	432.03
Interest others	120.91	122.27
<b>Total</b>	<b>696.49</b>	<b>554.30</b>

**30 Depreciation and amortisation expenses**

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Depreciation on tangible assets	582.13	568.04
	<b>582.13</b>	<b>568.04</b>

**31 Other expenses**

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
<b>(a) Manufacturing Expenses</b>		
Cartage & Forwarding	11.05	14.30
Power & Fuel	1,861.56	1,606.82
Contractual Job Work Expenses	361.11	352.22
Repair & Maintenance		
Building	5.65	2.87
Machinery	44.87	36.51
Workshop expenses	745.56	560.55
Caliberation Expenses	2.07	2.18
Factory Rent	7.57	1.32
Other Manufacturing Expenses	58.23	57.45
	<b>3,097.67</b>	<b>2,634.22</b>
<b>(b) Administrative &amp; Selling Expenses</b>		
Payment to Auditors*	13.01	4.35
Rates & Taxes	5.55	35.57
Directors' Sitting Fees	14.50	4.48

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Insurance	29.69	22.28
Legal & Professional Charges	50.37	36.33
Communication Expenses	7.55	9.20
Printing & Stationery	11.01	10.61
Vehicle Running Expenses	38.26	37.38
Travelling & Conveyance Expenses	71.15	78.51
ROC Expenses	1.66	4.44
Advertisement Expenses	4.30	9.94
Listing and Processing Expenses	3.14	5.42
Rebates and Discount	152.41	90.51
Freight Outward	294.57	198.29
Repairs and Maintenance others	2.77	2.07
Security expenses	34.10	30.13
CSR Expenses	9.32	-
Bad Debts	59.49	-
Other Misc. Expenses	96.25	66.83
<b>Total</b>	<b>3,996.77</b>	<b>3,280.56</b>

<b>*Detail of Payment to Auditors</b>		
Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Audit Fee (Statutory and Tax Audit Fees)	13.01	4.35
<b>Total</b>	<b>13.01</b>	<b>4.35</b>

### 32 Earnings per share (EPS)

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

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

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

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
<b>Net Profit after tax attributable to equity holders</b>	1,404.57	1,117.13
	<b>1,404.57</b>	<b>1,117.13</b>
Weighted average no of equity shares outstanding during the year- for Basic EPS	175.93	146.43
Face value of Equity Share ( INR )	10.00	10.00
Basic EPS	7.98	7.63
No of Equity Shares outstanding during the year - for Diluted EPS	176.20	146.43
Diluted EPS	7.97	7.63

## 33 Current Tax and Deferred Tax

(All amounts in INR in Lakhs)

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
<b>Current Tax:</b>		
Current income tax:	337.92	372.46
Adjustments in respect of current income tax of previous period	13.83	(19.14)
<b>Deferred Tax:</b>		
Relating to origination and reversal of temporary differences	(2.29)	(50.93)
<b>Total</b>	<b>349.46</b>	<b>302.39</b>

**Income Tax on other Comprehensive Income**

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
<b>Current Tax</b>	-	-
<b>Deferred Tax</b>		
Net loss/(gain) on remeasurements of defined benefit plans	-	-
<b>Total</b>	-	-
The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.		

## 34 Related party transactions

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

**A) Key Management Personnel**

Mr. Harpreet Singh Nibber - Managing Director

Mr. Raminder Singh Nibber - Chairman

Mr. Ajay Kumar - Executive Director

Mr. Ramesh Chander Saini - C.F.O

Mr. Vedant Bhatt - Company Secretary

**B) Subsidiary Companies**

Pritika Engineering Components Private Limited

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

Pritika Industries Limited

(Rs. in Lacs.)

Nature of Transactions During the year	Related Parties					
	Referred in A Above		Referred in B Above		Referred in C Above	
Income	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Sales	-	-	114.44	-	9,121.76	8,476.07
Interest received	-	-	30.68	-	-	-
<b>Expenditure</b>						
Purchases	-	-	110.35	-	1,364.17	1,514.07
Director Remunerations	151.80	144.25	-	-	-	-
Director Sitting Fees to independent Directors	14.50	4.48	-	-	-	-
Salary to KMP's	27.15	21.83	-	-	-	-
Interest Payment	1.20	1.20	-	-	16.96	-
Investment made			49.99	450.00		
Balance as at 31st March, 2019 Debit / (Credit )	-	-	18.50	1.79	3,394.89	2,475.54
Corporate Guarantee given	-	-	1,486.00	1,486.00	-	-
<b>Loan &amp; Advances</b>						
Loan taken during the year	-	-	-	-	268.10	-
Repayment of Loan during the year	-	-	-	-	268.10	-
Loan given during the year	-	-	304.61	127.88	-	-
Repayment of Loan during the year	8.60	-	49.99	-	-	-
Loan balance as at 31st March 2018-19 Debit/(Credit)	(14.16)	(22.76)	382.50	127.88	-	
Note : Salary to Mr. Harpreet Singh Nibber , Mr. Raminder Singh Nibber , Mr. Ajay Kumar and Mr. Ramesh Chander Saini was paid by Pritika Autocast Limited/Nibber Castings Private Limited wholly owned subsidiaries which have been amalgamated with the Company.						

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

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

Defined Contribution Plan:	Current Year	Previous Year
Employer's Contribution to Provident Fund	50.87 Lacs	45.43 Lacs

### Assets and liabilities Balance Sheets position

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
Present value of obligation	143.18	136.40
Fair value of Plan Assets	-	-
Surplus/( Deficit)	(143.18)	(136.40)
Effects of asset ceiling if any	-	-
<b>Net Asset / Liability</b>	<b>(143.18)</b>	<b>(136.40)</b>

**Expenses recognized during the year**

Particulars	For the year Ended March 31, 2019	For the year Ended March 31, 2018
In the income statement	32.59	136.40
In the other comprehensive income	(25.81)	-
<b>Total expense recognized during the year</b>	<b>6.78</b>	<b>136.40</b>

**Actuarial Assumptions:**

Particulars	Current Year	Previous Year
Salary Growth	7.70%	7.80%
Discount Rate	6.00%	7.00%

**36 Fair values**

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

**Assets and liabilities carried at amortised cost**

Particulars	Carrying Value		Fair Value	
	As At March 31, 2019	As At March 31, 2018	As At March 31, 2019	As At March 31, 2018
<b>Financial assets</b>				
Other financial assets	496.83	252.72	496.83	252.72
Trade Receivables	4,362.61	3,770.25	4,362.61	3,770.25
Cash and cash equivalents	47.85	311.77	47.85	311.77
Bank balances other than cash and cash equivalents	87.63	75.05	87.63	75.05
Other current financial assets	1,724.77	1,361.92	1,724.77	1,361.92
<b>Total</b>	<b>6,719.69</b>	<b>5,771.71</b>	<b>6,719.69</b>	<b>5,771.71</b>
<b>Financial liabilities</b>				
Borrowings	4,199.78	4,204.98	4,199.78	4,204.98
Trade Payables	1,763.17	1,712.66	1,763.17	1,712.66
Other Financial Liabilities	2,216.49	1,919.88	2,216.49	1,919.88
<b>Total</b>	<b>8,179.44</b>	<b>7,837.52</b>	<b>8,179.44</b>	<b>7,837.52</b>

**There are no assets and liabilities which have been carried at fair value through the Profit and Loss Account.**

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

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

**37 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 requirements 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, 2019	As At March 31, 2018
Debt	4,615.57	4,553.09
Less: cash and cash equivalents	(135.48)	(386.82)
<b>Net Debt (A)</b>	<b>4,480.09</b>	<b>4,166.27</b>
<b>Equity (B)</b>	<b>11,544.27</b>	<b>9,529.55</b>
<b>Gearing ratio (A/B)</b>	<b>0.39</b>	<b>0.44</b>

### 38. Commitments and Contingencies

Particulars	As At March 31, 2019	As At March 31, 2018
<b>(a) Contingent Liabilities :</b>		
Claim against the Company not acknowledged as debts*		
- Income Tax	23.16	-
Guarantees issued by Banks		
- Corporate guarantee to bank on behalf of subsidiary of the Company	1,486.00	1,486.00
- Guarantee issued by banks	123.21	123.21

**39** The Scheme of Amalgamation ( Scheme) under Section 230 and 232 and other applicable provisions of the Companies Act, 2013 between Pritika Autocast Limited , Nibber Castings Private limited ( Transferor Companies ) and Pritika Auto Industries Limited ( Transferee Companies ) has been approved by the National company Law Tribunal, Bench Chandigarh ( NCLT) vide its order dated 06th February 2019 with April 1, 2017 as the appointed date. Upon filing of copy of order with the Registrar of Companies (ROC) on March 18, 2019, the scheme has become effective and the effect there of has been given in the accounts.

**40** The Board of Directors has recommended , subject to approval of shareholders , dividend of 50 paise per equity share of Face value of Rs. 10/- ( Rs. Ten only ) each for the year ended March 31 , 2019 on 1,77,34,500 equity shares amounting to Rs. 106.89 lakhs ( including tax on dividend of Rs. 18.22 lakhs ).

**41** Previous year's figures have been restated, rearranged and regrouped, wherever necessary. Upon Amalgamation the previous year's figures of transferee company have been consolidated to enable comparability of the current year's figures of amalgamated accounts with that of the relative previous year's figures.

As per our report of even date  
For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

Sd/-  
Rahul Goyal  
Partner  
Membership no.: 540880

Place: Mohali  
Date: 22-05-2019

For and on behalf of Board of Directors

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

Sd/-  
Narinder Kumar Tyagi  
C.F.O

Sd/-  
Raminder Singh Nibber  
( Whole Time Director )  
DIN No. 00239117

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

## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Audit of the Consolidated Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated Ind AS financial statements of **PRITIKA AUTO INDUSTRIES LIMITED** (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March 2019 and the consolidated Statement of Profit and Loss, Consolidated statement of Changes in Equity and consolidated statement of cash flows for the year then ended and notes to the consolidated Ind AS financial statements including a summary of significant accounting policies (hereinafter referred to as 'the consolidated Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the group as at 31<sup>st</sup> March 2019, and its consolidated profit, consolidated cash flows and consolidated change in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and 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 Ind AS financial statements.

#### **Responsibility of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid



In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 company's financial reporting process of the Group.

### **Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Consolidated Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities including in the Consolidated Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2019 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.

### **Other Matter**

We did not audit of financial statements of One subsidiary, whose Ind AS financial statements reflect total assets of Rs 36.77 lakhs as at 31<sup>st</sup> March, 2019 and the total revenue of Rs 16.48 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs 7.57 lakhs for the year ended 31<sup>st</sup> March 2019, as considered in the consolidated Ind AS financial statements, in respect One subsidiary, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the auditor.

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

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

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- a. We/the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS 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 so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2019, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March 2019, from being appointed as a director in terms of section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding company and the operating effectiveness of such controls, refer to our separate report in “**Annexure 1**”; and

g. In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor on separate financial statements as also the other financial information of the subsidiary, as noted in the “Other matter” paragraph:

- i. There were no pending litigations which would impact the consolidated financial position of the group.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company.

**For Sunil Kumar Gupta & Co.**  
Chartered Accountants  
Firm's Registration No.: 003645N

Sd/-  
**Rahul Goyal**  
Partner  
Membership No: 540880

Place: Mohali  
Date: 22<sup>nd</sup> May, 2019

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

**(Annexure referred to in our report of even date to the members of Pritika Auto Industries Limited, on the Consolidated Ind AS Financial Statements for the year ended 31<sup>st</sup> March 2019).**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of **Pritika Auto Industries Limited** as of and for the year ended March 31, 2019. We have audited the internal financial controls over financial reporting of **PRITIKA AUTO INDUSTRIES LIMITED** (hereinafter referred to as the “Holding Company”) as of 31<sup>st</sup> March 2019.

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

The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

#### **Meaning of Internal Financial Controls over Financial Reporting with Reference to these Consolidated Financial Statements**

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with

generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these 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 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 financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to these Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with Reference to these 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 with Reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with Reference to these Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Holding Company have, maintained in all material respects,adequate internal financial controls over financial reporting with Reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with Reference to these Consolidated Financial Statements were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Holding 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).

**For Sunil Kumar Gupta & Co.**  
Chartered Accountants  
Firm's Registration No.: 003645N

Sd/-

**Rahul Goyal**  
Partner  
Membership No: 540880

Place: Mohali  
Date: 22<sup>nd</sup> May, 2019

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(All amounts Rs. in Lakhs)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	3	7,840.44	4,708.69
(b) Capital work in progress	3	887.95	726.18
(c) Intangible Assets	4		
- Goodwill		1,354.77	1,354.77
(d) Financial Assets			
- Investments	5	23.00	1.00
- Other financial assets	6	114.33	124.83
- Deferred Tax Assets (net)	7	185.32	29.17
- Other Non-Current Assets	8	141.43	97.76
<b>Total Non Current Assets (A)</b>		<b>10,547.24</b>	<b>7,042.40</b>
<b>2. Current Assets</b>			
(a) Inventories	9	5,593.31	4,809.94
(b) Financial Assets			
- Trade Receivables	10	4,743.23	3,770.24
- Cash and Cash Equivalents	11	52.97	446.92
- Bank balances other than cash and cash equivalents	12	128.98	75.05
- Other Current Financial Assets	13	1,743.56	2,729.94
(c) Other Current Assets	14	410.83	349.24
<b>Total Current Assets (B)</b>		<b>12,672.88</b>	<b>12,181.33</b>
<b>TOTAL ASSETS ( A+ B)</b>		<b>23,220.12</b>	<b>19,223.73</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	1,773.45	1,755.95
(b) Other Equity	16	9,767.68	7,762.89
<b>Total Equity (A)</b>		<b>11,541.13</b>	<b>9,518.84</b>
<b>2. Non Current Liabilities</b>			
(a) Financial Liabilities	17		
- Borrowings		2,330.21	1,856.62
(b) Provisions	18	128.34	138.68
(c) Deferred Tax Liabilities ( net )	19	164.80	121.66
(d) Other non-current liabilities	20	532.00	-
<b>Total Non Current Liabilities ( B)</b>		<b>3,155.35</b>	<b>2,116.96</b>
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	21	3,250.20	3,332.30
- Trade Payables	22		
Total Outstanding dues of micro enterprise and small enterprise		-	-
Total Outstanding dues of creditors other than micro enterprise and small enterprise		1,996.59	1,712.67
- Other Financial Liabilities	23	2,686.67	1,923.74
(b) Other Current Liabilities	24	403.36	377.03
(c) Provisions	25	186.82	242.19
<b>Total Current Liabilities ( C )</b>		<b>8,523.64</b>	<b>7,587.93</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>23,220.12</b>	<b>19,223.73</b>

The accompanying notes are integral part of the financial statements

As per our report of even date  
For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

Sd/-  
Rahul Goyal  
Partner  
Membership no.: 540880

Place: Mohali  
Date: 22-05-2019

For and on behalf of Board of Directors

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

Sd/-  
Narinder Kumar Tyagi  
C.F.O

Sd/-  
Raminder Singh Nibber  
( Whole Time Director )  
DIN No. 00239117

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

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**  
(All amounts in Lakhs)

<b>Particulars</b>	<b>Note</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
I Revenue from operations	26	20,971.20	17,194.87
II Other Income	27	165.36	61.48
<b>III Total Income ( I+II)</b>		<b>21,136.56</b>	<b>17,256.35</b>
<b>IV Expenses</b>			
a) Cost of material consumed	28	12,624.01	10,738.09
b) Changes in inventories of finished goods , Work in progress and stock in trade	28(a)	(348.04)	(516.12)
c) Excise Duty		-	190.66
d) Employee benefits expense	29	1,272.41	1,024.40
e) Finance costs	30	785.27	559.39
f) Depreciation and amortization expense	31	633.35	568.04
g) Other Expenses	32	4,405.67	3,283.01
<b>Total Expenses (IV)</b>		<b>19,372.67</b>	<b>15,847.47</b>
<b>V Profit / (Loss) before exceptional items and tax</b>		<b>1,763.89</b>	<b>1,408.88</b>
VI Exceptional Items		-	-
<b>VII Profit / (Loss) before tax</b>		<b>1,763.89</b>	<b>1,408.88</b>
<b>VIII Tax Expense:</b>			
a) Current Tax	34	337.92	372.46
b) Adjustment of tax relating to earlier periods		13.83	(19.14)
c) Deferred Tax	34	-	(50.93)
<b>Total tax expenses ( VIII )</b>		<b>351.75</b>	<b>302.39</b>
<b>IX Profit / (Loss ) for the period</b>		<b>1,412.14</b>	<b>1,106.49</b>
<b>X Other comprehensive income</b>			
Items that will not to be reclassified to profit or loss		-	-
Re-measurement (gains)/ losses on defined benefit plans		-	-
<b>XI Total comprehensive Profit for the period ( IX + X )</b>		<b>1,412.14</b>	<b>1,106.49</b>
<b>Earnings per equity share(Nominal value of Rs. 10/- per share)</b>			
Basic	33	8.03	7.56
Diluted	33	8.01	7.56

The accompanying notes are integral part of the financial statements

**As per our report of even date**

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

**Sd/-**

**Rahul Goyal**  
**Partner**  
**Membership no.: 540880**

**Place: Mohali**

**Date: 22-05-2019**

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

**Sd/-**

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

**Sd/-**

**Narinder Kumar Tyagi**  
**C.F.O**

**Sd/-**

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

**Sd/-**

**Chander Bhan Gupta**  
**Company Secretary**  
**M.No. F2232**

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019**

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax as per statement of Profit & Loss	1,763.89	1,408.88
	<b>Adjustments for:</b>		
	- Depreciation and amortisation expense	633.35	568.04
	- Finance costs	785.27	559.39
	- Gratuity Provision	6.78	-
	- Earned leave written back	(0.46)	-
	- Creditors balance written back	(38.93)	-
	- Profit on Sale of Fixed Assets	(8.47)	(24.23)
	<b>Operating profit before working capital changes</b>	<b>3,141.43</b>	<b>2,512.08</b>
	<b>Adjustments for :</b>		
	Increase/(Decrease) in Trade Payables	283.92	145.42
	Increase/(Decrease) in Other Current Liabilities	789.26	(706.20)
	Increase/(Decrease) in Short Term Provisions	(10.34)	47.60
	(Increase) / Decrease in Trade Receivables	(972.99)	64.27
	(Increase) / Decrease in Inventories	(783.37)	(553.14)
	(Increase) / Decrease in Short Term Advances	(61.59)	(278.71)
	(Increase) / Decrease in Other Current Assets	953.21	(1,834.66)
	<b>Cash generated from operations</b>	<b>3,339.53</b>	<b>(603.34)</b>
	Taxes paid	(522.63)	(261.59)
	<b>Net Cash from Operating Activities</b>	<b>2,816.90</b>	<b>(862.93)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant & Equipment	(3,944.41)	(2,355.25)
	Sale of Property, Plant & Equipment	33.82	-
	Movement in fixed deposits (having original maturity of more than three months)	(53.93)	(12.17)
	Investments made	(22.00)	-
	<b>Net Cash used in Investing Activities</b>	<b>(3,986.52)</b>	<b>(2,367.42)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Long Term Loans Raised (Net )	1,005.54	1,158.00
	Short Term Loans Raised	(82.10)	-
	Increase in Share Capital	17.50	401.75
	Proceed from issue of share warrant	287.50	-
	Share premium	332.50	2,575.22
	Interest Paid	(785.27)	(559.39)
	<b>Net Cash from Financing Activities</b>	<b>775.67</b>	<b>3,575.58</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(393.95)</b>	<b>345.23</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>446.92</b>	<b>101.69</b>
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>52.97</b>	<b>446.92</b>

**Notes:**

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

**As per our report of even date**

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

Sd/-

**Rahul Goyal**  
Partner  
Membership no.: 540880

Place: Mohali  
Date: 22-05-2019

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

Sd/-

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

Sd/-

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

Sd/-

**Narinder Kumar Tyagi**  
C.F.O

Sd/-

**Chander Bhan Gupta**  
Company Secretary  
M.No. F2232



**ANNEXURES TO THE BALANCE SHEET**  
**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in Rs. in Lacs)

<b>A. Equity Share Capital</b>								
Particulars	Balance as on April 1, 2017	Changes during the year	Balance as on March 31, 2018	Balance as on April 1, 2018	Changes during the year	Balance as on 31st March 2019		
<b>a) Authorised Share Capital *</b>								
3,65,00,000 (PY 2,00,00,000) Equity shares of Rs.10/- each	1,500.00	500.00	2,000.00	2,000.00	1,650.00	3,650.00		
<b>b) Issued, Subscribed And Fully Paid Up</b>								
1,77,34,500 (PY 1,75,59,500 ) Equity shares of Rs.10/- each	1,354.20	401.75	1,755.95	1,755.95	17.50	1,773.45		
<b>B. Other Equity</b>								
Particulars	Equity component of compound financial instruments.	Reserves and Surplus				Other comprehensive income		Total
		Securities premium	Share Warrant	Capital Reserve	Retained earnings	Actuarial Gain / (Loss)	Unrealised Gain	
<b>Balance as at April 1, 2017</b>								
Balance at the beginning of the reporting period	-	-	-	1,605.86	14.03	-	-	1,619.89
- Profit / Addition during the year	-	2,462.25	-	(0.96)	1,106.49	-	-	3,567.78
- Transfer to retained earnings	-	2,575.22	-	-	-	-	-	2,575.22
- Mat Adjustment Transfer from Other comprehensive income to retained earning	-	-	-	-	-	-	-	-
<b>Balance as at March 31 , 2018</b>	-	<b>5,037.47</b>	-	<b>1,604.90</b>	<b>1,120.52</b>	-	-	<b>7,762.89</b>
<b>Balance as at April 1, 2018</b>	-	5,037.47	-	1,604.90	1,120.52	-	-	7,762.89
Balance at the beginning of the reporting period	-	5,037.47	-	1,604.90	1,120.52	-	-	7,762.89
- Profit / Addition during the year	-	332.50	287.50	-	1,412.14	-	-	2,032.14
- Adjustment on account of Mat credit and Corporate dividend Tax				-	(27.35)			(27.35)
<b>Balance as at March 31 , 2019</b>	-	<b>5,369.97</b>	<b>287.50</b>	<b>1,604.90</b>	<b>2,505.31</b>	-	-	<b>9,767.68</b>

\* Note: In view of scheme of amalgamation approved by the honourable NCLT , Chandigarh Bench , the Authorised Capital of the transferor co's namely Pritika Autocast Limited ( INR 14 Cr.) and Nibber Castings Private Limited ( INR 2.50 Cr.) has been merged / consolidated with the Authorised capital of Pritika Auto Industries Limited ( transferee co.).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

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

#### 1 GENERAL INFORMATION

Pritika Auto Industries Limited ("the Company") (formerly known as Shivkrupa Machineries and Engineering Services Limited) a Listed company domiciled in India was incorporated on 11.04.1980 and is engaged in the manufacturing of tractor and automobile components. The financial statements were approved for issue by the Board of Directors on May 22, 2019.

### Note No. 2: SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of Preparation of Financial Statements

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The subsidiary companies considered in these consolidated financial statements are as follows:

Name of the Company	Proportion of Ownership
Pritika Engineering Components Private Limited	Wholly owned Subsidiaries

#### 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 Summary of Significant Accounting Policies

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

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

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

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

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

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

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

**Asset Useful life**

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

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

**2.3.3 Intangible assets**

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

**Asset Useful life**

Computer software	3 years
-------------------	---------

The estimated useful life is reviewed annually by the management.

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

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

**2.3.5 Non-derivative financial instruments**

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

**2.3.6 Cash and cash equivalents**

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

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**Cash flow statement**

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

### 2.3.7

#### **Financial Assets**

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

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

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

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

##### **Financial liabilities**

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

### 2.3.8

#### **Impairment**

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

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

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

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

### 2.3.9

#### **Inventories**

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

### 2.3.10

#### **Revenue recognition**

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

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

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

### **Sale of goods**

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

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

### **Interest Income**

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

### **Dividend**

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

## **2.3.11**

### **Leases**

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

#### **Operating Lease:**

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

#### **Finance Lease:**

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

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

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

### 2.3.12 **Employee benefit expenses**

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

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

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

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

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

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

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

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

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

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

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

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

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

### 2.3.13 **Foreign currency translation**

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

### 2.3.14 **Borrowing cost**

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of

specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All the other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

### 2.3.15 **Income tax**

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

#### **Current tax**

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

#### **Deferred tax**

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

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

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

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

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

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

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

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

### **2.3.18 Government Grants**

Government Grants are recognised only when there is reasonable assurance that the company will comply with the condition attaching to them and the grants will be received.

Government grants are recognised in profit & loss on a systematic basis over the periods in which the company recognise as expenses the related cost of which the grant are intended to compensate.

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

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 18 Revenue recognition and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption. The change did not have a material impact on the financial statements of the Company.



### 3. Property, Plant and Equipment

(All amounts in Lakhs)

Particulars	Air Conditioner	Computers	D.G Set	Furniture & Fixtures	Office Equipment	Vehicle	Weigh Bridge	Free hold Land	Building	Electric Fitting	Plant & Machinery	Building Other Than Factory Building	Total	Building under Construction	Capital Work in Progress	Total CWIP
<b>Cost or Deemed Cost</b>																
At April 1, 2017	3.07	3.15	38.69	8.54	6.54	132.48	0.88	69.31	648.24	159.94	2,789.48	23.82	3,884.14	39.73	201.52	241.25
Addition/ Adjustment	-	0.56	-	2.94	0.54	0.67	-	696.10	95.65	97.06	995.50	-	1,889.02	40.04	1,069.46	1,109.50
Transfer / Sale											(18.72)	-	(18.72)	(61.70)	(562.87)	(624.57)
At March 31, 2018	3.07	3.71	38.69	11.48	7.08	133.15	0.88	765.41	743.89	257.00	3,766.26	23.82	5,754.44	18.07	708.11	726.18
At April 1, 2018	3.07	3.71	38.69	11.48	7.08	133.15	0.88	765.41	743.89	257.00	3,766.26	23.82	5,754.44	18.07	708.11	726.18
Addition/ Adjustment	0.59	4.90	23.74	6.93	38.96	142.03	-	278.91	491.20	165.79	2,637.38	-	3,790.43	87.72	1,353.05	1,440.77
Transfer / Sale	-	-	-	-	-	(11.69)	-	-	-	-	(31.24)	-	(42.93)	(0.50)	(1,278.50)	(1,279.00)
At March 31, 2019	3.66	8.61	62.43	18.41	46.04	263.49	0.88	1,044.32	1,235.09	422.79	6,372.40	23.82	9,301.94	105.29	782.66	887.95
<b>Depreciation and Impairment</b>																
At April 1, 2017	0.69	0.59	8.70	1.56	2.45	7.71	0.26	-	35.72	24.46	395.45	1.52	479.09	-	-	-
Addition	0.54	0.76	5.80	2.62	1.30	33.95	0.26	-	37.91	62.81	421.08	1.01	568.04	-	-	-
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	(1.38)	-	(1.38)	-	-	-
At March 31, 2018	1.23	1.35	14.50	4.18	3.73	41.66	0.52	-	73.63	87.27	815.15	2.53	1,045.75	-	-	-
At April 1, 2018	1.23	1.35	14.50	4.18	3.73	41.66	0.52	-	73.63	87.27	815.15	2.53	1,045.75	-	-	-
Addition	1.29	1.42	7.44	1.69	4.70	25.12	0.21	-	42.27	32.66	515.54	1.01	633.35	-	-	-
Transfer / Sale	-	-	-	-	-	(5.68)	-	-	-	-	(11.92)	-	(17.60)	-	-	-
At March 31, 2019	2.52	2.77	21.94	5.87	8.43	61.10	0.73	-	115.90	119.93	1,318.77	3.54	1,661.50	-	-	-
Net Carrying Amount as on 31/03/2018	1.84	2.36	24.19	7.30	3.35	91.49	0.36	765.41	670.26	169.73	2,951.11	21.29	4,708.69	18.07	708.11	726.18
Net Carrying Amount as on 31/03/2019	1.14	5.84	40.49	12.54	37.61	202.39	0.15	1,044.32	1,119.19	302.86	5,053.63	20.28	7,840.44	105.29	782.66	887.95

\*During the year Nibber Castings Private Limited, Pritika Autocast Limited (transferor Companies) has been amalgamated with Pritika Auto Industries Limited (Transferee Company) vide order dated 06th February 2019. The updation of name of Pritika Auto Industries Limited on title deeds of properties in the name of Nibber Castings Private Limited and Pritika Autocast Limited is under process

**4 Goodwill**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Opening Balance	1,354.77	-
Addition /(Disposal) during the year	-	1,354.77
<b>Total</b>	<b>1,354.77</b>	<b>1,354.77</b>

**5 Investments**

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Investments carried at Fair Value through Other Comprehensive Income (FVOCI)</b>		
<b>Investments in Equity Instruments fully paid up (Unquoted)</b>		
Shares in Shivalik Solid Waste Management Limited ( 10,000 Equity shares of Rs. 10/- )	1.00	1.00
Investments in Mutual Fund- Canara bank Robeco	22.00	-
<b>Total</b>	<b>23.00</b>	<b>1.00</b>
<b>Aggregate book value/market value of unquoted investments</b>	<b>23.38</b>	<b>1.00</b>

**6 Other Financial Assets**

Particulars	As At March 31, 2019	As At March 31, 2018
Bank deposits having original maturity more than 12 months	114.33	124.83
<b>Total</b>	<b>114.33</b>	<b>124.83</b>

**7 Deferred Tax Assets(Net)**

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Opening Balance</b>	-	-
Relating to origination and reversal of temporary differences *	185.32	29.17
<b>Closing Balance</b>	<b>185.32</b>	<b>29.17</b>
*Note: Deferred tax assets balance includes the balance of Mat credit entitlement of INR 48.40 lakh (At March 31 2018 : INR 29.17 lakh )		

**8 Other Non-Current Assets**

Particulars	As At March 31, 2019	As At March 31, 2018
Unamortised Processing Cost	18.94	21.35
Pre-operative Expense	-	5.22
Security Deposits	122.49	71.19
<b>Total</b>	<b>141.43</b>	<b>97.76</b>

## 9 Inventories

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Raw Materials { include in transit of INR 143.89 lakh ( At March 31 , 2018 INR 5.91 Lakh )}	1,487.39	1,135.81
Store & Spares	224.59	140.85
Work in Progress	3,807.48	3,533.28
Finished Goods	73.85	-
<b>Total inventories at lower of cost and net reliasable value</b>	<b>5,593.31</b>	<b>4,809.94</b>

## 10 Trade Receivables

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Unsecured, Considered Good.*	4,753.02	3,780.03
	<b>4,753.02</b>	<b>3,780.03</b>
Less : Provision for Douthful Debts	(9.79)	(9.79)
<b>Total</b>	<b>4,743.23</b>	<b>3,770.24</b>
* **Note : Trade receivables includes receivables from related parties as at March 2019 : INR 3,636.66 lakh ( as at March 2018 INR 2475.54 lakh )		

## 11 Cash and Cash Equivalents

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Balances with banks - in current accounts	36.83	437.86
Cash on Hand	16.14	9.06
<b>Total</b>	<b>52.97</b>	<b>446.92</b>

## 12 Bank balances other than Cash and Cash Equivalents

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months( including interest accrued)	128.98	75.05
<b>Total</b>	<b>128.98</b>	<b>75.05</b>

## 13 Other Current Financial Assets

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Unsecured Considered Good</b>		
Loan and advances others *	1,738.09	2,729.09
Advance to Staff	5.47	0.85
<b>Total</b>	<b>1,743.56</b>	<b>2,729.94</b>

\* **Note** : Loan & Advances includes receivables from related parties as at March 2019 : INR 180.70 lakh ( as at March 2018 INR 168.70 lakh )

**14 Other Current Assets**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Unsecured , Considered good</b>		
Prepaid expenses	18.10	5.51
Balance with Revenue authorities	326.66	280.23
Other Receivable	66.07	63.50
<b>Total</b>	<b>410.83</b>	<b>349.24</b>

**15 Equity Share Capital**

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Authorised</b> 3,65,00,000 (PY 2,00,00,000) Equity shares of Rs.10/- each	3,650.00	2,000.00
	<b>3,650.00</b>	<b>2,000.00</b>
<b>Issued, subscribed and fully paid-up</b> 1,77,34,500 (PY 1,75,59,500 ) Equity shares of Rs.10/- each	1,773.45	1,755.95
<b>Total</b>	<b>1,773.45</b>	<b>1,755.95</b>

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

Particulars	No of shares (in lakhs)
<b>Equity Shares</b>	
<b>At April 1, 2017</b>	135.42
Add: Issued during the period	40.18
<b>At March 31, 2018</b>	175.60
Add: Issued during the period	1.75
<b>At March 31, 2019</b>	<b>177.35</b>

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

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

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

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

Particulars	As At March 31, 2019	As At March 31, 2019	As At March 31, 2018	As At March 31, 2018
	% of holding	Amount (In Lacs)	% of holding	Amount (In Lacs)
<b>Equity Shares</b>				
Harpreet Singh Nibber	11.59%	205.49	11.70%	205.49
Raminder Singh Nibber	6.60%	117.12	6.67%	117.12
Pritika Industries Limited	27.86%	494.13	27.96%	491.03
Rajesh Sadhwani	9.16%	162.50	9.25%	162.50

## 16 Other Equity

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Retained Earnings</b>		
Opening balance	1,120.52	14.03
Net Profit / (loss ) for the year	1,412.14	1,106.49
Less: Corporate Dividend	(35.12)	-
Add : Mat Credit Adjustment	14.99	-
Less : Corporate Dividend Tax	(7.22)	-
<b>Closing balance</b>	<b>2,505.31</b>	<b>1,120.52</b>
<b>(B) Securities Premium</b>		
Opening Balance	5,037.47	2,462.25
Securities Premium during the year	332.50	2,575.22
<b>Closing balance (B)</b>	<b>5,369.97</b>	<b>5,037.47</b>
<b>( C ) Capital reserve</b>	1,604.90	1,605.86
During the year	-	(0.96)
<b>Closing Capital Reserve</b>	<b>1,604.90</b>	<b>1,604.90</b>
<b>( D ) Share Warrant</b>		
Share Warrant 5,75,000 ( PY Nil ), ( Rs. 50 paid up) of Rs. 200 each	287.50	-
<b>Closing Capital Reserve</b>	<b>287.50</b>	<b>-</b>
<b>Total ( A+B+C+D)</b>	<b>9,767.68</b>	<b>7,762.89</b>
During the year, the Company under Section 42 and other applicable provisions of the Companies Act, 2013 has issued and allotted on preferential basis 5.75 Lakh warrants at a price of Rs. 200 per Warrant (Rs. 50 Paid up) to public (non-promoters) , which will be converted into equivalent number of equity shares of Rs. 10 each at a premium of Rs. 190 per share on or before 20-07-2020 at the discretion of warrant holder.		

## 17 Borrowings

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Secured</b>		
<b>Term Loan</b>		
<b>(a) Secured *</b>		
- From Banks	1,589.88	1,379.48
- From Financial Institutions / NBFC	639.42	386.67
<b>( b ) Unsecured</b>		
- From Financial Institutions / NBFC	86.75	67.71
- From Directors	14.16	22.76
<b>Total</b>	<b>2,330.21</b>	<b>1,856.62</b>

**Note No.17: Details of Securities and Terms of Repayment****I(I). Secured : Term loans from Banks**  
**Canara Bank**

Secured by first charge by way of hypothecation of Trade receivables, Inventories, other current assets and Plant and Machinery of the company including land & Building. These loans are also personally guaranteed by directors namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber. Vehicles loans is secured by first charge by way of hypothecation of vehicles purchase out from these loan funds.

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
The Vehicle Loan of Rs 6.50 lacs repayable in 60 Installments of Rs.0.13 lakh including interest part. Current rate of interest is 9.00%.	5.79	-
The term loan of Rs 112 lacs repayable in 72 monthly installments comprising of 71 monthly installments of Rs 1.56 lacs and last monthly installment of Rs 1.24 lacs. Current rate of interest is 12.90%.	7.48	26.20
The term loan of Rs 200 lacs repayable in 60 monthly installments of Rs 3.33 lacs and last monthly installment of Rs. 3.53 lakh. Current rate of interest is 12.90%.	40.00	80.00
The term loan of Rs 125 lacs repayable in 84 monthly installments comprising of first 83 monthly installemnts of Rs 1.50 lacs and one installement of 0.50 Lacs . Current rate of interest is 13.25%.	-	12.03
The Vehicle loan of Rs 6.50 lacs repayable in 48 monthly installments of Rs 0.17 lacs. Current rate of interest is 9.65%.	0.16	2.16
The Vehicle loan of Rs 3.00 lacs repayable in 60 monthly installments of Rs 0.06 lacs. Current rate of interest is 9.45%.	0.84	1.49
The Term Loan of Rs 75 lacs repayable in 72 Installments of Rs 1.05 Lacs and one monthly installment of 0.45 lacs excluding interest part. Current rate of interest is 12.90%.	15.29	28.39
The Term Loan of Rs 2.73 lacs repayable in 36 Installments of Rs 0.09 Lacs current rate of interest is 9.95% . Current rate of interest is 8.90%.	0.17	1.11
The Vehicle Loan of Rs 10.50 lacs repayable in 60 Installments of Rs.0.21 including interest part. Current rate of interest is 9.10%.	9.50	-
The Vehicle Loan of Rs 5.50 lacs repayable in 60 Installments of Rs.0.11 lakh including interest part. Current rate of interest is 9.20%.	5.42	-
The Term Loan of Rs. 96.00 lacs repayable in 60 monthly installments of Rs.1.60 lacs excluding interest part @ 12.90%	-	9.60
The Vehicle Loan of Rs.6.30 lacs repayable in 60 Monthly Installments of Rs.0.14 lacs each including interest part @9.65%.	-	0.94
The Quasi Equity Loan of Rs. 220.00 lacs repayable in 72 Monthly Installments of Rs.3.06 lacs each excluding interest part @12.90% having 12 month moratorium period.	73.33	110.00
The Working Capital Term Loan of Rs. 150.00 lacs repayable in 60 monthly instalment of Rs. 2.50 lacs each excluding interest part @ 14.25% .	150.00	150.00
The Term Loan of Rs. 265.00 lacs repayable in 54 monthly installments of Rs.4.91 lacs excluding interest part @ 13.75% .	235.54	104.25
The Vehicle Loan of Rs.8.25 lacs repayable in 60 Monthly Installments of Rs.0.17 each including interest part @9.00% .	7.23	-
The Vehicle Loan of Rs.50.00 lacs repayable in 60 Monthly Installments of Rs.1.05 lac each including interest part @9.10%.T	27.42	36.77
he Term loan of Rs 1286 lacs repayable in 107 monthly installments .Current rate of interest is 12.65% p.a with a monotoriaum period 8 month from the date of COD:31.07.2018	1,286.00	985.07
<b>Total</b>	<b>1,864.17</b>	<b>1,548.01</b>
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	278.78	177.77
<b>Amount shown as Loan</b>	<b>1,585.39</b>	<b>1,370.24</b>

**Secured Loans from other Banks****Secured by first charge by way of hypothecation of vehicles purchased out these loan funds.** (All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
ICICI Bank : The Vehicle loan of Rs 5.65 lacs repayable in 60 monthly installments comprising of 59 monthly installments of Rs 0.116 lacs each and last monthly installments of Rs 0.09 Lacs (including interest part).current Interest rate is 8.75%.	3.67	4.70
ICICI Bank : Vehicle Loan of Rs. 4.50 lacs repayable in 60 Monthly Installments of Rs.0.12 lacs each including interest part @9.50%).	0.00	1.97
HDFC Bank : Vehicle Loan of Rs.12.00 lacs repayable in 60 Monthly Installments of Rs.0.25 each including interest part.	4.64	7.10
<b>Total</b>	<b>8.31</b>	<b>13.77</b>
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans.	3.82	4.53
<b>Amount shown as Loan</b>	<b>4.49</b>	<b>9.24</b>
<b>GRAND TOTAL OF SECURED LOANS FROM BANKS</b>	<b>1,589.88</b>	<b>1,379.48</b>

**I(II) Secured Loans****A. Loans from Financial Institutions / NBFCs**

Secured by first charge by way of hypothecation of all the moveable including plant, machinery and equipment acquired/ to be acquired under the project/scheme. These loans are personally guaranteed by directors namely Sh. Raminder Singh Nibber and Sh. Harpreet Singh Nibber.

Particulars	As At March 31, 2019	As At March 31, 2018
<b>SIDBI</b> : The term loan of Rs 90 lacs repayable in 72 monthly installments of Rs 1.25 lacs (excluding interest part). Current Interest rate is 9.60%.	81.25	90.00
<b>SIDBI</b> : The term loan of Rs 225 lacs repayable 54 monthly installments comprising of 53 monthly installments of Rs 4.15 lacs and 1 monthly installments of Rs 5.05 lacs (excluding interest part). Current Interest rate is 12.50%.	100.50	150.30
<b>SIDBI</b> : The term loan of Rs 130 lacs repayable in 72 monthly installments comprising of 24 monthly installments of Rs 0.25 lacs and 12 monthly installments of Rs 0.50 lacs each and next 12 monthly installments of Rs 2.00 lacs each and next 12 monthly installment Rs 3.00 lacs each and next 11 installment of Rs.5.00 lacs each and the last installment of Rs.3.00 lacs (excluding interest part). Current Interest rate is 9.95%.	126.25	129.25
<b>SIDBI</b> : The term loan of Rs 20 lacs repayable in 72 monthly installments comprising of 71 monthly installments of Rs 0.28 lacs each and 1 monthly installments of Rs 0.12lacs (excluding interest part). Current Interest rate is 9.35%.	15.80	19.16
<b>SIDBI</b> : Term Loan of Rs. 75 Lacs repayable in 54 monthly installments comprising of first 53 installments of Rs. 1.39 lacs each and last i.e 54th Installment of Rs. 1.33 lacs @ 9.60%	52.76	69.44
<b>SIDBI</b> : Soft Loan of Rs. 10 Lacs repayable in 54 monthly installments comprising of first 53 installments of Rs. 0.19 lacs each and last i.e 54th Installment of Rs. 0.20 lacs @ 8.95%	7.04	9.26
<b>Mahindra &amp; Mahindra Financial Services Limited</b> : The vehicle term loan of Rs. 11.80 lacs repayable in 60 monthly installments comprising of Rs. 0.24 lac Each ( including interest part ).Interest rate is 9%	11.33	-
<b>Bajaj Finance Ltd.</b> : The term loan of Rs.2 crore repayable in 60 installments comprising of Rs. 4.29 lac including interest part.Interest rate is 10.50%.	192.22	-

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Daimler Financial Service Pvt. Ltd.</b> : The vehicle loan of Rs. 56.02 lacs repayable in 48 monthly installments comprising of 47 installments of Rs. 1.09 lac and 48th installment of Rs. 24.09 lac .Interest rate is 11.75%	53.26	-
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 245 lacs repayable 48 monthly (3 months moratorium period) installments comprising of Rs 6.86 lacs each (Including interest part) .Interest rate is 12.35%	186.60	-
<b>Punjab Reliable Investment Ltd:</b> Loan of Rs 16.50 Lacs for machinery repayable in 47 installments comprising of first 16 installments of Rs 0.60 lacs each, next 16 installments of Rs 0.46 lacs each, last 15 installments of Rs 0.28 lacs each (Including interest part).	3.07	7.23
<b>Total</b>	830.08	474.64
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	190.66	87.96
<b>Amount shown as loan.</b>	<b>639.42</b>	<b>386.67</b>
<b>GRAND TOTAL OF UNSECURED LOANS FROM OTHERS</b>	<b>639.42</b>	<b>386.67</b>

## II Unsecured Loans

### A. From NBFC/Financial Institutions

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Mahindra &amp; Mahindra Financial Services Limited:</b> The term loan of Rs 100 lacs repayable 24 monthly installments comprising of Rs 4.80 lacs each (Including interest part). Current Interest rate is 14.00%	-	33.17
<b>Tractors and Farm Equipments Limited (Tafe)</b> : Loan of Rs 60 Lacs repayable in 24 monthly installments of Rs. 2.5 Lakhs each. Interest rate is 10.50%	47.93	-
<b>Cholamandalam Investment and Finance Company Ltd.:</b> The loan of Rs. 80 lacs repayable in 84 monthly installments of Rs. 1.34 lacs each .Current interest rate @ 10.25%.	77.35	-
<b>Hero Fincorp Ltd.</b> : The Loan of Rs. 93.00 lacs repayable in 120 Monthly Installments of Rs.1.42 lacs each including interest part @13.50% .	-	75.02
<b>Neo Growth Credit Private Ltd:</b> Loan of Rs 51 Lacs repayable in 24 fortnightly installments comprising of Rs 2.40 lacs each(Including interest part).	-	37.36
Less: Amount shown in Other Financial liabilities in Note No. 23 towards Current Maturities of Loans .	125.28	145.55
<b>Total</b>	<b>86.75</b>	<b>67.71</b>

### From Directors

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

Particulars	As At March 31, 2019	As At March 31, 2018
Sh. Raminder Singh Nibber	14.16	21.57
Sh. Harpreet Singh Nibber	-	1.19
<b>Total</b>	<b>14.16</b>	<b>22.76</b>



## 18 Provisions

(All amounts in INR in Lakhs)

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Provision for Employee Benefits</b>		
Leave encashment	10.94	16.47
Provision for Gratuity	117.40	122.21
<b>Total</b>	<b>128.34</b>	<b>138.68</b>

## 19 Deferred Tax Liabilities (net)

Particulars	As At March 31, 2019	As At March 31, 2018
Deferred Tax -Relating to origination and reversal of temporary differences	164.80	121.66
<b>Total</b>	<b>164.80</b>	<b>121.66</b>

## 20 Other Non-Current Liabilities

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Unsecured- Tooling Advance</b> From Related Parties	532.00	-
<b>Total</b>	<b>532.00</b>	-

## 21 Borrowings

Particulars	As At March 31, 2019	As At March 31, 2018
<b>Secured</b> From Bank- Cash Credit - Loan Repayable on Demand	3,250.20	3,332.30
<b>Total</b>	<b>3,250.20</b>	<b>3,332.30</b>

The cash credit limit is secured by first charge by way of hypothecation of Trade receivables, inventories, other current assets and Plant and machinery of the company including Land & Building. This limit is also personally guaranteed by directors namely Mr. Raminder Singh Nibber & Mr. Harpreet Singh Nibber.

## 22 Trade Payables

Particulars	As At March 31, 2019	As At March 31, 2018
Trade payables		
Total Outstanding dues of micro enterprise and small enterprise	-	-
Total Outstanding dues of creditors other than micro enterprise and small enterprise**	1,996.59	1,712.66
<b>Total</b>	<b>1,996.59</b>	<b>1,712.66</b>

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

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

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

**\*\* Note :** Trade payable includes payable to related party as at March 2019 : INR 25.31 lakhs ( as at March 2018 : INR Nil )

**23 Other Financial Liabilities**

(All amounts in INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current Maturities of Long term Loans	511.79	348.11
Interest Accrued but not due on borrowings	9.37	6.20
Creditors for Capital Expenditure	318.43	164.12
Creditors for Expenses	1,745.89	1,319.20
<b>Employee Related Liabilities</b>		
Salaries and Wages payable	71.55	57.55
Other Employee related payments	29.64	28.56
<b>Total</b>	<b>2,686.67</b>	<b>1,923.74</b>

Note : Creditors for capital expenditure includes payable to related party as at March, 2019; INR 70.07 Lacs (as at March, 2018; INR-Nil).

**24 Other Current Liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018
Audit Fee Payable	8.87	3.85
Electricity Expenses Payable	143.02	119.19
Statutory dues payable	134.68	165.72
Other Liabilities	92.79	61.27
Deferred Income	24.00	27.00
<b>Total</b>	<b>403.36</b>	<b>377.03</b>

**25 Provisions**

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity	25.77	14.18
Provision for Leave encashment	0.94	0.50
Provision for Income Tax ( Net of advance tax )Dividend payable	160.10	227.51
<b>Total</b>	<b>186.82</b>	<b>242.19</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

26 Revenue from Operations

(All amounts in INR in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Sale of Products ( Net of Sales Returns )</b>	24,511.44	19,997.27
Less :- Indirect Taxes	3,540.24	2,802.40
<b>Total</b>	<b>20,971.20</b>	<b>17,194.87</b>

27 Other Income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest received on deposits with banks and others	111.14	58.40
Misc Reciept	4.07	3.08
Profit/(Loss ) on sale of Assets	8.47	-
Dividend Income	0.37	-
Balance Written back	38.93	-
Earned Leave Written back	2.38	-
<b>Total</b>	<b>165.36</b>	<b>61.48</b>

28 Cost of materials consumed

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Raw material and components consumed</b>		
Inventory at the beginning of the year-Raw Materials	1,129.90	1,053.99
Inventory at the beginning of the year-Stores ,Spares, Packing Material	140.85	185.65
	<b>1,270.75</b>	<b>1,239.64</b>
<b>Purchases</b>		
Raw Materials includes stores , spares and packing material etc.	12,921.35	10,769.20
	<b>12,921.35</b>	<b>10,769.20</b>
Less: Inventory at the end of the year - Raw Materials	1,343.50	1,129.90
Less: Inventory at the end of the year- Stores, Spares and Packing Material	224.59	140.85
<b>Total</b>	<b>12,624.01</b>	<b>10,738.09</b>

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
1. Opening inventories		
Work in Progress	3,533.28	3,017.16
Finished Goods	-	-
2. Closing inventories		
Work in Progress	3,807.47	3,533.28
Finished Goods	73.85	-
	<b>(348.04)</b>	<b>(516.12)</b>

**29 Employee Benefits Expense**

(All amounts in INR in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	862.62	615.12
Director Remuneration	120.00	112.00
Contribution to Provident and ESI Funds	66.72	55.33
Bonus and Incentives	155.52	140.94
Staff Welfare Expenses	50.54	39.69
Group Gratuity & Earned Leave	10.78	54.29
Other Expenses	6.23	7.03
<b>Total</b>	<b>1,272.41</b>	<b>1,024.40</b>

**30 Finance Cost**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on Borrowings	660.96	432.02
Interest others	124.31	127.37
<b>Total</b>	<b>785.27</b>	<b>559.39</b>

**31 Depreciation and amortisation expenses**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on tangible assets	633.35	568.04
	<b>633.35</b>	<b>568.04</b>

**32 Other expenses**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(a) Manufacturing Expenses</b>		
Cartage & Forwarding	47.02	14.41
Power & Fuel	2,078.26	1,606.95
Contractual Job Work Expenses	437.48	352.22
Repair & Maintenance		
-Building	8.37	2.87
-Machinery	48.84	36.51
Workshop expenses	745.56	560.55
Caliberation Expenses	2.19	2.18
Factory Rent	7.57	1.32
Other Manufacturing Expenses	59.31	57.45
	<b>3,434.60</b>	<b>2,634.46</b>
<b>(b) Administrative &amp; Selling Expenses</b>		
Payment to Auditors*	14.26	4.60
Rates & Taxes	6.09	35.59
Directors' Sitting Fees	14.50	4.48

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Insurance	31.61	22.28
Legal & Professional Charges	54.27	37.09
Communication Expenses	8.08	9.20
Printing & Stationery	12.82	10.72
Vehicle Running Expenses	41.50	37.38
Travelling & Conveyance Expenses	73.58	78.62
ROC Expenses	1.66	4.44
Advertisement Expenses	4.30	9.94
Listing and Processing Expenses	3.14	5.42
Rebates and Discount	152.41	90.51
Freight Outward	327.84	198.29
Repairs and Maintenance others	3.21	2.10
Security expenses	42.61	30.13
CSR Expenses	9.32	-
Bad Debts	59.49	-
Other Misc. Expenses	110.38	67.76
<b>Total</b>	<b>4,405.67</b>	<b>3,283.01</b>

<b>*Detail of Payment to Auditors</b>		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Audit Fee (Statutory and Tax Audit Fees)	14.26	4.60
<b>Total</b>	<b>14.26</b>	<b>4.60</b>

### 33 Earnings per share (EPS)

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

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

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Net Profit after tax attributable to equity holders</b>	1412.14	1106.49
	1412.14	1106.49
Weighted average no of equity shares outstanding during the year- for Basic EPS	175.93	146.43
Face value of Equity Share ( INR )	10.00	10.00
Basic and Diluted EPS	8.03	7.56
No of Shares for Diluted EPS	176.20	146.43
Diluted EPS	8.01	7.56

**34 Current Tax and Deferred Tax**

(All amounts in INR in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Current Tax</b>		
Current income tax:	337.92	372.46
Adjustments in respect of current income tax of previous period	13.83	(19.14)
<b>Deferred Tax</b>		
Relating to origination and reversal of temporary differences	-	(50.93)
<b>Total</b>	<b>351.75</b>	<b>302.39</b>

**Income Tax on other Comprehensive Income.**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Current Tax</b>	-	-
<b>Deferred Tax</b>		
Net loss/(gain) on remeasurements of defined benefit plans	-	-
<b>Total</b>	-	-
The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.		

**35 Related party transactions****a) Related party and nature of the related party relationship with whom transactions have taken place during the year****A) Key Management Personnel**

Mr. Harpreet Singh Nibber - Managing Director

Mr. Raminder Singh Nibber - Chairman

Mr. Ajay Kumar - Executive Director

Mr. Ramesh Chander Saini - C.F.O

Mr. Vedant Bhatt - Company Secretary

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

Pritika Industries Limited

(Rs. in Lacs)

Nature of Transactions During the year	Related Parties			
	Referred in A Above		Referred in B Above	
Income	2018-19	2017-18	2018-19	2017-18
Sales	-	-	9,121.76	8,476.07
Other Income	-	-	-	-
<b>Expenditure</b>				
Purchases	-	-	1,364.17	1,514.07
Director Remunerations	151.80	144.25	-	-
Director Sitting Fees to independent Directors	14.50	4.48	-	-
Salary to KMP's	27.15	21.83	-	-
Interest Payment	1.20	1.20	16.96	-
Balance as at 31st March, 2019 Debit / (Credit)	-	-	3,394.89	2,475.54
<b>Loan &amp; Advances</b>				
Loan taken during the year	-	-	268.10	-
Repayment of Loan	-	-	268.10	-
Loan given during the year	-	-	-	-
Repayment of Loan	8.60	-	-	-
Balance as at 31st March 2018-19 Debit/(Credit)	(14.16)	(22.76)	-	-
Note : Salary to Mr. Harpreet Singh Nibber , Mr. Raminder Singh Nibber , Mr. Ajay Kumar and Mr. Ramesh Chander Saini was paid by Pritika Autocast Limited/Nibber Castings Private Limited wholly owned subsidiaries which have been amalgamated with the Company.				

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

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

Defined Contribution Plan:	Current Year	Previous Year
Employer's Contribution to Provident Fund	50.87 Lacs	45.43 Lacs

### Assets and Liabilities Balance sheets position

(Rs. in Lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Present value of obligation	143.18	136.40
Fair value of Plan Assets	-	-
Surplus/( Deficit)	(143.18)	(136.40)
Effects of asset ceiling if any	-	-
<b>Net Asset / Liability</b>	<b>(143.18)</b>	<b>(136.40)</b>

**Expenses recognized during the year**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
In the income statement	32.59	136.40
In the other comprehensive income	(25.81)	-
<b>Total expense recognized during the year</b>	<b>6.78</b>	<b>136.40</b>

**Actuarial Assumptions:**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salary Growth	7.70%	7.80%
Discount Rate	6.00%	7.00%

**37 Fair values**

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

**Assets and liabilities carried at amortised cost**

Particulars	Carrying Value		Fair Value	
	As At March 31, 2019	As At March 31, 2018	As At March 31, 2019	As At March 31, 2018
<b>Financial assets</b>				
Other financial assets	114.33	124.83	114.33	124.83
Trade Receivables	4,743.23	3,770.24	4,743.23	3,770.24
Cash and cash equivalents	52.97	446.92	52.97	446.92
Bank balances other than cash and cash equivalents	128.98	75.05	128.98	75.05
Other current financial assets	1,743.56	2,729.94	1,743.56	2,729.94
<b>Total</b>	<b>6,783.07</b>	<b>7,146.98</b>	<b>6,783.07</b>	<b>7,146.98</b>
<b>Financial liabilities</b>				
Borrowings	5,580.40	5,188.92	5,580.40	5,188.92
Trade Payables	1,996.59	1,712.67	1,996.59	1,712.67
Other Financial Liabilities	2,686.67	1,923.74	2,686.67	1,923.74
<b>Total</b>	<b>10,263.66</b>	<b>8,825.33</b>	<b>10,263.66</b>	<b>8,825.33</b>

**There are no assets and liabilities which have been carried at fair value through the Profit and Loss Account.**

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

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

**38 Capital Management**

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

The company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements 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, 2019	As At March 31, 2018
Debt	6,092	5,537
Less: Cash and Cash equivalents	(182)	(522)
<b>Net Debt (A)</b>	<b>5,910</b>	<b>5,015</b>
<b>Equity (B)</b>	<b>11,541</b>	<b>9,519</b>
<b>Gearing ratio (A/B)</b>	<b>0.51</b>	<b>0.53</b>

### 39. Commitments and Contingencies

Particulars	As At March 31, 2019	As At March 31, 2018
<b>(a) Contingent Liabilities :</b>		
Claim against the Company not acknowledged as debts*		
- Income Tax	23.16	-
- Guarantees issued by Banks	123.21	123.21

40 The Scheme of Amalgamation ( Scheme) under Section 230 and 232 and other applicable provisions of the Companies Act,2013 between Pritika Autocast Limited , Nibber Castings Private limited ( Transferor Companies ) and Pritika Auto Industries Limited ( Transferee Companies ) has been approved by the National company Law Tribunal, Bench Chandigarh ( NCLT) vide its order dated 06th February 2019 with April 1, 2017 as the appointed date. Upon filing of copy of order with the Registrar of Companies (ROC) on March 18,2019, the scheme has become effective and the effect there of has been given in the accounts.

41 The Board of Directors has recommended , subject to approval of shareholders , dividend of 50 paise per equity share of Face value of Rs. 10/- ( Rs. Ten only ) each for the year ended March 31 , 2019 on 1,77,34,500 equity shares amounting to Rs. 106.89 lakhs ( including tax on dividend of Rs. 18.22 lakhs ).

42 The amounts and disclosures included in the financial statements of the previous year have been reclassified and regrouped wherever necessary.

As per our report of even date  
For Sunil Kumar Gupta & Co.  
Chartered Accountants  
Firm Registration number: 003645N

Sd/-  
Rahul Goyal  
Partner  
Membership no.: 540880

Place: Mohali  
Date : 22.05.2019

For and on behalf of Board of Directors

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

Sd/-  
Narinder Kumar Tyagi  
C.F.O

Sd/-  
Raminder Singh Nibber  
( Whole Time Director )  
DIN No. 00239117

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

**Pritika Auto Industries Limited**

Regd off: Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar Mohali Punjab - 160055  
CIN: L45208PB1980PLC046738

PROXY FORM  
**Form No. MGT-11**

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

**Name of the Company:** Pritika Auto Industries Limited  
**CIN:** L45208PB1980PLC046738  
**Registered Office:** Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali, Punjab - 160055  
**Website:** [www.pritikaautoindustries.com](http://www.pritikaautoindustries.com) **Email:** [compliance@pritikaautoindustries.com](mailto:compliance@pritikaautoindustries.com)

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

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email Id : \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email Id : \_\_\_\_\_

Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39<sup>th</sup> Annual General Meeting of Pritika Auto Industries Limited to be held on the 30<sup>th</sup> day of September, 2019 at 9.30 A.M. on Monday at Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar Mohali Punjab - 160055 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resoln. No.	Resolution	Vote (optional, see note no.3) (please mention no. of shares)	
		For	Against
<b>Ordinary Business</b>			
1.	To receive, consider and adopt the Audited Standalone Financial Statements for the year ended 31st March, 2019, together with the Reports of the Board of Directors and the Auditors thereon.		
2.	To receive, consider and adopt the Audited Consolidated Financial Statements for the year ended 31st March, 2019, together with the Reports of the Auditors thereon.		
3.	To declare a final dividend of 50 paise per equity share for the year ended March 31, 2019		
4.	To appoint a director in place of Mr. Ajay Kumar (DIN: 002929113), who retires by rotation and, being eligible, seeks reappointment		
<b>Special Business</b>			
5.	To Ratify remuneration paid to Cost Auditor		
6.	To approve alteration in Articles of Association of the company		

Signed this..... day of..... 2019

Signature of shareholder .....

Signature of Proxy holder(s) .....

Affix Rs. 1 Revenue Stamp
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**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details including details of member(s) before submission.
3. It is optional to indicate your preference. If you leave the 'for' or 'against' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



## Pritika Auto Industries Limited

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

**CIN: L45208PB1980PLC046738**

### ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

<b>For Physical Holding</b>	<b>For Electronic Form (Demat) NSDL/CDSL</b>		<b>No. of Shares Held</b>
LF No.	DP ID	CLIENT ID	

I hereby record my presence at the Annual General Meeting of the Company, being held on Monday, the 30<sup>th</sup> September, 2019 at 9:30 A.M. at Plot No. C-94, Phase-VII Industrial Focal Point, S.A.S. Nagar Mohali Punjab - 160055.

**FULL NAME AND ADDRESS OF THE MEMBER/JOINT MEMBER(S) / PROXY (IN CAPITAL LETTERS):**

**IF PROXY, FULL NAME AND ADDRESS OF MEMBER/JOINT MEMBER(S) (IN BLOCK CAPITAL LETTERS):**

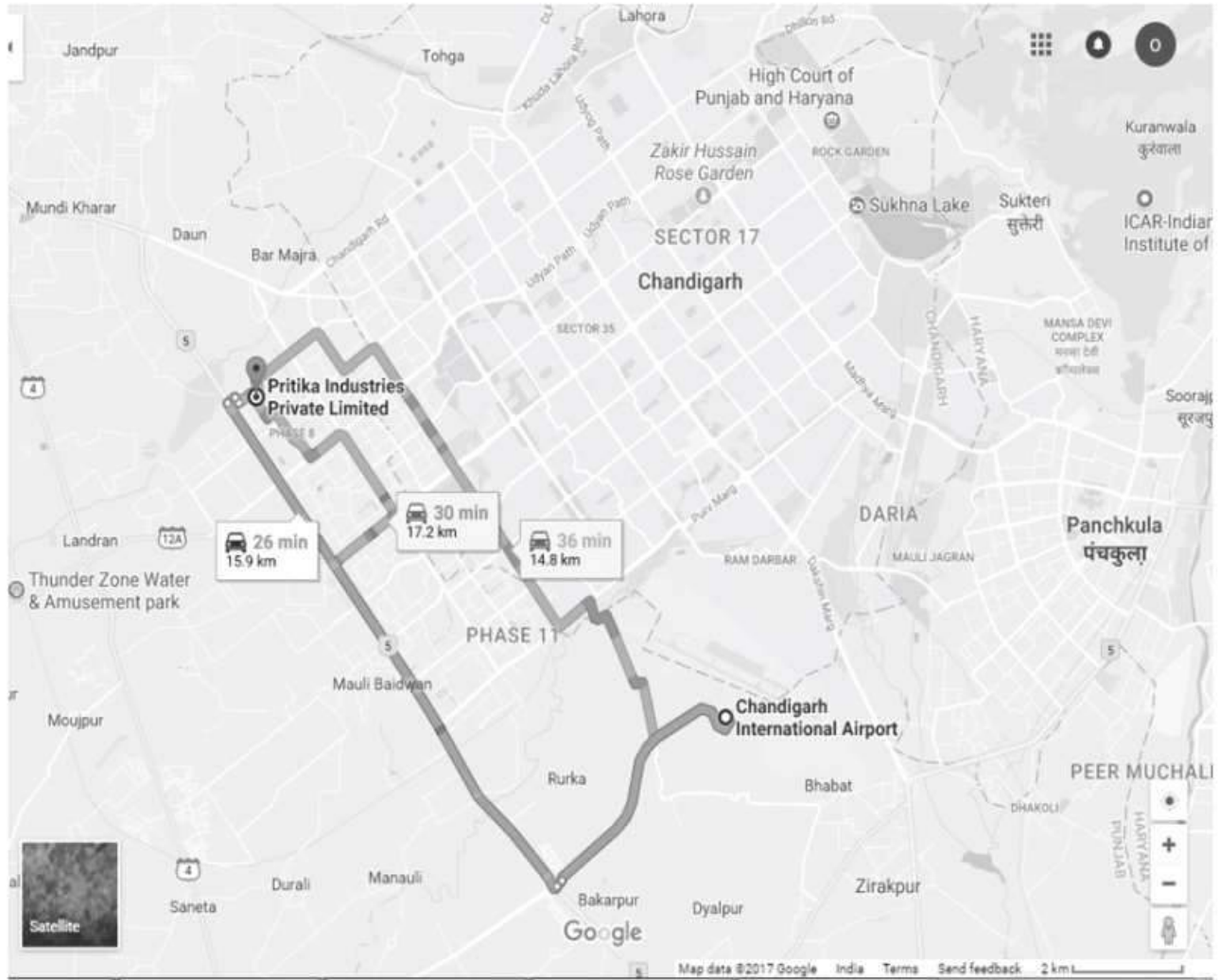
\_\_\_\_\_  
**Name of the Member/ Proxy  
(in Block Letters)**

**Signature of the Member/ Proxy**

Note:

1. Please complete the Folio/DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report including notice of Annual General Meeting for the financial year ended on 31.03.2019 and Attendance Slip along with Proxy Form is being sent to all the members whose e-mail address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for the financial period ended on 31.03.2019 and Notice of Annual General Meeting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

**ROUTE MAP TOWARDS THE VENUE**



If undelivered please return to:

**Pritika Auto Industries Limited**

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