



Chetal Vikesh & Associates

Chartered Accountants

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Independent Auditor's Report

To

The Members of Pritika Engineering Components Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Pritika Engineering Components Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and Cash Flow Statement and statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Ind AS financial statements').

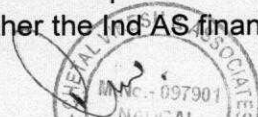
Management's Responsibility for the Ind AS Financial Statements

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



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

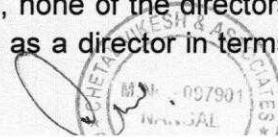
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 the state of affairs of the Company as at 31st March 2019, and its Loss and its cash flows and changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order 2016 ("the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure 1**, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The 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;
 - d) 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;
 - e) On the basis of written representations received from the directors as on 31st March 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure 2**”; and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations, which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There are no items, which are required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mohali
Date : 21.05.2019

For Chetal Vikesh & Associates
Firm Registration No 016749N
Chartered Accountants

(Vikesh Kr Chetal)
(Membership No: 097901)
Partner



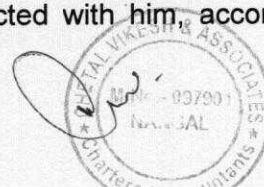
(Annexure referred to in our report of even date to the members of Pritika Engineering Components Private Limited, on the Ind AS Financial Statements for the year ended 31st March 2019).

Based on the audit procedures performed for the purpose of reporting a true and fair view on the 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 the quantitative details and situation of fixed assets on the basis of information available.
- b) The company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- c) According to the information and explanations given to us and based on our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) The management/banks and stock auditors have physically verified the inventories during the reasonable intervals. In our opinion and according to information and explanations given to us the frequency of physical verification is reasonable. The discrepancies noticed on physical verification of inventory were not material and have been adequately dealt within the books of accounts. As the items of the stock are technical in nature and being the chartered accountant by profession, we are not technocrat and due inadequate time, we are unable to get it cross verified. However, no adverse information is available to us during our audit.
- (iii) The company had not granted any loans, secured or unsecured, to the companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii(a) and iii(b) of the order are not applicable to the Company.
- (iv) That company had not granted any loan or given any guarantee with respect to section 185 and 186 of company act 2013.
- (v) In our opinion, and according to the information and explanation given to us, the company has not accepted any deposit; hence, clause (v) is not applicable to the company. Accordingly the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the companies Act and rules framed there under are not applicable.
- (v) The company is not required to maintain the cost records 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.



- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us and on the basis of examination of record, no arrear of statutory dues for the period more than six months from the date they become payable at the end of financial year.
- b) According to the information and explanations given to us, there is no amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Value Added Tax, Customs Duty and Excise Duty which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the company had not defaulted in repayment of loans or borrowings to the banks or financial institutions or debenture holders except some late payments. Moreover the company did not have any outstanding debentures. Accordingly, the paragraph 3(viii) of the order is not applicable.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments). Regarding the term loans, company had applied the term loan for the purpose for which it have been raised, other than temporary deployment pending litigation.
- (x) To the best of our knowledge & belief and according to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) That the company had provided the managerial remuneration in accordance with the provisions of section 197 read with schedule V of the Companies Act, 2013.
- (xii) In our opinion and information and explanation given to us, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- (xiii) According to information & explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 188 of the Act 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of records of the company, during the year, the company had made preferential allotment of equity shares for conversion of Loan into equity. In respect to same, in our opinion, the company has complied with the requirements of the section 42 of the Act read with Section 62(1)(C) and rules made there under.
- (xv) According to the information and explanations given to us and based on our examination of records of the company, the company has not entered into the non - cash transaction with the directors or persons connected with him, accordingly the paragraph 3(xv) of the order is not applicable.



(xvi) The company is not required to be registered under section 45-IA of Reserve bank of India Act 1934.

Place: Mohali
Date : 21.05.2019

For Chetal Vikesh & Associates
Firm Registration No 016749N
Chartered Accountants


(Vikesh Kr Chetal) AL
(Membership No: 097901)
Partner

TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of Pritika Engineering Components Private Limited, on the Ind AS Financial Statements for the year ended 31st 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 Engineering Components Private Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the 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).

Place: Mohali
Date : 21.05.2019

For Chetal Vikesh & Associates
Firm Registration No 016749N
Chartered Accountants

(Vikesh Kr Chetal)
(Membership No: 097901)
Partner



PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED
 CIN NO. U28999PB2018PTC047462
 C-94 PHASE - VII , S.A.S NAGAR , MOHALI , PUNJAB-160055
 BALANCE SHEET AS AT MARCH 31 , 2019

(All amounts in INR)

Particulars	Note	As At March 31, 2019	As At March 31, 2018
I. ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment	3	167,932,515	26,300
(b) Capital work in progress	3	64,982,412	-
(c) Financial Assets			
- Investments		-	-
- Other financial assets		-	-
(d) Deferred Tax Assets (net)	4	189,691	-
(e) Other Non-Current Assets	5	5,796,900	1,420,300
Total Non Current Assets (A)		238,901,518	1,446,600
2. Current Assets			
(a) Inventories	6	49,704,112	-
(b) Financial Assets			
- Trade Receivables	7	51,019,878	-
-Cash and Cash Equivalents	8	511,947	13,515,484
-Bank balances other than cash and cash equivalents	9	4,135,463	-
-Other Current Financial Assets	10	1,879,921	136,980,364
(c) Other Current Assets	11	21,553,616	3,853,114
Total Current Assets (B)		128,804,937	154,348,962
TOTAL ASSETS (A+ B)		367,706,455	155,795,562
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	12	49,999,020	45,000,020
(b) Other Equity	13	(306,859)	(1,064,182)
Total Equity (A)		49,692,161	43,935,838
2. Non Current Liabilities			
(a) Financial Liabilities			
- Borrowings	14	157,250,375	111,295,600
(b) Provisions	15	-	-
(c) Deferred Tax Liabilities (net)	16	228,599	-
(d) Other non-current Liabilities	17	59,275,000	-
Total Non Current Liabilities (B)		216,753,974	111,295,600
3. Current Liabilities			
(a) Financial Liabilities			
- Borrowings	18	19,062,628	-
-Trade Payables	19	-	-
Total outstanding dues of micro and small enterprises		30,224,436	-
Total outstanding dues of creditors other than micro and small enterprises		-	-
- Other Financial Liabilities	20	47,019,236	564,124
(b) Other Current Liabilities	21	4,802,788	-
(c) Provisions	22	151,231	-
Total Current Liabilities (C)		101,260,319	564,124
TOTAL EQUITY AND LIABILITIES (A+B+C)		367,706,455	155,795,562

The accompanying notes are integral part of the financial statements

As per our report of even date
 For Chetal Vikesh & Associates
 Chartered Accountants
 Firm registration number: 016749N

Vikesh Kr Chetal
 Partner
 Membership no.: 097901

Place: Mohali
 Date: 21-05-2019

For and on behalf of Board of Directors

Harpreet Singh Nibber
 (Director)
 DIN No. 00239042

Raminder Singh Nibber
 (Director)
 DIN No. 00239117

PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED
 CIN NO. U28999PB2018PTC047462
 C-94 PHASE - VII , S.A.S NAGAR , MOHALI , PUNJAB-160055
 STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(All amounts in INR)

Particulars	Note	For the Year ended March 31, 2019	For the Year ended March 31, 2018
I Revenue from operations	23	164,648,953	-
II Other Income	24	150,514	-
III Total Income (I+II)		164,799,467	-
IV Expenses			
a) Cost of material consumed	25	119,013,742	-
b) Changes in inventories of finished goods , Work in progress and stock in trade	25(a)	(24,044,659)	-
c) Employee benefits expense	26	10,885,086	309,990
d) Finance costs	27	11,946,378	509,388
e) Depreciation and amortization expense	28	5,122,020	-
f) Other Expenses	29	40,890,978	244,804
Total Expenses (IV)		163,813,545	1,064,182
V Profit /(Loss) before exceptional items and tax		985,922	(1,064,182)
VI Exceptional Items		-	-
VII Profit / (Loss) before tax		985,922	(1,064,182)
VIII Tax Expense:			
a) Current Tax	31	189,691	-
b) Adjustment of tax relating to earlier periods		-	-
c) Deferred Tax	31	228,599	-
d) Mat Credit Entitlement		(189,691)	-
Total tax expenses (VIII)		228,599	-
IX Profit / (Loss) for the period		757,323	(1,064,182)
X Other comprehensive income			
Items that will not to be reclassified to profit or loss			
Re-measurement (gains)/ losses on defined benefit plans			
XI Total comprehensive Profit/(loss) for the period (IX + X)		757,323	(1,064,182)
Earnings per equity share(Nominal value of Rs. 10 /- per share)			
Basic	30	0.15	(0.24)
Diluted	30	0.15	(0.24)

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

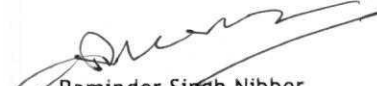
As per our report of even date
 For Chetal Vikesh & Associates
 Chartered Accountants
 Firm registration number: 016749N

For and on behalf of the Board of directors

Vikesh Kr Chetal
 Partner
 Membership no.: 097901
 Place: Mohali
 Date: 21-05-2019




 Harpreet Singh Nibber
 (Director)
 DIN No. 00239042


 Raminder Singh Nibber
 (Director)
 DIN No. 00239117

PRITIKA ENGINEERING COMPONENTS PRIVATE LIMITED
 CIN NO. U28999PB2018PTC047462
 C-94 PHASE - VII , S.A.S NAGAR , MOHALI , PUNJAB-160055
 STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

Particulars	(All amounts in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per statement of Profit & Loss	985,922	(1,064,182)
Adjustments for:		
- Depreciation and amortisation expense	5,122,020	-
- Finance costs	11,946,378	509,388
Operating profit before working capital changes	18,054,320	(554,794)
Adjustments for :		
Increase/(Decrease) in Trade Payables	30,224,436	-
Increase/(Decrease) in Other Current Liabilities	51,257,902	564,123
(Increase) / Decrease in Trade Receivables	(51,019,878)	-
(Increase) / Decrease in Inventories	(49,704,112)	-
(Increase) / Decrease in Other Current Assets	112,984,882	(142,253,777)
Cash generated from operations	111,797,550	(142,244,448)
Taxes paid	-	-
Net Cash from Operating Activities	111,797,550	(142,244,448)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(238,010,648)	(26,300)
Movement in fixed deposits (having original maturity of more than three months)	(4,135,463)	-
Net Cash used in Investing Activities	(242,146,111)	(26,300)
C CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Loans Raised (Net)	105,229,774	111,295,600
Short term amount	19,062,628	-
Share Capital issued	4,999,000	45,000,020
Interest Paid	(11,946,378)	(509,388)
Net Cash from Financing Activities	117,345,024	155,786,232
Net Increase/(Decrease) in Cash and Cash Equivalents	(13,003,537)	13,515,484
Cash and Cash Equivalents at the beginning of the year	13,515,484	-
Cash and Cash Equivalents at the end of the year	511,947	13,515,484

Notes:

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

As per our report of even date

For and on behalf of the Board of Directors of

For Chetal Vikesh & Associates
 Chartered Accountants
 Firm registration number: 016749N

Vikesh Kr Chetal
 Partner
 Membership no.: 097901



Harpreet Singh Nibber
 (Director)
 DIN NO.00239042



Raminder Singh Nibber
 (Director)
 DIN No. 00239117

Place: Mohali
 Date: 21-05-2019

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A. Equity Share Capital						
Particulars	Balance as on April 1, 2017	Changes during the year	Balance as on March 31, 2018	Changes during the year	Balance as on 31st March 2019	
a) Authorised Share Capital						
50,00,000 (PY 50,00,000) Equity shares of Rs.10/- each	-	-	50,00,000	-	50,00,000	
	-	-	50,00,000	-	50,00,000	
b) Issued, Subscribed And Fully Paid Up						
49,99,902(PY 45,00,002) Equity shares of Rs. 10/- each	-	-	45,00,020	4,999,000	49,999,020	
	-	-	45,00,020	4,999,000	49,999,020	
B. Other Equity						
Particulars	Equity component of compound financial instruments.	Reserves and Surplus			Other comprehensive income	
		Securities premium	Capital Subsidy Reserve	Capital Redemption Reserve	Retained earnings	Actuarial Gain / (Loss)
Balance as at April 1, 2017	-	-	-	-	-	-
Balance at the beginning of the reporting period	-	-	-	-	-	-
Profit for the Current year	-	-	-	(1,064,182)	-	(1,064,182)
Transfer to retained earnings	-	-	-	-	-	-
Transfer from Other comprehensive income to retained earning	-	-	-	-	-	-
Balance as at March 31, 2018	-	-	-	(1,064,182)	-	(1,064,182)
Balance as at April 1, 2018	-	-	-	-	-	-
Balance at the beginning of the reporting period	-	-	-	-	-	-
Profit for the Current year	-	-	-	(1,064,182)	-	(1,064,182)
Transfer from Other comprehensive income to retained earning	-	-	-	757,323	-	757,323
Balance as at March 31, 2019	-	-	-	(306,859)	-	(306,859)



(Handwritten signature)

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019

Note No. 1: Notes To The Financial Statement

1 GENERAL INFORMATION

Pritika Engineering Components Private Limited (" the Company ") a private company domiciled in India was incorporated on 20.02.2018 with in objective of manufacturing of tractor and automobile components .The company is having works at Village Simbli , Phagwara - Hoshiarpur Road , Tehsil & District Hoshiarpur , Punjab-146001. The Company is wholly owned subsidiary of Pritika Auto Industries Limited .The financial statements were approved for issue by the board of directors on May 21,2019.

Note No. 2 : SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS')as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

2.2 The Company has prepared the balancesheet by recognising all assets and liabilities whose recognition is required by Ind AS , not recognising assets or liabilities which are not permitted by Ind AS .

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)

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

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.



NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019

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.

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 liabilities

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

2.3.8 Impairment

PPE and intangibles assets

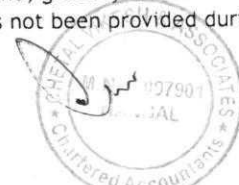
Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) 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.

2.3.9 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.

2.3.10 Employee benefit expenses

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences. Liability on account of contribution to gratuity and earned leave has not been provided during the year.



NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019

2.3.11 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.

2.3.12 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 tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date .

2.3.13 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.

2.3.14 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.



3. Property, Plant and Equipment

(All amounts in INR)

Particulars	Air Conditioner	Computers	Plant and Machinery	Office Equipment	Lab Equipment	Vehicle	Land	Electric Installation	Furniture and Fixtures	D.G Set	Building	Sub-total	Capital Work in Progress	Total
Cost or Deemed Cost														
At April 1, 2017	-	-	-	26,300	-	-	-	-	-	-	-	26,300	-	26,300
Addition	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2018				26,300								26,300		26,300
At April 1, 2018	-	-	-	26,300	-	-	-	-	-	-	-	26,300	-	26,300
Addition	34,291	261,891	101,702,043	1,244,182	2,368,180	1,491,900	22,559,349	7,554,606	458,837	2,374,029	32,978,927	173,028,235	64,982,412	238,010,647
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2019	34,291	261,891	101,702,043	1,270,482	2,368,180	1,491,900	22,559,349	7,554,606	458,837	2,374,029	32,978,927	173,054,535	64,982,412	238,036,947
Depreciation and Impairment														
At April 1, 2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Addition	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer / Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2018														
At April 1, 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Addition	1,815	63,048	3,051,808	123,340	229,872	134,622	-	342,005	26,131	108,453	1,040,926	5,122,020	-	5,122,020
Transfer / Sale	-	-	-	26,300	-	-	-	-	-	-	-	-	-	-
At March 31, 2019	1,815	63,048	3,051,808	123,340	229,872	134,622	-	342,005	26,131	108,453	1,040,926	5,122,020	-	5,122,020
Net Block as on 31.03.2018	-	-	-	26,300	-	-	-	-	-	-	-	-	-	26,300
Net Block as on 31.03.2019	32,476	198,843	98,650,235	1,147,142	2,138,308	1,357,278	22,559,349	7,212,601	432,706	2,265,576	31,938,001	167,932,515	64,982,412	232,914,927



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NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019

4 Deferred tax assets (Net)

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Mat Tax Credit Entitlement	189,691	-
	<u>189,691</u>	<u>-</u>

5 Other Non-Current Assets

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Unamortised Cost	796,500	885,000
Security Deposits	5,000,400	13,000
Pre-operative Expense	-	522,300
Total	<u>5,796,900</u>	<u>1,420,300</u>

6 Inventories

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Raw Materials [includes in transit INR 72.23 lakhs (At March 31 2018 : Nil)]	23,786,371	-
Store & Spares	1,873,082	-
Work in Progress	24,044,659	-
Total inventories at the lower of cost and net realisable value	<u>49,704,112</u>	<u>-</u>

7 Trade Receivables

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Secured, Considered Good	-	-
Unsecured, Considered Good	51,019,878	-
Total	<u>51,019,878</u>	<u>-</u>

Note: Trade receivable includes from related parties as at March 2019: INR 5.10 crore (as at March 2018 : INR Nil)

8 Cash and Cash Equivalents

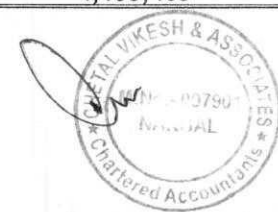
Particulars	As At	As At
	March 31, 2019	March 31, 2018
Balances with banks - in current accounts	281,052	13,423,174
Cash in Hand	230,895	92,310
Total	<u>511,947</u>	<u>13,515,484</u>

9 Bank balances other than Cash and Cash Equivalents

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Investment in term deposits (With Original Maturity more than 3 months but less than 12 months)	4,135,463	-
Total	<u>4,135,463</u>	<u>-</u>

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10. Other Current Financial Assets

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Advance to Staff	237,641	12,640
Loan and advances others	1,642,280	136,967,724
Total	1,879,921	136,980,364

11 Other Current Assets

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Prepaid expenses	196,362	-
Balance with Revenue Authorities	21,357,254	3,706,000
Other Preoperative Expenses	-	147,114
Total	21,553,616	3,853,114

12 Equity Share Capital

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Authorised 50,00,000 (50,00,000) Equity shares of Rs.10/- each	50,000,000	50,000,000
Issued, subscribed and fully paid-up 49,99,902 (45,00,002) Equity shares of Rs.10/- each	49,999,020	45,000,020
Total	49,999,020	45,000,020

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

Particulars	No of shares
Equity Shares At April 1, 2017	4,500,002
Add: Issued during the period At March 31, 2018	499,900
Add: Issued during the period At March 31, 2019	4,999,902

(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.

(c) Shares held by holding company

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

Particulars	As At	As At	As At	As At
	March 31, 2019	March 31, 2018	March 31, 2018	March 31, 2018
	No. of Shares	% of holding	No. of Shares	% of holding
Equity Shares Shares held by Holding Company Pritika Auto Industries Ltd.	4999902*	100%	4500002*	100%

* Note : Out of above holding two shares are registered in name of Mr. Raminder Singh Nibber as nominee of Pritika Auto Industries Limited.



13 Other Equity

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Retained Earnings		
Opening balance	(1,064,182)	-
Net Profit / (loss) for the year	757,323	(1,064,182)
Closing balance	(306,859)	(1,064,182)
Total	(306,859)	(1,064,182)

14 Borrowings

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Secured		
Term Loan		
(a) Secured		
- From Banks	119,000,000	98,507,000
(b) Unsecured		
- From Body Corporates-related party	38,250,375	12,788,600
Total	157,250,375	111,295,600

Note No. 14 a: Details of Securities and Terms of Repayment

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. Moreover Pritika Auto Industries Limited holding company had given corporate guarantee amounting to Rs 14.86 Cr to Canara Bank on 28-03-2018 .

Particulars	As At	As At
	March 31, 2019	March 31, 2018
1.The 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	128,600,000	98,507,000
Total	128,600,000	98,507,000
Less: Amount shown in Other Financial liabilities in Note No. 20 towards Current Maturities of Loans .	9,600,000	-
Amount shown as Loan	119,000,000	98,507,000

Note No. 14 (b)

Loan from Body Corporates

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Pritika Auto Industries Limited	38,250,375	12,788,600
	38,250,375	12,788,600

15 Provisions

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Provision for Employee Benefits		
Leave encashment		
Total		

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16 Deferred Tax Liabilities (net)

Particulars	As At March 31, 2019	As At March 31, 2018
Deferred Tax		
Relating to the origination and reversal of temporary Differences	228,599	-
Total	228,599	-

17 Other non - current Liabilities

Particulars	As At March 31, 2019	As At March 31, 2018
Tooling Advance		
From Related Parties	59,275,000	-
Total	59,275,000	-

18 Borrowings

Particulars	As At March 31, 2019	As At March 31, 2018
Secured		
From Bank- Cash Credit - Loan Repayable on Demand	19,062,628	-
Total	19,062,628	-

Note :

Secured by Hypothecation of all kinds of Raw Material / Work in progress / Finished goods and receivable of the Company (present and future) and carries interest rate 11.55% p.a i.e one year MCLR +3.15 % .

19 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 **	30,224,436	-
Total	30,224,436	-

*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.

** Trade payable includes payable to related parties as at March 2019 : INR 70.79 lakhs (as at March 2018 : INR Nil)



20 Other Financial Liabilities

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Current Maturities of Long term Loans	9,600,000	-
Interest Accrued but not due on borrowings	178,278	134,764
Creditors for Capital Expenditure	14,638,871	-
Creditors for Expenses	21,535,256	25,000
Payable to Related Parties	-	179,035
<u>Employee Related Liabilities</u>		
Salaries and Wages payable	1,066,831	225,325
Total	47,019,236	564,124

Note :-

Creditor for Capital Expenditure includes payable to related parties as at March 2019 : INR 70.07 lakhs (as at March 2018 : INR Nil)

21 Other Current Liabilities

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Audit Fee Payable	112,500	-
Electricity Expenses Payable	3,401,350	-
Statutory dues payable	746,570	-
Other Liabilities	542,368	-
Total	4,802,788	-

22 Provisions

Particulars	As At	As At
	March 31, 2019	March 31, 2018
Provision for Income Tax	151,231	-
Total	151,231	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2019

23 Revenue from Operations

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Sale of Products (Net of Sales Returns)	194,284,895	-
Less : Indirect Taxes	29,635,942	-
Total	164,648,953	-

24 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	150,514	-
Total	150,514	-

25 Cost of materials consumed

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Raw material and components consumed		
Inventory at the beginning of the year-Raw Materials	-	-
Inventory at the beginning of the year-Stores ,Spares, Packing Material	-	-
Purchases		
Raw Materials (including Store Spares and Packing Material etc.)	137,450,085	-
	137,450,085	-
Less: Inventory at the end of the year - Raw Materials	16,563,261	-
Less: Inventory at the end of the year- Stores ,Spares and Packing Material	1,873,082	-
Total	119,013,742	-

25(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		
Stock in Progress	-	-
Finished Goods	-	-
2. Closing inventories		
Stock in Progress	24,044,659	-
Finished Goods	-	-
	(24,044,659)	-

26 Employee Benefits Expense

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Salaries and wages	8,136,760	287,460



Director Remuneration	600,000	-
Contribution to Provident and ESI Funds	376,301	-
Staff Welfare Expenses	1,772,025	22,530
Total	10,885,086	309,990

27 Finance Cost

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest on Borrowings	8,538,822	-
Interest others	3,407,556	509,388
Total	11,946,378	509,388

28 Depreciation and amortisation expenses

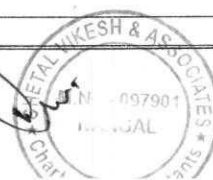
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Depreciation on tangible assets	5,122,020	-
Total	5,122,020	-

29 Other expenses

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
(a) Manufacturing Expenses		
Cartage & Forwarding	3,597,646	11,050
Power & Fuel	21,669,434	13,000
Contractual Job Work Expenses	7,637,083	-
Repair & Maintenance	-	-
- Building	272,598	-
- Machinery	396,763	-
Caliberation Expenses	11,850	-
Other Manufacturing Expenses	108,590	-
	33,693,964	24,050
(b) Administrative & Selling Expenses		
Payment to Auditors*	125,000	25,000
Rates & Taxes	53,624	2,000
Insurance	192,226	-
Legal & Professional Charges	389,918	76,300
Communication Expenses	52,583	450
Printing & Stationery	180,786	11,597
Vehicle Running Expenses	324,540	-
Travelling & Conveyance Expenses	242,395	11,436
Freight Outward	3,327,203	-
Repairs and Maintenance others	44,016	2,600
Security expenses	850,886	-
Other Misc. Expenses	1,413,837	91,371
Total	40,890,978	244,804

*Detail of Payment to Auditors

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Audit Fee	125,000	25,000
Total	125,000	25,000



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30. Earnings per share (EPS)

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

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

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Net Profit after tax attributable to equity holders	757,323	(1,064,182)
	<u>757,323</u>	<u>(1,064,182)</u>
Weighted average no of equity shares outstanding during the year- for Both Basic and Diluted EPS	4,999,902	4,500,002
Face value of Equity Share (INR)	10.00	10.00
Basic and Diluted	0.15	(0.24)

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31 Current Tax and Deferred Tax

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Current Tax:		
Current income tax:	189,691	-
Adjustments in respect of current income tax of previous period	-	-
Adjustments in respect of Mat Credit Entitlement	(189,691)	-
Deferred Tax:		
Relating to origination and reversal of temporary differences	228,599	-
Total	228,599	-

Income Tax on Other Comprehensive Income

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Current Tax	-	-
Deferred Tax		
Net loss/(gain) on remeasurements of defined benefit plans	-	-
Total	-	-

(c) Movement of Deferred Tax

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Tax effect of items constituting deferred tax assets		
Difference between book value and tax written down value of Tangible Fixed Assets	228,599	-
Total deferred tax liabilities	228,599	-
Net deferred tax asset (liability)	-	-

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



32 Related party transactions

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

A) Holding Company

Pritika Auto Industries Limited (Formerly Known as M/s Shivkrupa Machineries and Engineering Services Ltd.)

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

Pritika Industries limited

C) Key Management Personnel

Harpreet Singh Nibber

(in Lac's)

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
Income						
Sales	110.35	-	1,817.66	-	-	-
Share capital received	49.99	450.00		-	-	-
Expenditure						
Purchases	114.44	-	186.04	-	-	-
Director Remunerations	-	-	-	-	6.00	-
Interest Payment	30.68	-	-	-	-	-
Debtors						
Balance as at 31st March, 2019 , Debit / (Credit)	(18.50)	(1.79)	(204.92)	-	-	-
Loan & Advances						
Loan taken during the year	254.62	127.88	-	-	-	-
Loan given during the year/Repayment			-	-	-	-
Balance of Loan at year end Debit / (Credit)	(382.50)	(127.88)	-	-	-	-



33 Fair values

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

Assets and liabilities carried at amortised cost

Particulars	Carrying Value		Fair Value	
	As At March 31, 2019	As At March 31, 2018	As At March 31, 2019	As At March 31, 2018
Financial assets				
Investments	-	-	-	-
Other financial assets	-	-	-	-
Trade Receivables	51,019,878	-	51,019,878	-
Cash and cash equivalents	511,947	13,515,484	511,947	13,515,484
Bank balances other than cash and cash equivalents	4,135,463	-	4,135,463	-
Other current assets	21,553,616	136,980,364	21,553,616	136,980,364
Total	77,220,904	150,495,848	77,220,904	150,495,848
Financial liabilities				
Borrowings	157,250,375	111,295,600	157,250,375	111,295,600
Trade Payables	30,224,436	-	30,224,436	-
Other Financial Liabilities	47,019,236	564,124	47,019,236	564,124
Total	234,494,047	111,859,724	234,494,047	111,859,724

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

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

34 Capital Management

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

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding 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	185,913,003	111,295,600
Less: cash and cash equivalents	(511,947)	(13,515,484)
Net Debt (A)	185,401,055	97,780,116
Equity (B)	49,692,161	43,935,838
Gearing ratio (A/B)	3.73	2.23



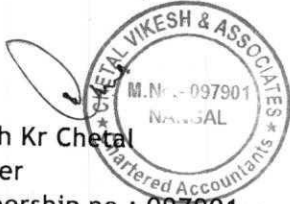
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35 Previous year figures has been regrouped / re arranged wherever considered necessary .

As per our report of even date

For and on behalf of Board of Directors

For Chetal Vikesh & Associates
Firm registration number: 016749N
Chartered Accountants



Vikesh Kr Chetal
Partner
Membership no.: 097901

Harpreet Singh Nibber (Director)
DIN No. 00239042

Raminder Singh Nibber (Director)
DIN No. 00239117

Place: Mohali
Date: 21-05-2019