

PAVNA

Pavna Industries Limited

**ANNUAL REPORT
2023-24**



पवना

***WE MAKE YOU SECURE
WE MAKE YOU FAST
WE MAKE YOU BETTER***

Pavna Industries Limited

Ultra-Modern Manufacturing Plants
in Aligarh, Pune, Waluj & Pantnagar

Global Technical Alliances



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4 Wheeler Parts

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pavna

Since 1971

Spare Parts
Industry

ABOUT PAVNA GROUP

Your Company was incorporated as **Pavna Locks Private Limited** on April 19, 1994 under the Companies Act, 1956 with the Registrar of Companies, Kanpur bearing Registration number 016359. The status of the Company was changed to public limited and the name of our Company was changed to Pavna Locks Limited on dated October 30, 2000. Further name of the company was changed to Pavna Zadi Security Systems Limited on dated October 30, 2000 and subsequent name of the company was changed to Pavna Industries Limited on dated April 30, 2019.

PAVNA is engaged in manufacturing of wide range of automotive components for reputed Original Equipment Manufacturers (OEMs) as per their requirements primarily catering to various vehicle segments, including, passenger vehicles, two-wheelers, three-wheelers, heavy and light commercial vehicles and off-road vehicles. Our Company has a varied client base and PAVNA is committed to continuing to diversify our product offerings, customer base and geographical footprint, thereby minimizing our exposure to individual geographies and industry sectors. The Company along with its subsidiaries has a diversified product portfolio, which consists of high-quality reliable parts such as Ignition Switches, Fuel Tank Caps, Latches, Auto Locks, Handles, Switches, Oil Pump, Carburettor, Throttle Body, Fuel Cocks, Injection System, Casting Components etc. PAVNA also provide aftermarket sales and services. Aftermarket products include products manufactured by us such as filters, clutch plates, bearings, wiper blades and brake shoes.

PAVNA has ultra-modern manufacturing plants in India, located in Aligarh (Uttar Pradesh), Aurangabad (Maharashtra), & Pantnagar (Uttarakhand). Facilities are located in key auto-clusters and some of the facilities are in close proximity to the plants of our OEM customers. The proximity of facilities to the plants of OEM customers also facilitates greater interaction with customers, thereby enabling to respond to their requirements in a timely manner. The facilities have been laid out to match best plant engineering standards as plants are busy producing automotive products in large quantities as per our customer's exacting standards. Our units are ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007 and IATF 16949:2016 certified.

PAVNA undertake research and development with a focus on technologically advanced products, innovation, enhancing our products portfolio, improving the quality of our products and our manufacturing processes both independently and through cooperation with our customers. Research and development capabilities are a result of a combination of the technological knowledge of joint venture partners and technical collaborators, and those that internally developed. The Company has entered into joint ventures and technical collaboration with Sunworld Moto Industrial Co.

At PAVNA, we focus on Quality & Customer centric components, catering to Automotive Market. With a unique motto to make users 'Secure, Fast & Better' we are

committed to empower the lives of our employees to live better, increase their efficiency, and promote manufacturing of innovative products and solutions. Over the years, we have experienced a steady growth in our business in terms of product portfolio, manufacturing plants, clients we serve, and various other aspects that set us apart in the industry.

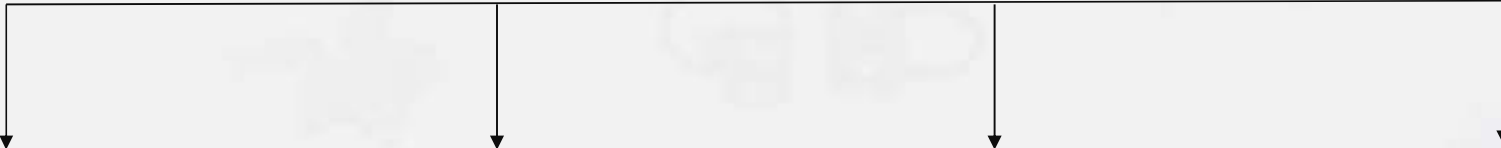
As the most experienced automotive part solutions company in South Asia, PAVNA GROUP, enjoys a history of more than 50 years of innovation, technology, manufacturing and market leadership. Today, PAVNA GROUP is a full-capability provider of high-quality reliable parts such as Ignition Switches, Fuel Tank Caps, Latches, Auto Locks, Handles, Switches, Oil Pump, Carburettor, Throttle Body, Fuel Cocks, Injection System, Casting Components and other automotive parts solutions for automobile applications, serving automobile, agricultural and other application. We are a large-scale, multi-product and advanced auto component manufacturer, driven by new products and technology.





Company Structure

Holding Company:
Pavna Industries Limited
Aligarh (Uttar Pradesh), Pantnagar (Uttarakhand),
Aurangabad (Maharashtra)



Subsidiary Company:
Pavna Auto
Engineering Pvt. Ltd.
50.74%
Location: Aligarh (Uttar Pradesh)
and Aurangabad (Maharashtra)
Manufacturing: Fuel Cocks &
Die Cast Components

Subsidiary Company:
Swapnil Switches
Pvt. Ltd.
50.74%
Location: Aligarh (Uttar Pradesh)
Manufacturing: Electro
Mechanical Switches

Subsidiary Company:
Pavna Sunworld
Autotech Pvt. Ltd.
71.50%
Location: Aligarh (Uttar Pradesh)
Manufacturing: Chain Tensioners,
Oil Pumps, Throttle Body,
Fuel Pumps

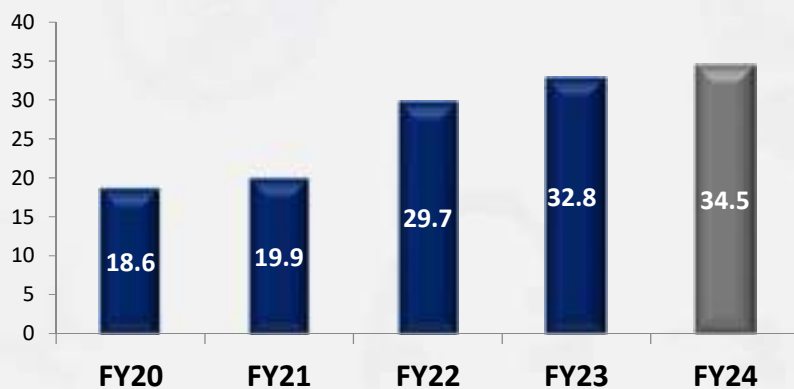
Subsidiary Company:
Pavna Marketing
Pvt. Ltd.
100%
Location: Aligarh (Uttar Pradesh)
Serving Secondary spare market
for Locks, Switches, Fuel Tank Cap,
Motors and controller of
Electric Vehicle, Engine parts such
as Chain Tensioner, Oil Pump,
Water Pump, etc.

Financial Highlights

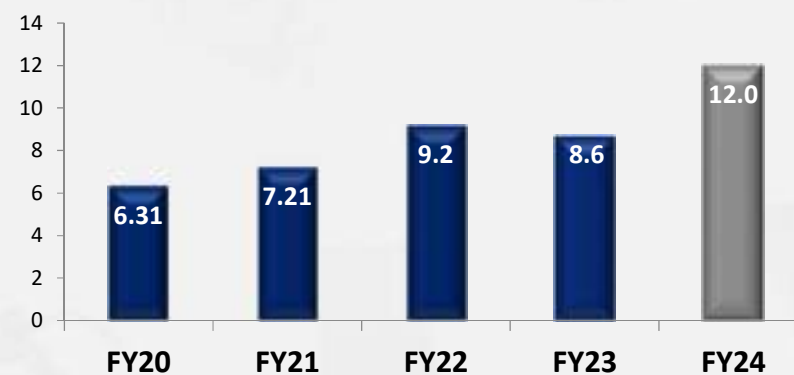
Revenue from Operations (Rs. Cr)



EBITDA (Rs. Cr)*



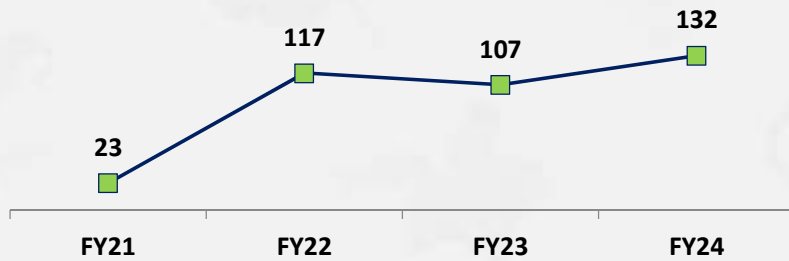
PAT (Rs. Cr)



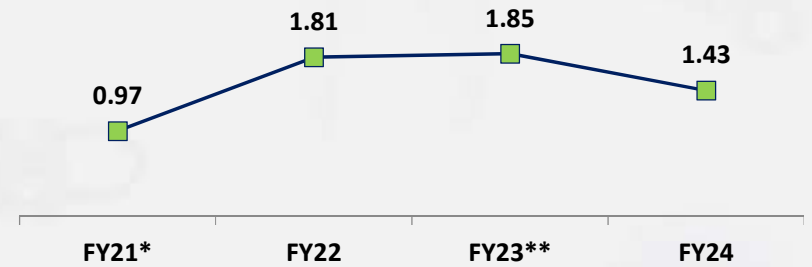
*excluding other income

Balance Sheet Ratios

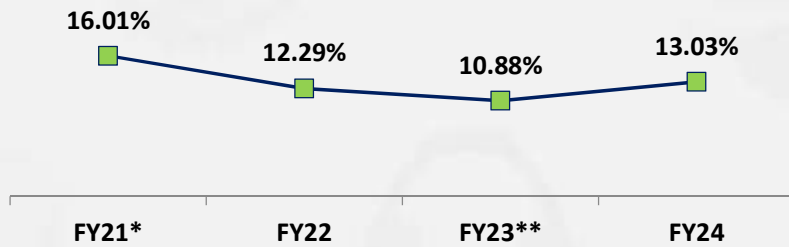
Working Capital Days



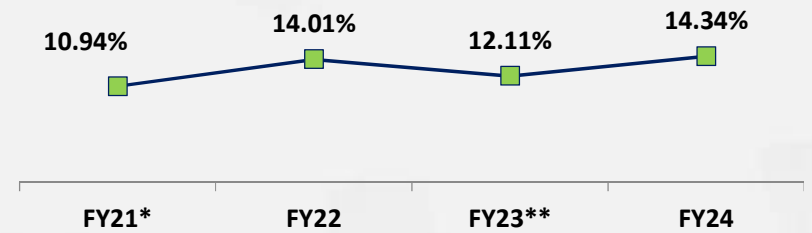
Debt to Equity



RoCE



RoE



RoCE = EBIT/(Shareholders Fund + Total Debt- Non Current Investments); RoE = Net Profit/Net Worth

**Company raised Rs.29.70 cr. via IPO of 18,00,000 equity shares of face value of Rs. 10 each in March 2021*

***Issue of Bonus Shares in the ratio of 1:1, as on September 2022*

ANNUAL CONSOLIDATED FINANCIAL HIGHLIGHTS

Particulars (Rs. in Crore)	FY24	FY23	FY22	FY21
Revenue from Operations	316.88	362.22	315.61	219.41
Other Operating Income	0	0	0	0
Total Income	316.88	362.22	315.61	219.41
Total Raw Materials	202.47	231.87	201.84	138.77
Employee Cost	31.51	39.06	35.35	23.63
Other Expenses	48.40	58.45	48.74	36.98
Total Expenditure	282.38	329.38	285.93	199.37
EBITDA	34.50	32.84	29.69	20.03
EBITDA Margin %	11%	9.07%	9.41%	9.13%
Other Income	3.00	1.95	1.4	0.47
Depreciation	10.70	11.81	9.19	5.99
Finance Cost	11.08	10.87	9.21	5.90
Extraordinary Items	0	0	0	0
Profit Before Tax	15.71	12.11	12.68	8.60
Tax	3.71	3.47	3.53	2.84
Profit After Tax	12.00	8.64	9.15	5.76
Other Comprehensive Income	0.10	0.34	0.14	0.06
Net Profit Attributable to minority	0.04	0	0	-0.02
Net Profit	12.14	8.97	9.3	5.80
Net Profit Margin	3.83%	2.48%	2.95%	2.65%

CONSOLIDATED BALANCE SHEET AS ON 31'ST MARCH 2024

PARTICULARS (Rs. In Crore)	As at March 31, 2024	As at March 31, 2023
Equity and Liability		
Shareholders' Funds		
Share Capital	12.18	12.18
Other equity	60.82	49.48
Non Controlling Interest	11.68	12.45
Total equity	84.68	74.11
Non-Current Liabilities		
Financial liabilities		
Long-term Borrowings	14.44	46.61
Lease liabilities	1.53	1.76
Other non current Financial liabilities	0.70	0.15
Provisions	2.63	2.31
Deferred tax liabilities	0.04	0.51
Sub-total - Non-current liabilities	19.34	51.34
Current Liabilities		
Borrowings	106.52	90.57
Lease liabilities	0.22	0.29
Trade Payables	-	-
Total outstanding dues of micro enterprises and small enterprises	6.82	0.64
Total outstanding dues of creditors other than micro enterprises and small enterprises	32.12	53.18
Other financial liabilities	3.19	4.73
Other Current Liabilities	2.66	2.31
Income tax liabilities	0.32	0.05
Short-Term Provisions	1.84	1.53
Sub-total - Current liabilities	153.69	153.29
TOTAL - EQUITY AND LIABILITIES	257.71	278.73

PARTICULARS (Rs. In Crore)	As at March 31, 2024	As at March 31, 2023
Assests		
Non-Current Assets		
Property, Plant and equipments	73.51	85.94
Intangible Work-in-progress	0.35	1.04
Right of Use assets	1.52	1.85
Financial assets	-	-
Investments		
Others	9.17	9.36
Other non-current assets	2.33	2.16
Sub-total - Non-current assets	86.87	100.35
Current Assets		
Inventories	97.80	106.35
Financial assets		
Trade receivables	55.70	53.45
Cash and cash equivalents	0.31	0.43
Other Bank Balances	0.05	0.05
Loans	-	-
Others	(0.01)	0.17
Income tax Assets	0.16	0.68
Other Current Assets	16.83	17.26
Sub-total - Current assets	170.84	178.38
Total -Assests	257.71	278.73

EXCELLING AS A SYSTEMS SUPPLIER



Motor



Motor Controller

Component Design

Material & component data Base to speed up to design

Design of Electronics Hardware, Software & Mechanical

Sub-systems level simulation & analysis to ensure robustness

Model based design and system validation

KEY OPERATIONAL
HIGHLIGHTS FOR
FY23-24



Inked an agreement with **OLA Electric** to supply **ignition switches and latches**



TVS Business Growth from Rs.5.22 Crores in FY 22-23 to Rs.14.49 Crores in FY 23-24



Pantnagar Business Growth from Rs.63.75 Crores in FY 22-23 to Rs.87.13 Crores in FY 23-24

INDUSTRY HIGHLIGHTS

ELECTRIC MOBILITY PROMOTION SCHEME (EMPS) 2024

Introduced The EMPS 2024, a limited fund scheme of INR 500 crore for four months, aims to boost the adoption of e2W and e3W from April 1 to July 31, 2024 FAME-2 Scheme ends on 31 March 2024.

GROWING MARKET FOR 2W

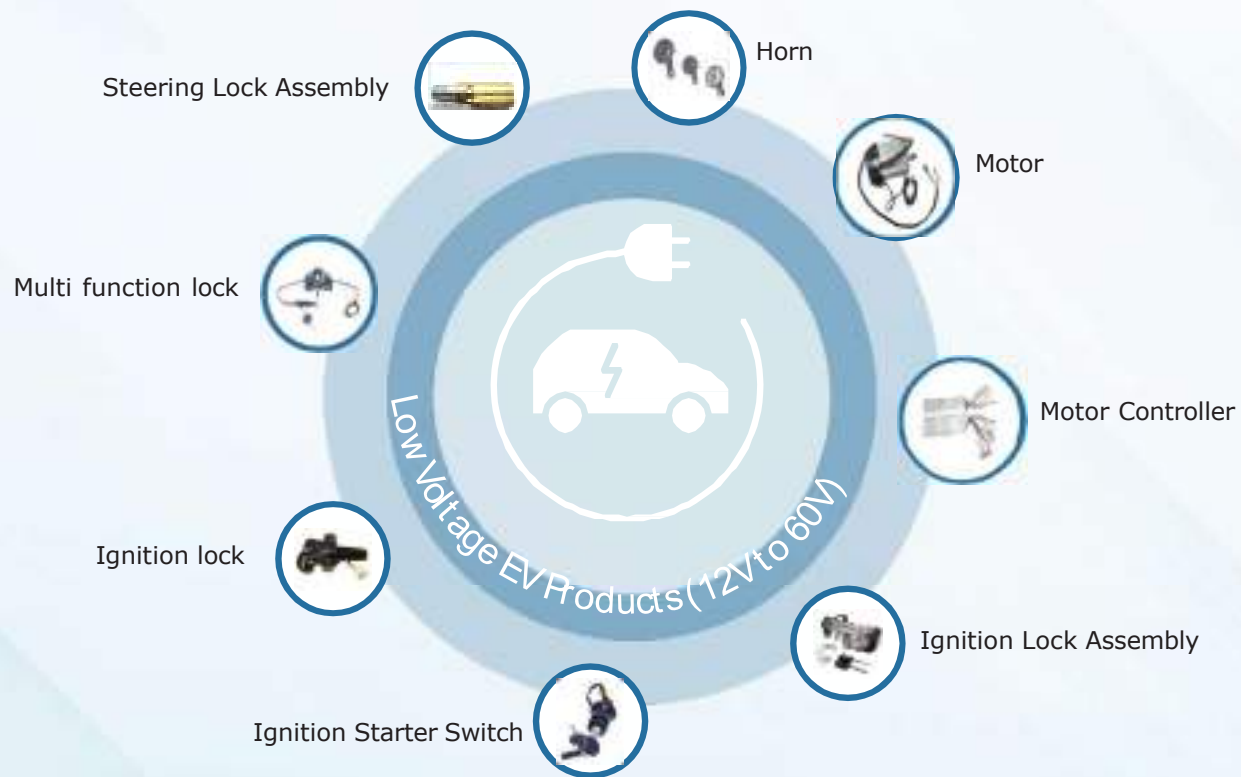
Sales of motorcycles and scooters in India likely experienced double-digit growth in the financial year 2023-24, surpassing pre-Covid levels. This increase was driven by a consistent rise in demand in both urban and rural areas.

AUTO INDUSTRY GROWTH MOMENTUM CONTINUES

PV segment registering 10% YoY growth during the quarter with SUV saw a strong demand Recovery in 2W market with improved rural sentiment registering 26% YoY growth.



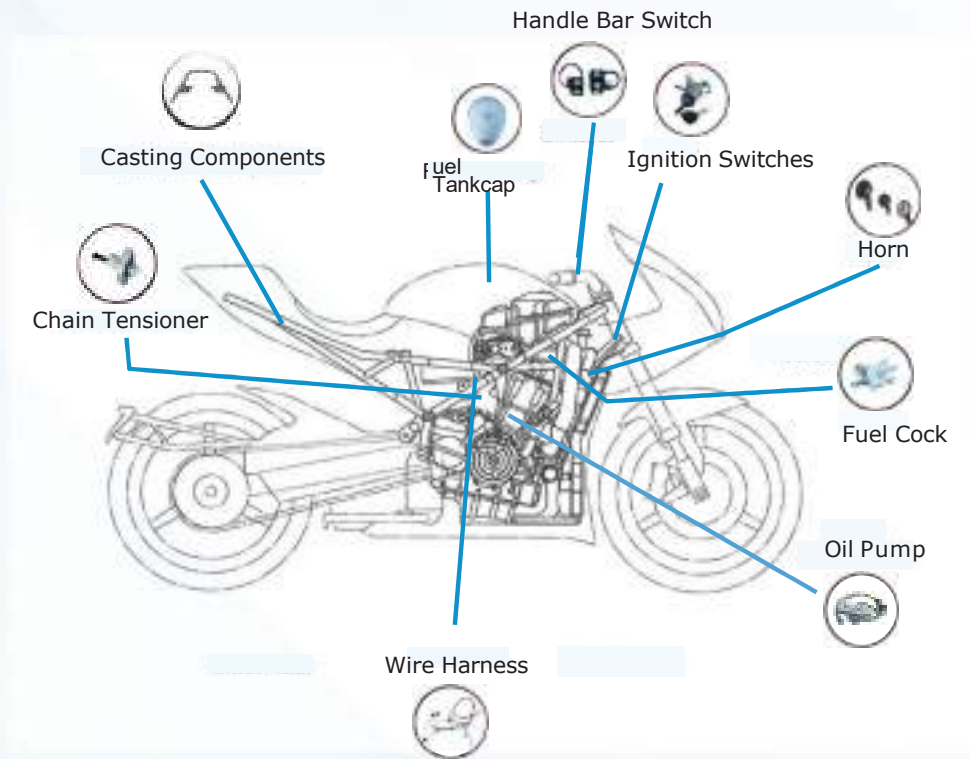
PAVNA'S EV PRODUCT PORTFOLIO (2W & 3W)



PRODUCTS UNDER PRODUCTION AND SUPPLY



COMPREHENSIVE SOLUTION PROVIDER FOR 2W AND 3W OEMS IN INDIA



Products equipped with AIS and ICAT certifications

CAPABILITIES: PRODUCT DEVELOPMENT

DESIGN & DEVELOPMENT

Lab equipped with all environmental chambers
3D Rapid Prototype Development
2D & 3D Software for Product Designing
State-of-art tools equieped with latest High-end CAD-CAM software
Professional team of toolmakers with complex tool making capability
Dedicated Design & process engineering teams

QUALITY STANDARDS & SUSTAINABILITY

ISO 9001:2008
ISO 14001:2009
ISO 18001: 2010
QS 9000 Certification
ISO/TS 16949
IATF 16949

INNOVATION & INTELLECTUAL PROPERTY

EVAP technology developed & implemented in Fuel Tank Cap
Petna Lock: 5 in 1Function Lock Developed
Contact Less Switch
Brake/Clutch Switch
Wheel Lock
Ignition cum Steering Lock

CAPABILITIES: MANUFACTURING

Zinc Die Casting In-House Facility developed

Established units with fully automated powder coating plant

Established PAVNA cluster for wire harness, engine & stamping products

ELECTRIC FIRED furnaces integrated with machine Precision control of temperature & pressures

Fully automated process from pouring to diecoat spray with AI-enabled machines

Precision control of temperature and pressures

High end machine with in-built error proofing interlocks

Vertical machining centre gives accuracy close to 1micron

Capability of various metal on metal platings, including, Nickle, Zinc, Copper etc.

Assembly of Electrical ,Electronics and mechanical partfrom as intricate parts as USB charger, ignition switches to heavy components like coupling assembly, step holders assly, etc

All Assembly lines with integrated End of line inspections setup including Leak testing, continuity, performance and functional testings

Established units for casting products

A horizontal bar with a blue-to-teal gradient, located at the top left of the slide.

TESTING AND VALIDATION

Spectrometer Test

Voltage Drop Test

Environmental Testing

Vibration Test

Rain Water Test

Vision Measurement

Reliability Testing

Durability Test

Heat Chamber Test

Functional testing

**Design Verification
Plan and Report**

MANUFACTURING FOOTPRINT ACROSS INDIA



- **Company has 9 facilities at 3 locations -**

- Aligarh (UttarPradesh)
- Aurangabad (Maharashtra)
- Pantnagar (Uttarakhand)

- **Strategically located Distribution network in 17 states**

RECENT EVENT IN BANGLADESH



OUR CUSTOMERS

Two-Wheelers & Three-Wheelers



Commercial Vehicles



Passenger Vehicles



Electric Vehicles



Others



OUR JOURNEY

Inception of business for supply of die-casting components

Commences supply of Auto Locks to OEM's

EVAP Technology developed and implemented in Fuel T Cap

ISO 18001:2010 certification

Joint venture with Sunworld, Taiwan

Acquired subsidiary company Pavna Auto Engineering Pvt. Ltd.

Migrated to NSE Main Board & got listed on BSE



Commences supply of Fuel Cocks to OEM's

Joint venture with Zadi SPA, Italy

Added new technology of Wave Key to Manufacturing System

2014 – Silver Award for Quality from Bajaj
2015 – Gold Award for Quality from Bajaj
2016 – 2nd Gold Award for Quality from Bajaj
2017 – 4th Gold Award for Quality from Bajaj IATF 16949 Certification

Established units for Casting Products

Listed on NSE SME

Land acquisition in Pantnagar, Uttarakhand

No. of patents **5**

No. of OEMs **25+**

GROUP STRENGTHS



**Established Relationships
with Original Equipment
Manufacturers (OEMs)**



Proximity to Customers



**Strategic and Technology
Driven Partnerships**



Effective Governance Systems



**Reliable and Competent
Supplier Network**



**Comprehensive Aftermarket
Distribution System**



**Advanced Research and
Development Capabilities**



Skilled Human Resources

OUR INSPIRATION MR.PAWAN JAIN- THE FOUNDER***“Change, Hardest At Beginning, Best At The End.” - Pawan Jain***

*A visionary, who thinks about the future in a creative and imaginative way, a person who is avant-garde, whose vision came true in the process for autonomous venture resulting in Pavna Group of Industries. Mr. Pawan Jain, our patron, moulded and shaped bricks & walls and laid the foundation of Pavna Group of Industries with his dedication, devotion and hard work. He planted a sapling “Pavna Group” on 13th April, 1971 with titular resources available. He designed, developed & engineered die-casting machine by himself. Management Guru, Mr. Pawan Jain, an exemplary personality, epitome of courage and honesty, man of relations and a visionary, who tended the sapling with his blood and sweat. In order to save a meagre amount, he used to stride for miles bare foot to receive and deliver orders, to organize everything logically and comprehensively. He got his first break by Bajaj, first OEM buyer of Pavna. He designed Fuel cock for BAJAJ at the best quality to seal the deal & then it became USP of Pavna Group to give best quality product. Being a successful industrialist was not all, his deep-rooted love for his city, ALIGARH, and lack of quality education in the city prompted him to do something in the field of education. Thus, he entrenched in the city, four Educational institutions - Delhi Public School, Aligarh | Civil Lines | Hathras and PAVNA International, with world class education system and international curriculum respectively. Despite of flourishing in the course of industries and education, he was inspired by the path & preachings of his father - Pt. Kailash Chandra Ji. He inculcated spiritual beliefs in him . To disseminate the same, he built Teerthdham Mangalayatan, with Aadinath Vidyaniketan to give Moral & Spiritual knowledge to young students . In spite of the ailment, he stood strong throughout. The man with iron & golden heart lived his whole life full of energy and enthusiasm. His devotion blazing his trails towards spiritual & inner peace, Sh. Pawan Jain was a legend who instills in each one’s heart and mind to **DREAM AND ACHIEVE BIG, COME WHAT MAY!***

MESSAGE FROM MANAGING DIRECTOR

Dear Shareholders,

The global economy in 2024 faces a multitude of challenges that threaten its stability and growth. Geopolitical tensions remain a significant risk, with ongoing conflicts in Eastern Europe and the Middle East disrupting global trade. Economic growth is projected to slow, with the IMF forecasting a modest 3.1% growth rate

in 2024, below the pre-pandemic average, due to high inflation and tight monetary policies and other geo-political tensions.

Despite ongoing economic challenges, the Indian Auto Component Industry has witnessed remarkable growth in the last fiscal year. The government's Production Linked Incentive (PLI) schemes and favorable trade policies have strengthened domestic manufacturing and attracted substantial foreign investments, positioning India as a global hub for auto component sourcing.

As we continue to chart our path toward sustained growth and innovation, I am pleased to highlight an important milestone for Pavna Industries Limited. We have recently acquired a 4,335 sq. meter land in June at the Integrated Industrial State in Pantnagar, Uttarakhand, where we will establish a greenfield plant dedicated to producing high-quality components. This strategic investment is designed to leverage the logistical and cost benefits of the region, strengthening our presence in the domestic automotive sector and streamlining our operations to better serve key clients like Bajaj Auto and several others.

We are entering an exciting phase where the automotive industry is experiencing rapid transformation. The demand for electric vehicles is on the rise, and Pavna Industries is well-positioned to capitalize on this trend. In the month of April, we entered into a strategic partnership with OLA Electric, a leader in the electric vehicle industry. Under this agreement, we will supply high-quality ignition switches and latches across OLA Electric's manufacturing facilities in India as well as launched products in Bangladesh. This collaboration not only

strengthens our position in the automotive components sector but also aligns us with the accelerating shift towards electric vehicles, reflecting our commitment to innovation and sustainability. This expansion is driven by our strategic vision to tap into new market opportunities and cater to the evolving needs of our customers both domestically and internationally.

The company is focussing on the innovation, and improvement of its products and processes on a continuous basis.

As I reflect on the growth and progress, I would like to share with you the performance results for the financial year 2023-24 for our Company. During the year ended 31st March 2024, we reported Rs. 316.87 cr in revenue, a decrease of 12.52% YoY, while EBITDA and PAT stood at Rs. 34.49 cr and Rs. 12.00 cr, an increase of 5.02% and 39.01% respectively as compared to previous year. Increase in EBITDA is mainly due to better operational efficiencies and optimum utilization of resources. Moreover, the loss making subsidiary Pavna Goyam Auto Pvt. Ltd. (PGAPL) is no longer associated with the Company leading to improvement in the margins as well.

Looking ahead, we are optimistic about the opportunities in the automotive component industry. The push towards electric mobility, coupled with favourable government policies, presents significant growth prospects. We will continue to invest in R&D, enhance our manufacturing capabilities, and explore new markets to drive sustainable growth.

In conclusion, I would like to express my gratitude to our shareholders, customers, employees, and partners for their unwavering support and trust. Together, we will continue to drive innovation, achieve excellence, and contribute to the future of auto component industry.

CORPORATE INFORMATION

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Corporate Information

Board of Director

Mrs. Asha Jain	Chairperson & Executive Director
Mr. Swapnil Jain	Managing Director
Mrs. Priya Jain	Executive Director
Mr. Naozer Firoze Aibara	Independent Director
Mr. Achyutanand Ramkrishna Mishra	Independent Director
Mrs. Priyanka Moondra Rathi	Independent Director
Mr. Dhruv Jain	Independent Director
Mrs. Himani Bhootra	Independent Director
Mr. Paras Shrikant Parekh	Additional Independent Director (appointed w.e.f August 14, 2024)
Mr. Sanjay Kumar Jain	Non-Executive Director

Key Managerial Personnel

Mr. Ravindra Jagannathrao Pise	Chief Executive Officer
Mrs. Palak Jain	Chief Financial Officer
Mr. Vijay Kumar Sharma	Vice-President
Mr. Ram Karan Malik	Vice-President (After market Development)
Mr. Arun Khanna	General Manager
Mr. Alok Kumar Sharma	Deputy General Manager
Ms. Kanchan Gupta	Company Secretary & Compliance Officer (appointed w.e.f September 4, 2024)

Statutory Auditor

Arun Varshney & Associates
(appointed w.e.f September 4, 2024)
Chartered Accountants
Aligarh, Uttar Pradesh

Internal Auditor

Serva Associates
Chartered Accountants
Pitam Pura, Delhi

Secretarial Auditor

D. Sagar & Associates
Practicing Company Secretary
Aurangabad, Maharashtra

Bankers

HDFC Bank
Bajaj Finance Limited

Registered Office

Vimlanchal, Hari Nagar
Aligarh, Uttar Pradesh-201010
India

Corporate Office

Vimlanchal, Hari Nagar
Aligarh, Uttar Pradesh-201010
India

Subsidiaries

Pavna Auto Engineering Private Limited
Swapnil Switches Private Limited
Pavna Marketing Private Limited
Pavna Sunworld Autotech Private Limited

Plants

Unit 2 at 19/17, Gopal Puri, Hari Nagar, Aligarh-202001
Unit 3 at 9 KM G.T. Road, Bhankari, Aligarh-202001
Unit 4 at Khasra No. 29, Chauwali, Bhankari, Aligarh-202001
Unit 6 at C-11, MIDC Shendra, Maharashtra-410501
Unit 7 at C-11 MIDC Shendra Village, Kumbhepal Taluka, Aurangabad- 410501
Unit 8 at Plot No. 16, Sector-4, IIE SIIDCUL, Pantnagar, Uttarakhand- 263153
Unit 9 at Nauhati Village, Agra Road Madrak, Aligarh-202150
Unit 10 at Nauhati Village, Agra Road, Madrak, Aligarh-202150
Unit 11 at Nauhati Village, Agra Road, Madrak, Aligarh-202150

Registrar and Transfer Agent

Link Intime India Private Limited
C-101, 1 Floor, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai-400083
Maharashtra, India
SEBI Registration No.: INR000004058
Email- pavna.ipo@linkintime.co.in
Website- www.linkintime.co.in

Listed Stock Exchanges

National Stock Exchange of India Limited (NSE)
Bombay Stock Exchange (BSE)

Investor Grievance

cs@pavnagroup.com
91-8006409332

ISIN-INE07S101020

Symbol- PAVNAIND
Scrip Code- 543915

PAVNA INDUSTRIES LIMITED

BOARD OF DIRECTORS' REPORT

FOR THE YEAR 2023-24



DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present 30th Annual Report on the business and operations of the Company along with Audited Financial Statements (Standalone and Consolidate) and the Auditor's Report thereon for the financial year ended on **March 31, 2024**.

1. FINANCIAL RESULTS

Financial Performance of the Company for the year ended 31st March, 2024 is summarized below:

(Rs. In Lakh)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	28273.49	26323.09	31687.49	36222.20
Total expenditure	25431.66	23947.59	28238.36	32937.87
Operating profit	2841.83	2375.50	3449.13	3284.33
Other Income	33.99	39.35	299.83	194.88
Profit before interest, foreign exchange, depreciation, amortization, exceptional item and tax	2876.34	2414.85	3748.96	3479.21
Finance cost	931.62	695.62	1107.73	1087.28
Profit before depreciation, amortization, exceptional item, foreign exchange and tax	1944.72	1719.23	2641.23	2391.93
Depreciation, amortization and product development/ engineering Expenses	897.34	717.11	1070.25	1181.34
Profit/(loss) before exceptional items and tax	1047.38	1002.12	1570.98	1210.59
Exceptional Items - loss (net)	0	0	0	0
Profit / (loss) before Tax	1047.38	1002.12	1570.98	1210.59
Tax expenses / (credit) (net)	269.88	273.58	370.57	347.02
Profit / (loss) after Tax	777.50	728.53	1200.41	863.57
Attributable to:				
- Shareholders of the Company	-	-	1066.32	861.59
- Non-controlling interest	-	-	148.14	35.72
Earning Per Equity Share	6.38	5.98	8.67	7.09

2. OPERATIONAL PERFORMANCE

Standalone Operational Performance

During the review, the Company has generated revenue from operation Rs. 28,273.49 lakh which is 7.41% higher than Rs. 26,323.09 lakh in FY 2022-23. Operating Expenses of the Company has also increased by 6.20% than to last FY.

The Company has booked Profit Before Tax (PBT) of Rs. 1047.38 Lakh and Net Profit of Rs. 777.5 lakh compare to last year of Rs.1002.12 lakh and Rs. 728.53 lakh respectively.

Subsidiary Operational Performance

The Company has five subsidiaries. Performance of the subsidiaries have contributed positive increase in the revenue as well as operational profit as per below table shows-

(Rs. In Lakh)

Particulars	SSPL		PAEPL		PSAPL		PMPL	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Revenue	805.68	880.55	3543.28	3619.16	65.23	86.02	4691.42	5050.01
Operational Exp.	669.08	866.47	3237.85	3428.02	72.76	79.33	4456.22	4901.15
EBITA	136.60	14.08	305.43	191.14	(7.53)	6.69	235.20	148.86

Consolidated Operational Performance

During the year, under review, consolidated revenue from operations for the year ended as on March 31, 2024 is Rs. 31,687.49 lakhs, while last year operational revenue was 36,222.20 lakh. However the expenses have also decreased by 14.27% compare to last year. The Company has booked Net Profit of Rs. 1200.41 Lakh.

3. DIVIDEND

During the Financial Year, the Company has not declared any dividend.

4. RESERVE & SURPLUS

The Company has transferred net profit of Rs. 777.50 lakh to the reserve and Surplus during the financial year.

5. SHARE CAPITAL

(a) Authorised Share Capital

Authorised Share Capital of the Company at the beginning of the financial year stands at Rs.1,500 Lakhs.

During the year, the Shareholders of the Company has increased its Authorised Share Capital by Rs.300 Lakhs by Passing Ordinary Resolution through Postal Ballot on November 15, 2023 in their Extra-Ordinary General Meeting.

So, the Authorised Share Capital of the Company at the end of the Financial Year stands at Rs.1,800 Lakhs.

(b) Paid-Up Share Capital

The Paid Share Capital of the Company at the beginning of the Financial Year stands at Rs. 1,218.08 Lakhs consisting of 1,21,80,800 equity shares of Rs.10/-each.

During the year, the Company has not increased its Paid-Up Share Capital.

So, at the end of the Financial Year, the Paid-Up Share Capital stands at Rs.1,218.08 Lakhs only.

6. FUND RAISING

The Shareholders of the Company passed Resolution through Postal Ballot on November 15, 2023 in their Extra-Ordinary General Meeting approving the Fund raising through Further Public Offer of Equity Shares. But later on, Decision of Fund Raising through Further Public Offer was withdrawn by the Board of Directors and approved the Fund raising through the Right Issue of Equity Shares in their Meeting held on January 10, 2024.

Fund Raising through Right Issue of Equity Shares was also revoked by the Board of Directors in their meeting held on August 14, 2024 due to deferment of the plans.

7. MIGRATION TO NSE MAIN BOARD AND LISTING ON BSE MAIN BOARD

The Company completed the process of Migration from National Stock Exchange (Emerge) to NSE Main Board and got listed on Bombay Stock Exchange Main Board on 1st June, 2023.

8. CHANGES IN NATURE OF BUSINESS

Your Company is engaged in manufacturing of wide range of automotive components for reputed Original Equipment Manufacturers (OEMs) as per their requirements primarily catering to various vehicle segments, including, passenger vehicles, two-wheelers, three-wheelers, heavy and light commercial vehicles and off-road vehicles, Electric Vehicles.

There is no change in the nature of business during the year under review.

9. SUBSIDIARIES

The Company has 4 (Four) subsidiaries as at March 31, 2024 and detail subsidiaries as follows-

Name of Subsidiary	% of Subsidiary	Location	Nature of Business
Pavna Auto Engineering Private Limited	50.74%	Aligarh, UP	Manufacturing of Auto Mobile Parts, Accessories, Spare Parts, assemblies parts, Fuel and petrol taps and corks and all accessories and assembly line of Die Casting products
Pavna Sunworld Autotech Private Limited	71.50%	Aligarh UP	manufacturing of all types of Automobiles, Auto Parts, Engineering Goods and Hardware etc.
Swapnil Switches Private Limited	50.74%	New Delhi	Manufacturing of all type of electric auto switches and accessories thereof and store parts.
Pavna Marketing Private Limited	99.99%	Aligarh UP	Business of marketing and trading of automobiles locks, auto parts, die casting items

One of the subsidiaries of the company M/s Pavna Goyam Auto Private Limited ceased to be a subsidiary

w.e.f 11.05.2023.

The details of the subsidiaries have been described in brief in the Corporate Governance Report which forms an integral part of this Annual Report.

Further, pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the Financial Statements of subsidiary companies in Form AOC-1 is attached to the Financial Part of this Annual Report.

The separate audited Financial Statements in respect of each subsidiary shall be kept open for inspection at the Registered office of the Company during working hours for a period of 21 days before the date of Annual General Meeting.

10. CREDIT RATING

The Company obtains Credit Rating of its various credit facilities and instruments from CRISIL Ratings Limited (“CRISIL”). During the year, the CRISIL has migrated the Long-term rating from ‘CRISIL BB+/Stable to CRISIL BBB-/Stable’.

CRISIL has re-affirmed the Long-term rating to CRISIL BBB-/Stable which is valid till March 31, 2025.

11. MAJOR CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION AFTER THE YEAR END TILL THE DATE OF THIS REPORT

One of the subsidiaries of the company M/s Pavna Goyam Auto Private Limited ceased to be a subsidiary w.e.f 11.05.2023. There were no other material changes and commitments that occurred after the close of the year till the date of this report, which affected the financial position of the Company.

During the year under review, there was no change in the nature of business of the Company.

12. INTERNAL FINANCIAL CONTROLS SYSTEM AND THEIR ADEQUACY

Your Company has laid down adequate internal financial controls and checks which are effective and operational. These systems are designed in a manner which provides assurance with regard to maintenance of strict accounting control, optimum efficiency in operations and utilization of resources as well as financial reporting, protection of Company’s tangible and intangible assets and compliance with policies, applicable laws, rules and regulations.

The Audit Committee regularly interacts with the Internal Auditors, the Statutory Auditors and Senior executives of the Company responsible for financial management and other affairs. The Audit Committee evaluates the Internal Control Systems and checks & Balances for continuous updation and improvements therein. During the year, such controls were reviewed and no reportable material weakness was observed.

13. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries for Financial Year 2023-24 are

prepared in compliance with the applicable provisions of the Act and as stipulated under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations] as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statement together with the Independent Auditor's Report thereon form part of this Annual Report. Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statement of the subsidiary companies is attached to the Financial Statement in Form AOC-1. Pursuant to the provisions of Section 136 of the Act, the Company will make available the said financial statement of the subsidiary companies upon a request by any member of the Company or its subsidiary companies. These financial statements of the Company and the subsidiary companies will also be kept open for inspection by any member and the same would also be available on the Company's website <https://www.pavna.in>.

The Audited Consolidated Financial Statements along with the Auditors' Report thereon forms part of this Annual Report.

14. PUBLIC DEPOSITS, LOAN AND ADVANCES

During the Financial Year 2023-24, the Company has not accepted any deposits from public within the meaning of Section 73 and Section 74 of the Act, therefore the disclosure pursuant to Rule 8 (5)(v) & (vi) of Companies (Accounts) Rules, 2014, is not applicable to the Company.

15. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) of the SEBI (LODR) Regulations, 2015, on the operations of the Company as prescribed under Schedule V, is presented in a separate section forming part of the Annual Report Annexed as "Annexure-1".

16. CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Act, read along with Rule 8 of the Companies (Accounts) Rules, 2014, is given in "Annexure-2" forming part of this Report.

17. NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 of the Act, and in terms of Regulation 19 read with Part D of Schedule-II of the SEBI Listing Regulations, the Company has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and Senior Management which also provides for the diversity of the Board and provides the mechanism for performance evaluation of the Directors and the said Policy was amended from time to time. It includes criteria for determining qualifications, positive attributes and Independence of a Director. The Remuneration Policy is available on the Company's website and can be accessed on the website www.pavna.in.

18. PARTICULARS OF EMPLOYEES

The total number of permanent employees on the rolls of the Company as on March 31, 2024 was 796.

The disclosure pertaining to remuneration and other details as required under Section 197 of the act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, duly amended, forms part of this report are annexed as an “**Annexure-3**” and the information required under Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, duly amended, will be provided under request.

As per the provision of the section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the shareholders. Any shareholder interested in receiving the same in hard copy may write to the Company Secretary at cs@pavnagroup.com.

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments which are within the limits specified under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, are provided in the notes to the Audited Financial Statements of the Company forming part of this Annual Report.

20. RELATED PARTIES TRANSACTIONS AND CONTRACTS:

All contracts/ arrangements/ transactions entered by the Company during the year with related parties were on an arm's length basis and mostly in the ordinary course of business. There were no material related party transactions (RPTs) undertaken by the Company during the year that require Shareholders' approval under Regulation 23(4) of the SEBI Listing Regulations or Section 188 of the Act. The approval of the Audit Committee was sought for all RPTs. Certain transactions which were repetitive in nature and entered in the Ordinary course of Business were approved through omnibus route. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

Accordingly, Detail of related party transactions as required under Section 134(3)(h) of the Act given in “**Annexure-4**” as per **AOC-2**.

Details of related party transactions entered into by the Company, in terms of IND AS-24 have been disclosed in the notes to Standalone/ Consolidated Financial Statements forming part of the Annual Accounts 2023-24.

21. CORPORATE SOCIAL RESPONSIBILITY

During the year under review the Company has spent Rs. 17.00 lakh under CSR activities as per the section 135 of the Companies Act, 2013 and Rules made thereunder. The CSR Policy is available on the website of the Company at www.pavna.in.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies (CSR Policy) Rules, 2014 are set out in “**Annexure-5**”.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on date, the Board of the Company comprises of total 10 (Ten) directors of which 6 (Six) are Non-Executive Independent Directors and 3 (Three) Executive Director and 1(One) is Non-Executive Non-

Independent Director.

(a) Appointment / Re-appointment/Resignation of Directors

In terms of Section 149 of the Act and the SEBI Listing Regulations, following Independent Directors were appointed on the Board of the Company as on date of this report:

1. Ms.Himani Bhootra (DIN: 09811030) (w.e.f 17.04.2023)
2. Ms.Priyanka Moodra (DIN: 09485101) (w.e.f 14.08.2023)
- 3 .Mr. Achyutanand Ramchandra Mishra (DIN: 0940098) (w.e.f 01.09.2023)
4. Mr. Paras Shrikant Parekh (DIN: 10277614) (w.e.f 14.08.2024)

(b) Retire by Rotation

In accordance with provisions of the Act and the Articles of Association of the Company, Mrs. Priya Jain, Executive Director (DIN: 03355623) is liable to retire by rotation and is eligible for re-appointment.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the SS- 2 on General Meeting are given in the Notice of Annual General Meeting ('AGM'), forming part of the Annual Report.

(c) Appointment/ Resignation of Key Managerial Personnel

In terms of Section 203 of the Act, 4. Mr. Makarand Mahajan resigned from the post of Chief Financial Officer w.e.f 31.07.2023 and Mr. Ravindra Madan Mohan Agrawal was appointed on 11.09.2023 but resigned w.e.f 28.12.2023. Mrs. Palak Jain was appointed as Chief Financial Officer w.e.f 20.01.2024.

Ms. Charu Singh has resigned from the position of Company Secretary and Compliance Officer of the Company w.e.f. 28th August, 2024. Ms. Kanchan Gupta, an associate Member of ICSI having membership no.A64223 was appointed as an Additional Company Secretary and Key Managerial Personnel w.e.f 1st September, 2023 and now re-designated as Company Secretary and Compliance Officer w.e.f 4th September, 2024.

Mr. Ravindra Jagannath Rao Pise was appointed as Chief Executive Officer of the Company on September 1,2023. Mr. Alok kumar sharma (deputy general manager) was appointed as key managerial personnel w.e.f November 7, 2023.

Mr. Arun Khanna (general manager) was appointed as key managerial personnel w.e.f November 7, 2023.

Mr. Pankaj Kumar Aggarwal (assistant vice president-production) was appointed as key managerial personnel w.e.f November 7, 2023.

Mr. Ram Karan Malik (chief technical officer) was appointed as key managerial personnel w.e.f November 7, 2023.

Mr. Rachakonda Sambasiva Murthy as a kmp w.e.f januray 10, 2024 w.e.f November 7, 2023 and was terminated w.e.f August 13, 2024.

24. DECLARATION OF INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they

meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 ('the Act') as well as the Rules made thereunder and are independent of the management.

25. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

The Company has conducted Familiarization Programme for Independent Directors to enable them to understand their roles, rights and responsibilities and proactively keeps them informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. Company's policy on the familiarization programme for the Independent Directors as well as the details of the familiarization programme imparted during the year is available on the website of the Company at www.pavna.in.

26. BOARD EVALUATION

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provision of the Act.

The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

27. AUDITORS AND AUDITOR'S REPORT

(a) Statutory Auditors

Pursuant to section 139 of the Companies Act, 2013 and Rule 4(2) of the Companies (Audit and Auditors) Rules, 2014, **M/s Rajeev Kumar & Company, Aligarh (Firm's Regn No. 000633C)**, was appointed as the Statutory Auditors of the Company at Annual General Meeting held on 27th September, 2022 to hold office for 5 years until conclusion of AGM to be held on year 2027-28. The Auditors have represented that they were not disqualified and continue to be eligible to act as the Auditor of the Company.

M/s Rajeev Kumar & Company, Aligarh (Firm's Regn No. 000633C) has resigned as Statutory Auditor the Company with effect from the closure of the business hours of August 14, 2024. They proposed the audit fees to be revised but the proposal was not passed by the Audit Committee, hence they resigned as the Statutory Auditor.

Pursuant to section 139 of Companies Act, 2013 M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration NO.005560C) has been appointed as the Statutory Auditors of Pavna Industries Limited by the Board of Directors on September 4, 2024 to fill the casual vacancy and whose term shall expire on the upcoming Annual General Meeting. Resolution for appointment of 2013 M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration NO.005560C), Chartered Accountants has been proposed in the upcoming Annual General Meeting for their Regularization for a term of Five years and on such remuneration as decided by the Board of Directors in consultation with the Audit Committee.

The Statutory Auditors' Report for the financial year ended 31st March, 2024 forming part of the Annual Report, contains an emphasis of matter on Financials of the Company.

The Auditor of the Company have not reported any fraud or any qualification as specified under the second proviso of Section 143 (12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

(b) Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Director based on the recommendation of the Audit Committee appointed **M/s D. Sagar & Associates**, (CP No. - 11547), a Company Secretaries in Practice in Aurangabad to conduct the Secretarial Audit of the Company for year ended March 31, 2024.

The Report of the Secretarial Audit for the financial year ended March 31, 2024 is annexed herewith as **“Annexure-6”**.

The Secretarial Audit Report for 2023-24 does not contain any qualification, reservation or adverse remarks.

28. MEETINGS OF THE BOARD

During the year, the Board of Directors met 6 times. For details, please refer to the Report on Corporate Governance, which forms part of this Annual Report as **“Annexure-7”**.

The maximum gap between two Board Meetings held during the year was not more than 120 days.

29. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in

the Report on Corporate Governance, which forms a part of this Report. Further, during the year under review, all recommendations made by the various committees have been accepted by the Board.

30. GENERAL MEETINGS

During the year, Members of the Company met 1 time. For details, please refer to the Report on Corporate Governance, which forms part of this Annual Report as “**Annexure-7**”.

31. RISK MANAGEMENT

The Board takes responsibility for the overall process of risk management throughout the organization. Our business units and corporate functions address risks through an institutionalized approach aligned to our objectives. This is facilitated by corporate audit. The Business risk is managed through cross-functional involvement and communication across businesses. The results of the risk assessment are presented to the senior management. The Senior Management reviews business risk areas covering operational, financial, strategic and regulatory risks.

32. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company’s code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. No person has been denied access to the Chairperson of the Audit Committee. The policy of vigil mechanism is available on the Company’s website.

33. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

The Committee comprises of Mr. Dhruv Jain, Mr. Naozer Firoze Aibara, Mr. Achyutanand Ramkrishna Mishra, Mr. Paras Shrikant Parekh and Mr. Swapnil Jain. For details, please refer to the Report on Corporate Governance, which forms part of this Annual Report as “**Annexure-7**”.

34. HUMAN RESOURCES

No complaints/suggestions were received during the year.

The focus on human capital continued to be a cornerstone of the Company’s strategic endeavours. Recognizing the pivotal role of our workforce as the driving force behind our diverse business ventures, the

Company endeavoured to cultivate an environment conducive to their growth, development, and overall well-being.

The Company has a strength of permanent employees and contract workers as on 31st March, 2024. From the total permanent employees, over 26.38% are Women.

35. EXTRACT OF ANNUAL RETURN

Pursuant to Sections 92 & 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for F/Y 2023-24 is available on the website of the Company.

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

No significant or material orders were passed by the any Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

37. MARKET PRICE DATA

The shares of the Company were traded as under during 2023-2024.

Month	NSE			BSE		
	High (Rs.)	Low (Rs.)	Turnover (Rs.in Lakhs)	High (Rs.)	Low (Rs.)	Turnover (Rs.in Lakhs)
April	281.40	244.00	34.31	-	-	-
May	305.00	285.05	61.83	-	-	-
June	378.00	291.40	79.37	375	298.05	18.34
July	338.00	269.60	23.80	343.7	265	5.38
August	470.70	282.65	249.22	465.35	295.1	64.36
September	484.00	410.50	287.04	486	411.05	102.60
October	469.80	371.00	375.90	465	378.7	59.26
November	415.00	376.05	82.46	435	381.8	22.88
December	427.00	380.00	141.84	420	382.45	35.88
January	640.85	400.00	1,315.98	640.05	398.3	339.69
February	539.95	475.00	124.24	546.5	476.25	12.97
March	601.00	475.00	1,633.71	591.65	477	280.92

(Source: www.nseindia.com and www.bseindia.com)

Company got listed on BSE from June 1, 2024.

MARKET PRICE VARIATION IN RELATION TO NSE SENSEX DURING 2023-2024:

The monthly high and low share prices of the Company in comparison with the NSE Sensex during the year are as under:

Month	High (Rs.)	Low (Rs.)	NSE Nifty (High)	NSE Nifty (Low)
April	281.40	244.00	17753.05	17620.26
May	305.00	285.05	18367.67	18229.46
June	378.00	291.40	18781.22	18664.46
July	338.00	269.60	19657.8	19507.59
August	470.70	282.65	19512.15	19373.17
September	484.00	410.50	19849.37	19703.97
October	469.80	371.00	19564.51	19417.61
November	415.00	376.05	19642.34	19535.81
December	427.00	380.00	21223.46	21050.91
January	640.85	400.00	21750.82	21524.64
February	539.95	475.00	22054.66	21836.18
March	601.00	475.00	22288.54	22074.9

MARKET PRICE VARIATION IN RELATION TO BSE SENSEX DURING 2023-2024:

The monthly high and low share prices of the Company in comparison with the BSE Sensex during the year are as under:

Month	High (Rs.)	Low (Rs.)	BSE Sensex (High)	BSE Sensex (Low)
April	-	-	-	-
May	-	-	-	-
June	375	298.05	63321.87	62917.96
July	343.7	265	66365.36	65830.82
August	465.35	295.1	65665.96	65186.63
September	486	411.05	66659.2	66168.46
October	465	378.7	65599.08	65102.42
November	435	381.8	65579.57	65215.13
December	420	382.45	70647.77	70077.52
January	640.05	398.3	72112.25	71349.87
February	546.5	476.25	72610.59	71888.61
March	591.65	477	73507.04	72823.13

(Source: www.bseindia.com)

38. SHAREHOLDING PATTERN

The Shareholding Pattern of the Company as on 31st March, 2024 is as follows:

Sr No	Category	No. of Equity Shares held	% of Shareholding
1	Promoter (Non-Corporate)	7,178,520	58.9331
2	Promoter Group (Non-Corporate)	404,840	3.3236
3	Promoter Group (Corporate)	997,040	8.1853
4	Public	3,600,400	29.558
TOTAL		12,180,800	100

39. OTHER DISCLOSURES

1. DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, STRICTURES IMPOSED ON THE LISTED ENTITY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS

Sr. No.	Particulars	Financial Year	Amount of fine/penalty (₹ in lakhs)	Date on which Fine/Penalty was imposed and name of stock exchange	Status
1.	Non-compliance of Regulation 33 of the SEBI LODR Regulations	2021-22	0.50	December 14, 2021 (NSE)	Penalty paid
2.	Non-compliance of Regulation 17 (1A) of the SEBI LODR Regulations	2023-24	0.56	November 21, 2023 (NSE)	Penalty paid
3.	Non-compliance of Regulation 17 (1A) of the SEBI LODR Regulations	2023-24	0.56	November 21, 2023 (NSE)	Penalty paid

2. PREVENTION OF SEXUAL HARASSMENT

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the Financial Year 2023-24:

- a. number of complaints filed during the financial year : Nil
- b. number of complaints disposed of during the financial year : Nil
- c. number of complaints pending as on end of the financial year : Nil

3. DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY; INCLUDING THE DATE AND PLACE OF INCORPORATION AND THE NAME AND DATE OF APPOINTMENT OF THE STATUTORY AUDITORS OF SUCH SUBSIDIARIES.

Pavna Auto Engineering Private Limited has been identified as a material subsidiary of the Company which was incorporated on April 19, 1994 at Pala Sahibabad, Gopalpuri Aligarh-202001, Uttar Pradesh, India. M/s Arun Varshney and Associates, Chartered Accountants (Firm Registration No. 005560C) has been appointed as the Statutory Auditor of the Company on September 30, 2019 by the members of the Company.

The Company has identified Pavna Auto Engineering Private Limited (PAEPL) as the material Subsidiary of the Company in terms of Regulation 16 of the Listing Regulations. The Company has appointed one of its Independent Directors on the Board of Pavna Auto Engineering Private Limited. The minutes of the Board meetings of the subsidiary companies are placed at the Board meeting of the Company on a periodical basis. The Audit Committee reviews the financial statements including investments by the unlisted subsidiaries of the Company.

PAEPL is the material subsidiary of the company incorporated dated 19.04.1994 having directors of the company viz. Mr Swapnil Jain, Mrs. Asha Jain, Mr. Dhruv Jain and Mrs. Priya Jain. During the FY 2023-24 PAEPL was material subsidiary pursuant to Section 16 of SEBI (LODR) Regulations, 2015 (“SEBI Listing Regulations”). Mr. Dhruv Jain, the Independent Director of the Company, has been appointed as Director of PAEPL.

The Company has duly formulated a policy for determining Material Subsidiaries. The main objective of the policy is to ensure governance of material subsidiary companies. The Company has also complied with the other provisions of Regulation 24 of the SEBI Listing Regulations with regard to Corporate Governance requirements for subsidiary Company.

The Policy for determining material subsidiaries has been uploaded and can be accessed on the Company’s website at www.pavna.in

40. DIRECTORS’ RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, secretarial auditors and external agencies and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company’s internal financial controls were adequate and effective during FY 2023-24.

Pursuant to the requirements under Section 134(5) read with Section 134(3)(c) of the Act with respect to Directors’ Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2024, the applicable accounting standards have 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 are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis; and
- e) the Directors have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the customers, supply chain partners, employees, Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities and all the various stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the continued co-operation and support received from the Joint Venture partners / Associates.

**For & On Behalf of the Board of Directors of
Pavna Industries Limited**

Sd/-

Swapnil Jain

Managing Director

DIN:01542555

Date: September 4, 2024

Place: Aligarh


Registered office:

Vimlanchalhari nagar Aligarh, Uttar Pradesh-202001,India

[Tel:+91-0571-2410010](tel:+91-0571-2410010)

Website: www.pavna.in, Email; cs@pavnagroup.com

CIN:L34109UP1994PLC016359



MANAGEMENT DISCUSSION & ANALYSIS

“Annexure-1”

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“Annexure-1”**MANAGEMENT DISCUSSION & 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 under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Indian Accounting Standards as pronounced by the Institute of Chartered Accountants of India (ICAI) from time to time. The Management of Pavna 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 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”, “Pavna” are to “Pavna Industries Limited”.

ECONOMIC OVERVIEW**Global Economic Overview**

In 2024, the global economy is expected to grow at a moderate pace, with projections showing a growth rate of around 3.1% to 3.2%. This growth is slightly higher than the previous years, indicating a steady but slow recovery from various economic challenges. Central banks around the world have kept interest rates high to combat inflation, which has been a significant issue in recent years. However, inflation rates are expected to decline gradually, with global inflation forecasted to fall from around 6.8% in 2023 to about 4.5% by 2025. This suggests that while

the economy is stabilizing, consumers and businesses are still dealing with the effects of higher prices and cost of living.

Different regions are experiencing varying growth rates due to several factors including geopolitical tensions, policy decisions, and economic conditions. For instance, advanced economies like the United States and European countries are seeing a slight acceleration in growth, while emerging markets and developing economies are facing a modest slowdown. This mixed picture highlights the uneven recovery across the globe, with some areas benefiting from strong policies and others struggling with external pressures and internal challenges.

Looking ahead, the global economic outlook for 2024 remains cautiously optimistic. While growth is expected to be moderate, the risks include potential increases in inflation, geopolitical risks, and further disruptions in supply chains.

Source: <https://www.imf.org/en/Publications/WEO>
<https://www.conference-board.org/topics/global-economic-outlook>
<https://www.oecd.org/economic-outlook/february-2024/>

Indian Economic Scenario

In 2024, India's economic growth is looking very promising. The country has seen impressive growth rates, especially in the second quarter of the fiscal year, with GDP growth expected to be between 6.9% and 7.2% or possibly even higher. This growth is largely driven by strong performance in the industrial sector. The positive trend is a result of various strategic steps India has taken over the years, which are now paying off.

A decade ago, India faced significant economic challenges. The U.S. Federal Reserve's indication of a rate hike and oil prices rising above \$90 per barrel had a severe impact. The country's current account deficit was alarmingly high, and inflation reached 10%. These factors led to a rapid depreciation of the Indian rupee and a loss of investor confidence. However, fast forward to today, and the situation has greatly improved. The current account deficit has significantly reduced, inflation is under better control, and foreign exchange reserves have nearly doubled.

Looking forward, the outlook for India's economy remains optimistic. As the global economy recovers, India is expected to benefit from the improving international economic environment. This global recovery is likely to boost India's economic growth even further, spreading benefits across various sectors of the economy. The country's proactive measures and continued focus on strengthening the industrial sector are key drivers of this positive outlook.

Source: <https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html>

INDUSTRY STRUCTURE AND DEVELOPMENT

Global Automobile Industry

In 2024, the global automotive industry is seeing a mix of growth and challenges. Sales of both passenger and commercial vehicles are expected to reach around 95 million units. This growth is partly due to advancements in smart manufacturing and connected car features. However,

the industry is also facing issues like high raw material costs and the need to comply with strict environmental regulations.

Electric vehicles (EVs) are becoming more popular, with sales predicted to hit 17 million in 2024. This increase is driven by consumer interest in eco-friendly cars and government policies aimed at reducing carbon emissions. Despite this, the industry is dealing with concerns about the affordability of EVs and the need for more charging infrastructure.

Technology is playing a big role in the industry's future. Companies are investing in autonomous driving and connected car technologies to improve safety and the driving experience. Some carmakers are also partnering with tech firms to innovate and deploy 5G systems for advanced driver-assistance systems (ADAS).

Supply chain issues that have previously affected the industry are starting to ease. This improvement is helping car manufacturers increase production to meet the rising demand for new vehicles. However, there are still some challenges left, such as supplier disruptions and the ongoing economic and financial issues that could limit how high production can go.

Looking ahead, the global automotive industry in 2024 is focused on recovery and innovation. With the stabilization of the supply chain and a strong push towards electric and autonomous vehicles, the sector is expected to continue its growth. However, companies must navigate the complexities of cost management and regulatory environments to capitalize on these opportunities.

Source: <https://www.marketsandmarkets.com/Market-Reports/global-automotive-industry-outlook-77960341.html>
<https://www.cloudtheory.ai/automotive-industry-trends>
<https://www.autonomous-vehicles-conference.com/>
<https://www.reuters.com/business/autos-transportation/electric-car-sales-rise-affordability-focus-iaa-says-2024-04-23/>
<https://www.marketwatch.com/guides/insurance-services/electric-vehicle-statistics-2024/>

India Auto Component Industry

India has become the fastest-growing economy in the world in recent years. This fast growth, coupled with rising incomes, a boost in infrastructure spending and increased manufacturing incentives, has accelerated the automobile industry. The two-wheeler segment dominated the automobile industry because of the Indian middle class, with automobile sales standing at 19.45 million units in FY23. Significant demand for automobiles also led to the emergence of more original equipment and auto components manufacturers. As a result, India developed expertise in automobiles and auto components, which helped boost international demand for Indian automobiles and auto components.

The automobile component industry turnover stood at Rs. 5.6 lakh crore (US\$ 69.7 billion) between 2022-23 the industry had revenue growth of 32.8% as compared to 2021-22. Domestic OEM supplies contributed ~66% to the industry's turnover, followed by domestic aftermarket (~12%) and exports (~22.3%), in FY23. The component sales to OEMs in the domestic market grew by 39.5% to US\$ 57.62 billion (Rs. 4.76 lakh crore). Between 2022-23, exports of auto components grew by 5.2% to Rs. 1.61 lakh crore (US\$ 19.49 billion). The aftermarket for auto components grew by 15% in 2022-23 reaching Rs. 85,333 crore (US\$ 10.33 billion).

As per the Automobile Component Manufacturers Association (ACMA) forecast, auto component exports from India are expected to reach US\$ 30 billion by 2026. The auto component industry is projected to record US\$ 200 billion in revenue by 2026. Strong international demand and resurgence in the local original equipment and aftermarket segments are predicted to help the auto component industry to grow further.

The rapidly globalising world is creating newer opportunities for the transportation industry, especially while shifting towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto component manufacturers. To help them adjust to the shifting dynamics of the sector, the Indian government has already offered various production incentives. India is also investing heavily in electric car infrastructure.

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

Government Initiative

The Government has reaffirmed its commitment towards EVs and its mission for 30% electric mobility by 2030. Budget announced customs duty exemption on the import of capital goods and machinery required for the manufacture of lithium-ion batteries that typically power EVs. The Government of India's Automotive Mission Plan (AMP) 2006-26 has been instrumental in ensuring growth for the sector. The Indian automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026.

Additionally, the Bharat New Car Assessment Program (BNCAP) is set to enhance the auto component sector's capabilities, spurring innovation and excellence. The extension of the FAME Scheme until March 2024, along with the Automotive Mission Plan (AMP) 2006-26, is expected to propel the industry to a projected turnover of US\$ 300 billion by 2026. Furthermore, the Production Linked Incentive (PLI) scheme promises substantial investments and job creation, marking a significant leap forward for the sector and the economy.

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

About Pavna Industries Limited

Pavna Industries Limited, formerly known as Pavna Locks Limited, was incorporated in April 19, 1994. The Company is engaged in the business of manufacturing wide range of reliable and high quality automotive parts for reputed OEMs serving different vehicle segments including passenger vehicles, two-wheelers, three-wheelers, heavy and light commercial vehicles, and off-road vehicles. PAVNA is a well-established Company in the South Asian automotive industry, with long history of innovation, technology, manufacturing and market leadership spanning over 50 years.

The Company has its state-of-the-art manufacturing plants located strategically in Aligarh (Uttar Pradesh), Aurangabad (Maharashtra), and Pantnagar (Uttarakhand). These plants are situated in close proximity to the plants of its OEM customers, allowing for greater interaction and timely response to their requirements. It also has diverse range of product portfolio which includes Ignition Switches, Fuel Tank Caps, Latches, Auto Locks, Switches, Oil Pump, Throttle Body, Fuel Cocks, Casting Components, and more. The Company has wide presence

in the domestic as well as export markets, exporting to several countries like Italy, Sri Lanka, Indonesia, Sudan, U.S.A. and Bangladesh. Apart from this the Company is also focused on customer centric approach catering to various esteemed Companies in the industry like Bajaj, Kawasaki, Honda, TVS, Mahindra, TATA, Escorts, Royal Enfield, Ashok Leyland, Mahindra Wheels, Eicher Motors, Tork Motors, Revolt, Mahindra Electric, etc.

PAVNA is committed to providing its customers with the latest and most innovative products, which is why the Company undertakes extensive research and development activities. The focus is on enhancing product portfolio, improving the quality of products, and upgrading the manufacturing processes. This is achieved through a combination of in-house R&D capabilities, as well as joint ventures and technical collaborations with partners such as Sunworld Moto Industrial Co, an Indo-Taiwan joint venture Company.

The Company's goal is to continuously strive towards technological advancement and innovation, while keeping customers' needs at the forefront of everything the Company does.

FINANCIAL OVERVIEW –

The consolidated financial performance of the Company for the financial year ended March 31st, 2024, is as follows:

Total revenue from operations stood at Rs. 316.87 crore for the year ended March 31, 2024, as against Rs. 362.22 crore for the corresponding previous period, decrease of 12.52%

EBITDA (excluding other income) was at Rs. 34.49 crore as against Rs. 32.84 crore in FY23, increase of 5.02%

EBITDA Margin for the year ended FY24 was 10.88% as against 9.07% in FY23, an increase of 181 bps mainly due to better operational efficiencies and optimum utilization of resources. Moreover, the loss making subsidiary is no longer associated with the Company leading to improvement in the margins

The PAT (profit after tax) was Rs. 12.00 crore for the year ended March 31, 2024, as against Rs. 8.64 crore for the corresponding previous period, a growth of 39.01%

FY24 PAT Margin stood at 3.79% as against PAT Margin of 2.38 % in FY23, increase of 141 bps

RESOURCES AND LIQUIDITY

As on March 31, 2024, the consolidated net worth stood at Rs. 73.00 crore and the consolidated debt was at Rs. 120.95 crore

The cash & cash equivalents and bank balances at the end of March 31, 2024 were Rs. 0.31 and Rs. 0.05 crore respectively

The net debt to equity ratio of the Company stood at 0.77 as on March 31, 2024

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:

Credit Risk

To manage its credit exposure, Pavna has determined a credit policy with credit limit requests and approval procedures. Company does its own research of clients' financial health and project prospects before entering into an agreement with them. 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.

Competition Risk

Like in most other industries, strong scope of opportunities come with intense competition. We face different levels of competition in each of our operating categories, from domestic as well as multinational companies. Pavna has created strong differentiators in project execution, portfolio, level on involvement in marketing and delivery, which make it resilient to competition. Furthermore, the Company continues to invest in technology and people to remain ahead of the curve. A strong and stable client base, comprising large and mid-sized corporations, further helps mitigate this risk. We counter this risk with the quality of our infrastructure, our customer-centric approach, value-added services and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined project executions, along with prudent financial and human resources management and better control over costs. Thus, we expect to be significantly insulated from this risk.

Tariffs Risk

Tariffs imposed on imported auto parts could increase the cost of production and impact the profitability of the industry.

Regulation Risk

Changes in regulations can create pressure for automotive makers to rethink their supply base and manufacturing locations on short notice, leading to supply chain disruptions.

Environmental regulations: The automotive industry is facing pressure to reduce its carbon footprint, and failure to do so could lead to penalties and loss of market share.

Disrupted supply chain: The COVID-19 pandemic has caused disruptions in the global supply chain, leading to production shutdowns and component shortages.

Quality control: The high products liability in the auto component industry makes quality control a critical issue.

OPPORTUNITIES

- **Shifting manufacturing hub:** The shift of the manufacturing hub from traditional markets to emerging markets presents opportunities for the auto component industry to expand its market share.
- **Electric and hybrid vehicles:** The increasing demand for electric and hybrid vehicles presents opportunities for the auto component industry to develop and supply components for these vehicles.
- **Export opportunities:** The Indian auto component exports grew by 43% and are expected to reach USD 80 billion by 2026.
- **Government Support and Policies:** The Indian government has introduced several policies to support the automotive sector, including the Production-Linked Incentive (PLI) scheme, which offers financial incentives to boost domestic manufacturing of advanced automotive technology products.

Source: <https://riskandinsurance.com/7-critical-risks-facing-the-automotive-industry/><https://www.mckinsey.com/industries/automotive-and-assembly/our-insights/work-the-core-how-auto-suppliers-can-get-fit-for-the-ev-transition>
<https://www.investindia.gov.in/sector/auto-components>

THREATS

- **Intense competition:** The auto component industry is facing rising competition, which can impact its market share and profitability.
- **Weak demand for private ownership of cars powered by the internal combustion engine:** The weak demand for private ownership of cars powered by the internal combustion engine can impact the market share of the auto component industry.
- **Consumer demand:** Rising vehicle prices present a real risk to car demand, which can impact the auto component industry.
- **Rising inflation rate:** The rising inflation rate can increase the cost of production and impact the profitability of the industry.

In conclusion, the auto component industry is facing various risks, opportunities, and threats that can impact its growth and profitability. The industry needs to adapt to the changing market conditions, innovate, and develop new products to remain competitive and profitable.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has an internal audit function designed to review the adequacy of internal control checks in the system which covers all significant areas of Company's operations such as accounting and finance, procurement, business operations, statutory compliances, IT processes, safeguarding the assets and their protection against unauthorized use, among others. The Internal Audit function performs the internal audit of Company's activities based on an internal audit plan, which is reviewed each year and is approved by the Board of Audit Committee. The Audit Committee reviews the report submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. Disciplinary action is taken, wherever required, for non-compliance to corporate policies and controls.

The Company has also implemented effective systems for achieving highest level of efficiency in operations, to achieve optimum and effective utilization of resources, monitoring thereof and the compliance with provisions all laws including the Companies Act, 2013, Listing Agreement, directions issued by the Securities and Exchange Board of India, labour laws, tax laws etc. It also aims at improvement in financial management, and investment policy. The System ensures appropriate information flow to facilitate effective monitoring.

HUMAN RESOURCES

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As on March 31, 2024, the Company had 796 employees on payroll. The manpower is a prudent mix of experienced and young professionals which gives us the dual advantage of stability and growth. The work progress and skilled/ semi-skilled/ unskilled resources, together with the Company's strong management team, have enabled it to successfully implement our growth plans.

The Company also imparts behavioral, technical and on the job training to our employees. Technical trainings are mandated by the vendor whenever the employees have to deal with pre-technical or post technical issues. Training calendars are set by the vendors and nominated employees from our Company attend the program and obtain a feedback on the completion of the program.

OUTLOOK

As we step into financial year 2025, I am filled with excitement and confidence in the direction Pavana Industries Limited is heading. This year is set to be transformative, as our recent strategic initiatives and investments reflect our commitment to growth in the automotive sector.

The acquisition of (4,335 sq. mtr.) land in June in Pantnagar, Uttarakhand, is a pivotal step in our expansion strategy. This new greenfield plant will serve primarily to the production of high-quality die cast components. By leveraging the logistical and cost advantages of Pantnagar, we are in a good position to align our operations and better serve our key clients

like Bajaj Auto. This expansion will not only enhance our operational capacity but also attract a broader range of OEMs in the region.

The Indian auto component industry is experiencing significant growth, driven by increased vehicle production and surge in electric vehicle adoption. Leveraging the government's Production Linked Incentive (PLI) scheme, favourable trade policies, and the increased inflow of domestic and foreign investments into the automotive sector, Pavna is well positioned to capitalize on emerging opportunities, driving the business forward, and solidifying our position in the auto sector.

As we embark on this journey, we remain optimistic about the future of the industry and our role within it. Pavna Industries is committed to supporting the 'Aatmnirbhar Bharat' initiative by manufacturing high-quality indigenous components in our facilities. Our focus on innovation, quality, and strategic expansion will drive our growth and ensure we continue to meet the evolving needs of our clients and the market. We are excited about the opportunities that lie ahead and we are confident in our ability to deliver remarkable value to our customers, shareholders, and stakeholders.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations of Standalone Financial Statements are as follows:

Ratio	Measurement Unit	As at 31 March 2024	As at 31 March 2023	% Change March 2024
Current Ratio	Times	1.02	1.08	-0.06
Debt Equity Ratio	Times	1.70	1.54	0.10
Debt Service coverage Ratio	Times	1.53	1.94	-0.21
Return on equity ratio	%	0.13	0.13	-0.06
Inventory Turnover Ratio	Times	2.90	3.00	-0.03
Trade Receivables turnover Ratio	Times	5.85	6.23	-0.06
Trade Payables turnover Ratio	Times	6.05	5.66	0.07
Net Capital turnover ratio	Times	131.39	27.53	3.77
Net Profit ratio	%	0.03	0.03	-0.01
Return on Capital Employed	%	0.16	0.16	-0.01
Return on Investment	%	0.30	0.28	0.07
Reasons for Changes in ratio above 25%:				
Ratio	Reason			
Net Capital turnover ratio	MSME creditors have been paid which has lead to decrease in Trade payable, thus having an impact on the ratios			
Return on Investment	Increase in Profits as compared to previous year			

**CONSERVATION OF ENERGY
TECHNOLOGY ABSORPTION, ADAPTATION AND
INNOVATION
FOREIGN EXCHANGE EARNINGS & OUTGO**

“Annexure-2”

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“Annexure-2”**DISCLOSURES OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014****A. CONSERVATION OF ENERGY**

The Company has always been conscious about conservation of energy in its Manufacturing Plants which leads to optimized consumption of non-renewable fossil fuels, energy productivity, climate change mitigation and reduction in operational costs. Your Company carries out its operations in an environmental friendly manner and continuously active to find ways to for the betterment of the Company as well as for the society.

During the year, the Company has consumed total 789906 Units renewable electricity in its operation.

Energy Conservation projects have been implemented at all Plants and Offices of the Company in a planned and budgeted manner. In FY 2023-24, all Plants achieved significant reduction in fixed energy consumption on non-working days by administrative and process controls. Some of the major decision includes:

- a machinery based meters has been installed for each machine to calculate consumption.
- Gas furnace replaced with electricity to control environment pollution from release of Carbon Monoxide.
- Installed in our all plants cooling towers to cut down use of water and chemicals that also lower the risk of bacterial contamination.
- Replaced all lighting equipment with LED to reduce consumption of electricity.
- Installed exhaust blowers in every plants.
- Installed Automatic Dispensing Cabinet Machines interlock systems with timer that helps in control of waste of electricity.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Efforts made towards innovation, technology development, absorption and adaptation

- The Company used Annual Technology Planning & Development cycle for managing its engineering and technology initiatives. The process framework enables identification, development and deployment of the right technologies for future products. Making use of the Technology Creation and Development System (TCDS) process, the same has been institutionalized across its businesses.
- The Company is setting up lean and agile innovation hubs. These hubs will operate like start-ups with focus on testing of solutions and go-to-market strategies.

Specific areas in which R & D carried out by the Company

C. FOREIGN EXCHANGE EARNINGS & OUTGO

During the year the Company has imported raw material out of India of Rs 34.64 Lakh

Foreign Exchange Earnings and Outgo

Particulars	JPY	US \$
Import in Foreign currency	984500	34,543.8
Particulars	EURO	US \$
Export in Foreign currency	2,28,178.63	12,700

**For & On Behalf of the Board of Directors of
Pavna Industries Limited**

**Date: September 4, 2024
Place: Aligarh**

**Sd/-
Swapnil Jain
Managing Director
DIN:01542555**

**DETAILS OF REMUNERATION OF DIRECTORS, KMPS
AND EMPLOYEES AND COMPARATIVES**

“Annexure-3”

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“ANNEXURE-3”
**DETAILS OF REMUNERATION OF DIRECTORS, KMPS AND EMPLOYEES
AND COMPARATIVES**

[Pursuant to Section 197 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- a. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2023-24:**

Sl	Name of Directors	Designation	Ratio of	% increase in the Remuneration*
			remuneration to median remuneration	
1	Mr. Swapnil Jain	Managing Director	1.09	-
2	Mrs. Asha Jain	Chairperson & Executive Director	-	-
3	Mrs. Priya Jain	Executive Director	-	-
4	Mr. Ravindra Jagannathrao Pise	Chief Executive Officer	-	-
5	Mrs. Palak Jain	Chief Financial Officer	-	-
6	Mrs. Charu Singh	Company Secretary & Compliance Officer	-	0.12
7	Ms. Kanchan Gupta	Additional Company Secretary	-	-

Notes:

- Mrs. Asha Jain and Mrs. Priya Jain are Executive Director and are not getting remuneration.
- Apart from sitting fees no other remuneration has been paid to the Non-Executive Independent Directors.
- Mr. Paras Shrikant Parekh was appointed as additional Independent Director w.e.f 14.08.2024.
- Mr. Makarand Mahajan resigned from the post of Chief Financial Officer w.e.f 31.07.2023 and Mr. Ravindra Madan Mohan Agrawal was appointed on 11.09.2023 but resigned w.e.f 28.12.2023. Mrs. Palak Jain was appointed as Chief Financial Officer w.e.f 20.01.2024.

5. Mrs. Charu Singh resigned from the post of Company Secretary & Compliance Officer w.e.f 28.08.2024.
6. Ms. Kanchan Gupta was appointed as an additional Company Secretary w.e.f 01.09.2023 and was re-designated as the Company Secretary & Compliance Officer w.e.f 04.09.2024.

b. The number of permanent employees on the rolls of the Company as at March 31, 2024: 796

c. Average percentile increase already made in the salaries of employees including the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the year increment has been taken place.

Name of Director/KMP	Remuneration of Director/KMP in F.Y. 2022-23	Remuneration of Director/KMP in F.Y. 2023-24	% increase in F.Y. 2023-24
Swapnil Jain	21,600,000	21,600,000	-
Asha Jain	-	-	-
Priya Jain	-	-	-
Ravindra Jagannathrao Pise	-	28,00,000	Not Applicable as new Joinee
Ram Karan Malik	2,628,000	2,628,000	-
Arun Khanna	2,304,000	2,544,000	0.10
Pankaj Kumar Aggarwal	2,515,560	2,515,560	-
Vijay Sharma	2,400,000	3,600,000	0.50
Alok Kumar Sharma	1,500,000	1,860,000	0.24
Dilip Bhalchandra Godse	-	750,000	Not Applicable as new Joinee

Makarand Mahajan	1,500,000	500,000	Not Applicable as resigned
Ravindra Manda Mohan Agrawal	-	1,050,968	Not Applicable as new Joinee
Palak Jain	-	324,150	Not Applicable as new Joinee
Charu Singh	711,951.00	796,560	0.12
Kanchan Gupta	-	628,754	Not Applicable as new Joinee

*Date of resignation of Mr. Makarand Mahajan is w.e.f. 31.07.2023
Date of appointment of Ms. Kanchan Gupta is w.e.f 01.09.2023.

d. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

As per the policy, increases are dependent on actual performance rating as well as the business performance and increase in scope of work entrusted.

- e. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year – NA**
- f. Statement of particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2024.**

List of Top 10 Employees of the Company

S.No.	Name	Designation	Remuneration (in Rs.) Per month	Nature of Employment	Qualifications	Experience (in years)	Date of Appointment	Age (in Years)	Particulars of last Employment
1	Mr Swapnil Jain	Managing Director	1800000	Permanent	Mba	20	1-Aug-2019	39	Pavna Industries Limited
2	Ravindra Jagannathrao Pise	CEO	400000	Permanent	Be (Mechanical)	39	1-Sep-2023	63	Cooper Cooperation Satara & Bajaj
3	Ram Karan Malik	CTO	219000	Permanent	Diploma In Tool & Die Making	35	19-Oct-2010	62	Sandhar Technologies Ltd

4	Arun Khanna	AGM	212000	Permanent	Diploma In Mechanical Eng.	35	1-Apr-2015	63	Huf India Pvt Ltd
5	Pankaj Kumar Aggarwal	AVP	209630	Permanent	Diploma In Mechanical Eng.	37	25-Nov-2019	57	Bmd Pvt Ltd (Lnj Group)
6	Vijay Sharma	VP	200000	Permanent	Be (Mechanical)	30	1-Jan-2020	56	Fiem Industries Ltd
7	Mr S.C Rajpoot	GM	185000	Permanent	B.Tech	29	1-Jul-2002	53	Gulati Auto Pvt Ltd
8	Sukhvinder Singh	CORP IT HEAD	175000	Permanent	M Com	24	3-Dec-2021	53	M Integrph Sysms Pvt Ltd
9	Alok Kumar Sharma	AGM	155000	Permanent	Me (Design)	24	1-Jun-2020	44	Anu Industries Ltd
10	Dilip Bhalchandra Godse	UNIT HEAD	150000	Permanent	Me (Design)	39	1-Nov-2023	61	Badve Engg Ltd

g. Affirmation that the remuneration is as per the remuneration policy of the Company:

The remuneration for MD/ED/KMP/rest of the employees is as per the remuneration policy of the Company

**For & On Behalf of the Board of Directors of
Pavna Industries Limited**

**Date: September 4, 2024
Place: Aligarh**

**Sd/-
Swapnil Jain
Managing Director
DIN:01542555**

**AOC-1
&
AOC-2**

“Annexure-4”

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“Annexure-4”

Form AOC -1

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

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Rs.in Lacs

Sl.	Particulars	Amount	Amount	Amount	Amount
1	Name of the subsidiary	Swapnil Switches Pvt. Ltd.	Pavna Auto Engineering Pvt. Ltd.	Pavna Sunworld Autotech Pvt. Ltd.	Pavna Marketing Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	NA
4	Share capital (Rs.)	60.9	60.9	100	10
5	Reserves & surplus	535.56	1881.82	28.82	290.91
6	Total assets	1020.75	3124.05	194.76	1771.29
7	Total Liabilities	1020.75	3124.05	194.76	1771.29
8	Investments	0	0	0	0
9	Turnover	805.68	3543.28	65.23	4691.42
10	Profit before taxation	96.49	162.94	-23.51	181.19
11	Provision for taxation	12.63	41.76	-2.78	49.08
12	Profit after taxation	83.86	121.18	-20.73	132.11
13	Proposed Dividend	0	0	0	0
14	% of shareholding	50.74%	50.74%	71.50%	99.99%

The following information shall be furnished:-

- Names of subsidiaries which are yet to commence operations –Nil**
- Names of subsidiaries which have been liquidated or sold during the year- Nil**

Form No. AOC-2
Particulars of Contracts or Arrangements with Related Parties

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

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

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party	Mr. Swapnil Jain	Mrs. Asha Jain
Nature of relationship	Managing Director in the Company	Directorship in the Company
Nature of contracts/arrangements/transaction	- Remuneration - Interest	- Building Rent - Trade Mark Royalty - Interest
Duration of the contracts / arrangements/transactions	1 Year	1 Year

Salient terms of the contracts or arrangements or transactions including the value, if any	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time
Date(s) of approval by the Board, if any	30-May-2023	30-May-2023
Amount paid as advances, if any:	NA	NA

Name(s) of the related party	Swapnil Switches Pvt. Ltd.	Pavna Auto Engineering Private Limited	Pavna Sunworld Autotech Pvt. Ltd.
Nature of relationship	Subsidiary Company	Subsidiary Company	Subsidiary Company
Nature of contracts/arrangements /transaction	- Purchase - Sale	-Purchase -Sale	-Purchase -Sale
Duration of the contracts / arrangements/transactions	1 Year	1 Year	1 Year
Salient terms of the contracts or arrangements or transactions including the value, if any	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time
Date(s) of approval by the Board, if any	30-May-2023	30-May-2023	30-May-2023
Amount paid as advances, if any:	NA	NA	NA

Name(s) of the related party	Pavna Marketing Pvt. Ltd.	PJ Wealth Management & Consultant Pvt.Ltd.	Pavna Goyam Auto Private Limited
Nature of relationship	Subsidiary Company	Group Company	Subsidiary Company
Nature of contracts/ arrangements /transaction	- Purchase - Sale	Loan Taken	Advances
Duration of the contracts / arrangements/transactions	1 Year	1 Year	1 Year
Salient terms of the contracts or arrangements or transactions including the value, if any	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time	As approved by the Board of Directors from time to time
Date(s) of approval by the Board, if any	30-May-2023	30-May-2023	30-May-2023
Amount paid as advances, if any:	NA	NA	NA

**For & On Behalf of the Board of Directors of
Pavna Industries Limited**

**Date: September 4, 2024
Place: Aligarh**

**Sd/-
Swapnil Jain
Managing Director
DIN:01542555**

**CORPORATE SOCIAL RESPONSIBILITY
(CSR)**

“Annexure-5”

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“ANNEXURE-5”**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY**

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

A brief outline of the Company’s CSR policy

The Company is not only committed to being a good citizen, but also to being a good neighbor in the communities we call home. We contribute as a company to various charitable trusts and we seek to participate in ways that touch people's lives in these communities. The Company aims to create educated, healthy, sustainable and culturally vibrant communities. We also support employees’ commitment to our communities through various programs including our volunteerism initiatives.

The Company’s philosophy of discharging its social responsibility goes beyond donations and sponsoring charity events, where it engages with the society to maximize the overall impact on the livelihood and welfare of people. The Company engages in various dynamic initiatives which vary with the needs of the society and the environment.

CSR policy of Pavna group placed on the Company’s website <https://www.pavna.in>

Overview of projects program proposed to be undertaken

The Company donated funds for promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and differently abled and livelihood enhancement projects.

Composition of CSR Committee:

The CSR Committee comprises of Mr. Swapnil Jain (Managing Director) as Chairman of the Committee, Mr. Noazer Firoze Aibara (Independent Director) and Mrs. Priya Jain (Executive Director) as members of the committee.

Average Net Profit of the Company for last three financial years: Rs. 850.00 Lakh

Prescribed CSR Expenditure (2% of Average Net Profit): Rs. 17.00 Lakh

Details of CSR Spend during the financial year:

- a. Total amount spent during the year- Rs. 17.00 Lakh
- b. Amount unspent, if any: 0.00 Lakh

2023-24

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

Total Amount Spent for the Financial Year (` in lakh)	Amount Unspent (in `)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
Nil	Nil	----	Nil	----	----

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

1	2	3	4	5		6	7	8	9	10	11	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in years)	Amount allocated for the project (` in lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (` in lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (` in lakh)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NOT APPLICABLE												

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

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (` in lakh)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration
1.	Promoting Education	Education	No	Delhi	Delhi	17.00	No	Shree Shantinath Akampan Kahan Digamber Jain Trust	

(d) Amount spent in administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if Applicable : Nil

2023-24

(f) Total amount spent for the Financial Year : Rs. 17.00 Lacs

Responsibility Statement

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

The CSR Committee ensures that the projects and programmers, recommended by it to the Board, are as per the CSR Policy and Schedule VII to the Companies Act, 2013.

The CSR Committee reviews update on the progress of the activities with respect to each programmer and/ or project approved, from time to time and suggests measures for effective implementation thereof.

The statement of expenses incurred for each activity is reviewed in detail vis-à-vis the budget.

**For & On Behalf of the Board of Directors of
Pavna Industries Limited**

Date: September 4, 2024

Place: Aligarh

**Sd/-
Swapnil Jain
Managing Director
DIN:01542555**

SECRETARIAL AUDIT REPORT

“Annexure-6”

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“ANNEXURE-6”**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31st, 2024**

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

TO,
THE MEMBERS,
PAVNA INDUSTRIES LIMITED
VIMLANCHALHARI NAGAR ALIGARH,
UTTAR PRADESH UP 202001 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PAVNA INDUSTRIES LIMITED (CIN: L34109UP1994PLC016359)** (hereinafter called (**“The Company”**)). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of Company’s books, papers, registers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31st, 2024 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31st, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-law framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v. 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; *(No Specific transactions were found during the reporting period.)*
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; *(No specific transactions were found during the reporting period.)*
- c) The Securities and Exchange Board of India (Listing obligations and Disclosure requirements) Regulations, 2015; *(No specific transactions were found during the reporting period)*
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *(No specific transactions were found during the reporting period.)*
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(No specific transactions were found during the reporting period, to which the above guidelines shall be applicable.)*
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(No specific transactions were found during the reporting period, to which the above guidelines shall be applicable.)*
- g) 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. *(Specific compliances with respect to the regulations were adhered to by the company during the reporting period.)*
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(No specific transactions were found during the reporting period, to which the above guidelines shall be applicable.)*
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. *(No specific transactions were found during the reporting period, to which the above guidelines shall be applicable.)*
- j) Other laws applicable to the Company as per the representations made by the Management.
 - (1) The Secretarial Standards issued by the Institute of Company Secretaries of India.
 - (2) The Listing Agreements entered into by the Company with NSE Limited, read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent listing of Equity shares;

During the period under review the Company has generally complied with the provisions of the Act,

Rules, Regulations, Guidelines, Standards, etc.

- 1) Form CSR-2 is applicable to the Company; the company is trying to file the form but due to system migration from V2 to V3 portal the company is not able to file the same. The company has raised the ticket to MCA but till the date of audit no response is received. Form CSR-2 is pending as on report date.
- 2) As per Reg.17(1A) The Company has to take the prior approval of the members of the company by passing special resolution for appointment of director whose age is more than 75 years. The company has appointed the director having age more than 75 years by passing special resolution instead of getting prior approval, therefore penalty of Rs. 56000/- has imposed by NSE and BSE.
- 3) As per regulation 24(1) of LODR, At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not. The Company is listed on main board on 1st June, 2023. The Company has appointed the independent director in material subsidiary on 08th February, 2024, during previous financial year. The regulation 24 is silent on the time period within which director shall be appointed, hence we are unable to comment on non-compliance of the same.
- 4) The company during the reporting period has filed a few e-forms including Form DIR-12 and Form MGT-14 with additional fees. Therefore, it has to be treated as compliance after the due date along with payment of additional fees.
- 5) We also adhere the same “*remarks or observations*” as pointed out by the statutory Auditor in his report and the company in financial statements as on date 31.03.2024.

I further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) All the decisions of the Board as well as committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or the committees of the Board, as the case may be.
- c) Majority decision is carried through while the dissenting members’ views are captured and recorded as part of the minutes.
- d) I further report that there is scope to improve the systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the following mentioned events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

FOR D. SAGAR & ASSOCIATES,

CS SAGAR RAMRAO DEO
(Practicing Company Secretary)

Place: CH. Sambhajinagar CP No: 11547
(Aurangabad)

UDIN: F009518F000972568
Peer Review NO.: 1192/2021

Date: 14/08/2024

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-I" and forms an integral part of this report.



ANNEXURE-I

TO,
THE MEMBERS,
PAVNA INDUSTRIES LIMITED,
VIMLANCHALHARI NAGAR ALIGARH,
UTTAR PRADESH UP 202001 IN

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. 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 and non-compliances reported shall not be conclude as complete & final.

FOR D. SAGAR & ASSOCIATES,

Sd/-
CS SAGAR RAMRAO DEO
(Practicing Company Secretary)

UDIN: F009518F000972568
Peer Review NO.: 1192/2021

Place: CH. Sambhajinagar CP No: 11547
(Aurangabad)

Date: 14/08/2024

FORM NO. MR-3 SECRETARIAL AUDIT REPORT**For The Financial Year Ended 31.03.2024**

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

To

The Members,**M/s PAVNA AUTO ENGINEERING PRIVATE LIMITED****CIN: U50300UP1994PTC016358****Registered Office:** Pala Sahibabad Road Gopal Puri Aligarh,
Uttar Pradesh, India - 202001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Pavna Auto Engineering Private Limited** (hereinafter called “the Company”). The Company is a unlisted Private Company, having **CIN: U50300UP1994PTC016358** for the Financial Year ended **31st March 2024**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, 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 on **31st March, 2024** (“Audit Period”), 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 **31st March, 2024** according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the rules made thereunder; **NOT APPLICABLE;**
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **NOT APPLICABLE;**

- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (**'FEMA'**) to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **NOT APPLICABLE**;
- V. 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 (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015;

The Company is a Private Company, hence not applicable.

- VI. The Company has identified laws specifically to the Company and we have relied upon the representation made by the company and its officer for the system and mechanism framed by the Company for compliances made under the following laws:
- a) Contract Labour (Regulation and Abolition) Act, 1970 And their applicable rules.

- b) The Factories Act, 1948 and their application rules and notifications.
- c) Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards.
- d) Water (Prevention and Control of Pollution) Act, 1975 and Rules issued by the State Pollution Control Boards.

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

Compliance with the applicable Secretarial Standards with regard to meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI);

Accordingly, we state that during the period under review there were adequate systems and processes in place to monitor and ensure compliance with various applicable laws and that the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

We have not examined compliance by the company with respect to:

1. Applicable financial laws, like direct and indirect tax laws, maintenance of financial records, etc., since the same have been subject to review by statutory (financial) auditors, tax auditors and other designated professionals.
2. Listing Agreement with the Stock Exchange(s), as the company is a Private Company.
3. As informed by the company the industry specific laws/general laws as applicable to the company has been complied with. The management has also represented and confirmed that all the laws, rules, regulations, orders, standards and guidelines as are specifically applicable to the Company relating to Industry/Labour etc., have been complied with.

We report that:

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the

secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

- c) The Compliance by the Company of applicable financial laws like direct taxes and indirect taxes and maintenance of financial records and books of accounts has not been reviewed in this Audit, since the same has been the subject to be review by statutory financial audit and designated professionals.
- d) Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) 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.

We have checked the compliance management system of the Company, to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further Information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- All Decisions of the Board were carried out with requisite majority.

I further report that:

We are of the opinion that Management has adequate systems and processes placed in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

I further report that:

During the audit period, no event/ action having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. have taken place.

We further report that during the audit period, the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:

- 1) The Company has availed the credit facilities from HDFC Bank amounting to Rs. 5,19,00,000/- (Five Crore Nineteen Lacs Only) on the terms and conditions including the securities to be created in favour of the HDFC Bank as contained in HDFC Bank's letter of offer/ sanction letter dated 20th July 2023.
- 2) The Company held its Annual General Meeting dated 30/09/2023
- 3) Mr. Dhruv Jain (DIN - 09835701) has appointed as and additional director (Non-Executive and Independent Position) of the Company w.e.f. 08th February 2024, pursuant to regulation 24(1) of SEBI (LODR) Regulations, 2015 as the said Company is a material subsidiary of Listed Holding Company.

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

Place: Agra

Date: 28/08/2024

(Company Secretaries)

Sd/-

Fcs Ankur Verma

(verma ankur & co.)

Proprietor

M. No.: 11072

C.P. No.: 15924

Peer Review Certificate No.: 5392/2023

UDIN: F011072F001066940



Annexure -A

To

The Members,

M/s PAVNA AUTO ENGINEERING PRIVATE LIMITED

CIN: U50300UP1994PTC016358

Registered Office: Pala Sahibabad Road Gopal Puri Aligarh,
Uttar Pradesh, India – 202001

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

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

7. 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 affairs of the Company.

8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Place: Agra

Date: 28/08/2024

(Company Secretaries)

Sd/-

Fcs Ankur Verma

(verma ankur & co.)

Proprietor

M. No.: 11072

C.P. No.: 15924

Peer Review Certificate No.: 5392/2023

UDIN: [F011072F001066940](#)



REPORT ON CORPORATE GOVERNANCE

“Annexure-7”

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“Annexure-7”

REPORT ON CORPORATE GOVERNANCE

COMPANY 'S PHILOSOPHY ON CORPORATE GOVERNANCE

As a Company, the Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

The Company has adopted the Code of Conduct for its employees, including the Managing and Executive Director and other senior Managerial Personnel, which encompasses an appropriate mechanism to report any concern pertaining to non-adherence to the said Code. In addition, the Company has adopted a Code of Conduct for its Non-executive Directors which includes a Code of Conduct for Independent Directors, as specified under Schedule IV of the Act and of the SEBI Listing Regulations, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Also the Company has Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (Insider Trading Code), pursuant to the provisions of Regulations 8 and 9 under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company is in full compliance with the requirements of Corporate Governance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('SEBI Listing Regulations').

BOARD OF DIRECTORS

The Board currently comprises of 10 Directors, out of which 5 Directors are Independent Directors.

SL.	DIN	NAME OF DIRECTOR	DESIGNATION
01	00035024	Mrs. Asha Jain	Chairperson and Executive Director
02	01542555	Mr. Swapnil Jain	Managing Director
03	03355623	Mrs. Priya Jain	Executive Director
04	08759817	Mr. Naozer Firoze Aibara	Independent Director
05	09835701	Mr. Dhruv Jain	Independent Director (w.e.f 14.02.2023)
06	09811030	Mrs. Himani Bhootra	Independent Director (w.e.f 17.04.2023)
07	09485101	Mrs. Priyanka Moodra	Independent Director (w.e.f 14.08.2023)
08	03008142	Mr. Sanjay Kumar Jain	Non- Executive Director
09	08940098	Mr. Achyutanand Ramchandra Mishra	Independent Director (w.e.f 01.09.2023)
10	10277614	Mr. Paras Shrikant Parekh	Additional Independent Director (w.e.f 14.08.2024)

Mr. Achyutanand Ramchandra Mishra (DIN: 08940098) earlier resigned from the post of Independent Director on 20th April, 2023. But again he is re-appointed by the Shareholders as an Independent Director w.e.f 1st September, 2023 by passing a Special Resolution.

Mr. Keshav Rathi was appointed as an additional Non-Executive Independent Director by the Board of Directors in

the meeting held on 20th April, 2023 but he resigned on 14th August, 2023.

Mrs. Himani Bhootra was appointed by the board of Directors w.e.f 17.04.2023 and approved by the Shareholders on 29.09.2023.

Mrs. Priyanka Moodra was appointed by the board of Directors w.e.f 14.08.2023 and approved by the Shareholders on 29.09.2023.

The IDs have further stated that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective, independent, judgment and without any external influence. The Company has received confirmation from all the existing IDs of their registration on the Independent Directors Database maintained by the Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Directors have made necessary disclosures regarding their Directorships as required under Section 184 of the Act and on the Committee positions held by them in other companies. None of the Directorson the Company's Board hold the office of Director in more than 20 companies, with not more than 10 public Companies. None of the IDs serve as IDs in more than 7 listed entities and in case they are whole-time Directors/managing Directors in any listed entity, then they do not serve as IDs in more than 3 listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees. All Non-Independent Non-executiveDirectors ('NINEDs') are liable to retire by rotation.

MEETINGS OF THE BOARD

During the year under review, 13 Board Meetings were held on dates as per table-

01	Monday, 17-April-2023	02	Thursday, 20-April-2023	03	Thursday, 30-May-2023
04	Tuesday, 27-June-2023	05	Monday, 31-July-2023	06	Monday, 14-August-2023
07	Thursday, 01-September-2023	08	Thursday, 11-October-2023	09	Tuesday, 07-November-2023
10	Wednesday, 10- January-2024	11	Saturday, 20-January-2024	12	Saturday, 10-February-2024
13	Wednesday, 14- February-2024				

The following table, illustrates the composition of the Board, Director's attendance at Board Meetings held during the financial year under review and at the last AGM, number of Directorships held in other companies, total number of committee positions held, their shareholding in the Company's shares names of other entities in which Directorship is held, including category of Directorships, as at March 31, 2024:

Name of Director	No. of Board Meetings attended in the year	Attendance at the last AGM	Holding in Company's Shares	Directorships in other Listed Entities
Mrs. Asha Jain	13	No	58,21,960	-
Mr. Swapnil Jain	13	Yes	13,56,560	-
Mr. Naozer Firoze Aibara	12	Yes	-	-
Mr. Achyutanand Mishra	9	No	-	-
Mrs. Priya Jain	13	Yes	4,04,000	-
Mr. Sanjay Kumar Jain	12	Yes	-	-

Mr. Dhruv Jain	13	Yes	5000	-
Mr. Keshav Rathi	3	No	-	-
Ms. Himani Bhootra	10	No	-	-
Ms. Priyanka Moondra Rathi	7	No	-	-

COMMITTEES OF THE BOARD

The Board has four (4) Committees i.e. Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee constitution of which is given below:

A. AUDIT COMMITTEE

Date of Meeting	Name of Director and Designation in Committee			
	Naozer Firoze Aibara Independent Director Chairman	Dhruv Jain Independent Director Member	Swapnil Jain Managing Director Member	Keshav Rathi Independent Director Member
30/05/2023	Y	-	Y	Y
14/08/2023	Y	Y	Y	-
11/10/2023	Y	Y	Y	NA
07/11/2023	Y	Y	Y	NA
10/01/2024	Y	Y	Y	NA
20/01/2024	Y	Y	Y	NA
10/02/2024	Y	Y	Y	NA
14/02/2024	Y	Y	Y	NA

The Board of the Company has constituted a qualified and independent Audit Committee All members of the audit committee have sound knowledge on the financial matters and ability to read and understand financial matters.

Mr. Achyutanand Ramkrishna Mishra and Mr. Paras Shrikant Parekh (Independent Directors) has been introduced as members w.e.f August 14, 2024 in the Audit Committee.

Terms of Reference for the Audit Committee:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee;
3. to obtain outside legal or other professional advice;
4. to secure attendance of outsiders with relevant expertise, if it considers necessary; and
5. such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

1. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
2. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report; and
 - h. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
5. Reviewing, with the management, the quarterly and half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;

15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the audit committee;
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
24. Carrying out any other function as may be required / mandated as per the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws;
25. the Audit Committee shall mandatorily review the following information:
 - a. Management discussion and analysis of financial information and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

B. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 as well as in terms of Regulation 19 of the SEBI Listing Regulations comprising of requisite number of Independent Directors.

Date of Meeting	Name of Director and Designation in Committee		
	Dhruv Jain Independent Director Chairman	Naozer Firoze Aibara Independent Director Member	Sanjay Kumar Jain (Non-Executive Director) Member
17/04/2023	-	Y	Y
20/04/2023	-	Y	Y
31/07/2023	-	Y	Y
14/08/2023	-	Y	Y
01/09/2023	Y	-	Y
07/11/2023	Y	-	Y
10/01/2024	Y	-	Y
20/01/2024	Y	-	Y

Mr. Achyutanand Ramkrishna Mishra and Mr. Paras Shrikant Parekh (Independent Directors) has been introduced as members w.e.f August 14, 2024 in the Nomination and Remuneration Committee

Terms of Reference for the Nomination and Remuneration Committee:

1. 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 (“**Remuneration Policy**”).

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals;

2. Formulation of criteria for evaluation of independent directors and the Board;
3. Devising a policy on Board diversity;
4. 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 and carrying out evaluation of every director’s performance (including independent director);
5. Analysing, monitoring and reviewing various human resource and compensation matters;
6. Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
8. Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

9. Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable;
11. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable; and
12. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company in terms of Section 135(1) of the Companies Act, 2013 has constituted Corporate Social Responsibility Committee comprising of 3 (Three) members. The Company contributes to eligible trust established which are registered for the social cause to undertake CSR activities as per applicable provisions of Companies Act, 2013. These trust are pursuing various activities namely upliftment of socio-economic backward society by providing health, education and selfemployment. The Committee will also monitor the usage of the funds in the desired activities on a regular basis.

Date of Meeting	Name of Director and Designation in Committee		
	Swapnil Jain (Managing Director) Chairman	Naozer Firoze Aibara (Independent Director) Member	Priya Jain (Executive Director) Member
30/05/2023	Y	Y	Y
14/08/2023	Y	Y	Y
10/01/2024	Y	Y	Y

Role of CSR Committee is as under :

1. Formulating and recommending to the Board, CSR Policy and the activities to be undertaken by the Company.
2. Recommending amount of expenditure to be incurred on activities undertaken.
3. To constitute Management Committee for implementation and execution of CSR initiatives/ activities.
4. Reviewing performance of the Company in the areas of CSR.

5. Monitoring CSR Policy from time to time.

D. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted Stakeholders Grievances Committee of the Board of Directors to look into the redressal of investors' grievances.

Date of Meeting	Name of Director and Designation in Committee			
		Mr. Sanjay Kumar Jain (Non-Executive Director) Chairman	Swapnil Jain (Managing Director)Member	Priya Jain (Executive Director)Member
30/05/2023	Y	Y	Y	-
10/01/2024	Y	Y	Y	-

The Stakeholder Relationships Committee shall oversee all matters pertaining to investors of our Company.

Terms of Reference for the Stakeholders' Relationship Committee:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
2. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures, or any other securities;
3. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
4. Review of measures taken for effective exercise of voting rights by shareholders;
5. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
6. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations mandates the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors discussed on the matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole including the Chairperson of the Company (considering the views of the Executive Directors), assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board, so that the Board can effectively and reasonably perform its duties.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance, of individual Directors and that of the Audit Committee. Feedback was sought by way of a structured questionnaire covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance and the evaluation was done, based upon the responses received from the Directors. The entire Board (excluding the Director being evaluated) carried out the performance evaluation of the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, during the financial year 2023-24, the Company imparted Familiarization Programme to Independent Directors to acquaint them about their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, Prohibition of Insider Trading Regulations, SEBI Listing Regulations, etc. The details of the familiarization programme are available on the website of the Company at www.pavnagroup.in.

STATUS OF INVESTORS’ GRIEVANCES:

During the year 2023-24 no complaints were received by the Registrar and Transfer Agents. The Company regularly updates the status of Investors Complaints on “SCORES”, an online portal introduced by SEBI for resolving investor’s complaints. There were no investors’ complaints pending at the end of the financial year on the SCORES. Certain grievances regarding revalidation of dividend warrants were received and were attended accordingly and no grievance was outstanding as on 31st March, 2024.

Category	Number of Complaint (s) Pending (Begin)	Number of Complaint (s) Received	Number of Complaint (s) Resolved	Number of Complaint (s) Pending
SEBI (SCORES)	0	0	0	0
NSE	0	0	0	0
BSE	0	0	0	0
ODR	0	0	0	0
MCA	0	0	0	0
Depository	0	0	0	0
Others	0	0	0	0
Total	0	0	0	0

GENERAL MEETINGS

The details of General Meetings of the Company held in last 3 years are as under:

Type of Meeting	Date of Meeting	Place of Meeting
Annual General Meeting	Friday, 29 th September, 2023	Pavna International School, Agra-Aligarh
Annual General Meeting	Tuesday, 27 th September, 2022	Pavna International School, Agra-Aligarh
Annual General Meeting	Wednesday, 29 th September, 2021	DPS, Junior Wing, Mandir Ka Nagla, Sasni Road, Aligarh

Extra-Ordinary General Meeting was held through Postal ballot on 15th November, 2023.

Details of SR passed in the last 3 years in AGM/EGM

S.No.	Particulars	Date
1	Re-Appointment of Mr. Achyutanand Ramchandra Mishra (DIN: 08940098) as an Independent Director of the Company	29 th September, 2023
2	Disinvestment in Subsidiary (Pavna Goyam Auto Private Limited) under Section 180(1)(a) of the Companies Act, 2013	29 th September, 2023
3	Review and approve the Related Party Transactions	29 th September, 2023
4	Regularization Of Additional Non-Executive Director, Mr. Sanjay Jain (Din: 03008142) As Non-Executive Director Of The Company	27 th September, 2022
5	Approval Of Managerial Remuneration Of Mr. Swapnil Jain (Managing Director)	27 th September, 2022
6	To Review And Approve The Related Party Transaction	27 th September, 2022
7	Appointment Of Statutory Auditor M/S. Rajeev Kumar & Co., Chartered Accountants	27 th September, 2022
8	Alteration in the remuneration of Mr. Swapnil Jain (Managing Director)	30 th June, 2020
9	Authorisation For Issue Of Shares Through Public Issue	30 th June, 2020

Details of Resolution passed in the last 3 years through postal Ballot

S.No.	Particulars	Result Date
1	Increase authorised share capital of the company to Rs.18 Crores	15 th November, 2023
2	Alteration of the capital clause of the memorandum of association	15 th November, 2023
3	Raising of capital through a further public offering	15 th November, 2023
4	Migration from SME to Main Board of NSE Limited and BSE Limited	26 th August, 2022
5	Increase in Authorised Share Capital of the Company	26 th August, 2022
6	Alteration of the Capital Clause of the Memorandum of Association	26 th August, 2022
7	Issue of Bonus Shares	26 th August, 2022

For & On Behalf of the Board of Directors of

Pavna Industries Limited

Sd/-

Swapnil Jain

Managing Director

Date: September 4, 2024

Place: Aligarh

DIN:01542555

FINANCIAL STATEMENTS

FINANCIAL YEAR 2023-24

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RAJEEV KUMAR & COMPANY

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Pavna Industries Limited

Report on the Consolidated Ind AS Financial

Statements Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of Pavna Industries Limited (*"the Company"*) which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to Consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 as amended, (*"the Act"*) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at March 31, 2023, its Consolidated statement of profit and loss including other comprehensive income, its consolidated statement of cash flows and the changes 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 (SAs), as specified under section 143(10) of the Act. 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 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 Consolidated Ind AS Financial Statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.



Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the financial year ended 31st March, 2024. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the company's annual report but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Responsibilities for the Audit of Consolidated Ind AS Financial Statement

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.

A further description of the auditor's responsibilities for the audit of the Consolidated Ind AS Financial Statements is included in Annexure A. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 2 (B) (f) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 ;
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including Other Comprehensive income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in equity dealt with by this Report are in agreement with the relevant book of account maintained for the purpose of preparation of the consolidated financial statements ;
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors of the Holding company as on 31st March, 2024 taken on record by the Board of Directors of the



Holding company none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

- f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g) With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Holding Company and its Subsidiary Companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure C" to this report;

(B)

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements. Refer income tax liabilities disclosed in the consolidated balance sheet along with Note No. 43 of notes to accounts to the consolidated financial statements.
- ii) The Group did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March 2024;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31st March 2024, There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India during the year ended 31st March 2024..
- iv) i. The management of the Holding Company represented that, to the best of its knowledge and belief, other than as disclosed in Note- 45 of notes to accounts of the consolidated financial statements , no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its Subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of its Subsidiary companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- ii. The management of the Holding company represented that, to the best of its knowledge and belief, other than as disclosed in Note- 45 of notes to accounts to the consolidated financial statements , no funds have been received by the Holding Company or any of its Subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its



Subsidiary companies incorporated in India shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) of Rule 11 (e) as provided under (i) & (ii) above contain any material misstatement.

- v) There is no interim dividend declared & paid by the Holding company during the year and until the date of this Audit Report.
- vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April 2023.

Based on our examination of holding company which included test checks, and as communicated by the respective auditors of the subsidiaries, except for the instances mentioned below, the Holding Company and its subsidiary companies, except PGAPL; have used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated; in case of the holding company w.e.f. 13 June, 2023 to the end of the year and in case of the subsidiaries, except PGAPL; throughout the year for all relevant transactions recorded in the respective software.

In case of the subsidiary PGAPL we have not received any confirmation from their auditors in respect of the above therefore we are not able to comment on the same. However PGAPL ceased to be subsidiary w.e.f. 11 May, 2023.

Further, for the periods where the audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.



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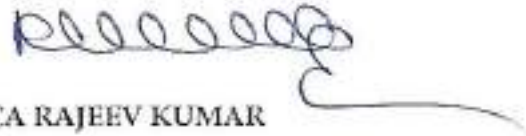
Other Matters

We did not audit the financial statements/ financial information of five subsidiaries, namely, a) Pavana Marketing Private Limited (PMPL); b) Pavana Sunworld Autotech Private Limited (PSAPL); c) Swapnil Switches Private Limited (SSPL); d) Pavana Auto Engineering Private Limited (PAEPL) and e) Pavana Goyam Auto Private Limited (PGAPL) (Ceased to be a subsidiary w.e.f. May 11 2023). These Financial statements and financial information have been audited by other auditors whose reports have been furnished to us by management and our opinion on consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub section (3) of section 143 of the Act, in so far as it relates to aforesaid subsidiaries, is based solely on the reports of other auditors. In respect of one of these subsidiaries i.e. Pavana Goyam Auto Private Limited which ceased to be a subsidiary w.e.f. May 11 2023, the accounts are consolidated on the basis of unaudited financial statements of the subsidiary as on May 11, 2023 on which limited review report of the Statutory Auditor has been issued. The financial statements/ financial information of these subsidiaries reflect total assets of Rs. 6,101.43 Lacs as at 31st March, 2024, total revenues of Rs. 9,089.46 Lacs and net cash flows amounting to Rs. (8.94) Lacs for year ended on that date, as considered in consolidated Ind AS financial statements.

Our opinion on 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 other auditors and financial statements/ financial information certified by the management.

For RAJEEV KUMAR & COMPANY
CHARTERED ACCOUNTANTS
FRN: 000633C

PLACE: ALIGARH
DATE: 30 MAY 2024
UDIN: 24070103BKCOMM5369


CA RAJEEV KUMAR
PROPRIETOR
M.NO. 070103



Annexure A

Responsibilities for Audit of Consolidated Ind AS Financial Statement

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

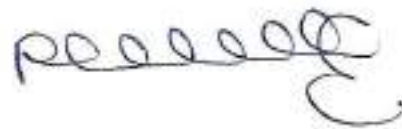
- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The 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 company has adequate internal financial controls with reference to Consolidated Ind AS Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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 Company 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.

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.

For RAJEEV KUMAR & COMPANY
CHARTERED ACCOUNTANTS
ERN: 000633C



PLACE: ALIGARH
DATE: 30 MAY 2024
UDIN: 24070103 BK COMM 5269

CA RAJEEV KUMAR
PROPRIETOR
M.NO. 070103



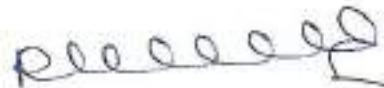
Annexure B to the Independent Auditors Report on the Consolidated Financial Statements of PAVNA INDUSTRIES LIMITED for the year ended 31 March 2024

(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, the Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavorable answers or qualifications or adverse remarks. In respect of the following entities the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Name of Subsidiaries	CIN
PAVNA AUTO ENGINEERING PRIVATE LIMITED	U50300UP1994PTC016358
PAVNA MARKETING PRIVATE LIMITED	U50400UP2019PTC116110
SWAPNIL SWITCHES PRIVATE LIMITED	U74899DL1991PTC042822
PAVNA SUNWORLD AUTOTECH PRIVATE LIMITED	U74994UP2018PTC100570

For RAJEEV KUMAR & COMPANY
CHARTERED ACCOUNTANTS
FRN: 000633C



PLACE: ALIGARH
DATE: 30 MAY 2024
UDIN: 24070103BKCOMH5369

CA RAJEEV KUMAR
PROPRIETOR
M.NO. 070103



ANNEXURE C

Report on Internal Financial Controls with reference to financial statements

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 PAVNA INDUSTRIES LIMITED (the "company") as of 31 March 2024 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management and Board of Directors are 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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 (hereinafter referred to as "The Act")

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to consolidated financial statements were established and maintained and whether 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 judgement, 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 Holding Company's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to Consolidated Financial Statements

A Holding company's internal financial control with reference to 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 Holding company's internal financial control with reference to 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 holding 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 holding company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the holding company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to 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 conjunction with our audit of the consolidated financial statements of PAVNA INDUSTRIES LIMITED (hereinafter referred to as "The Holding Company") as of and for the year ended 31st March 2024, we have audited the internal financial controls with



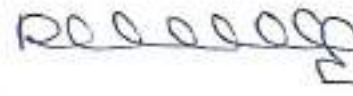
reference to financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013, which are its subsidiary companies as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2024, based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to subsidiary companies, is based on the corresponding reports of the auditors of such companies except PGAPL which ceased to be a subsidiary w.e.f. May 11, 2023.

For RAJEEV KUMAR & COMPANY
CHARTERED ACCOUNTANTS
FRN: 000633C



CA RAJEEV KUMAR
PROPRIETOR
M.NO. 070103

PLACE: ALIGARH
DATE: 30 MAY 2024
UDIN: 24070103BKCOMMS369



PAVNA INDUSTRIES LIMITED, ALIGARH
CIN: L34109UP1994PLC016359

NOTES

These Consolidated Financial Information comprise the financial information of Pavana Industries Limited hereinafter referred to as the ("Pavana Industries Limited" or "The Company") and its subsidiaries, (the Company and its subsidiaries together referred to as "the Group"), for the years ended forming part of the Consolidated Financial Statement for the year ended March 31, 2024. Pavana Industries Limited is a Public Limited Company incorporated in India on 19 April 1994 under the Provision of Companies Act 1956. The Company is engaged in the business of manufacturing of Locks, Auto Locks and Auto Parts in India.

1. Corporate Information

The Group consists of 6 units i.e. Pavana Industries Limited (Holding Company) and its 5 (five) subsidiaries Companies namely

- (1) Pavana Marketing Private Limited (PMPL)
- (2) Pavana Sunworld Autotech Private Limited (PSAPL)
- (3) Swapnil Switches Private Limited (SSPL)
- (4) Pavana Auto Engineers Private Limited (PAEPL)
- (5) Pavana Goyam Auto Private Ltd. (PGAPL) (Ceased to exist w.e.f 11th May 2023)

The Group has been re-organized (i.e in Q4 of FY 2019-20) such that all its key manufacturing activities are consolidated into a single corporate Holding Company.

2. Significant Accounting Policies

a. Basis of Consolidation

The Company consolidate entities which it owns or controls. The consolidated financial statements comprise the consolidated financial statements along with Statement of Adjustments to Audited Consolidated Financial Statements of the Company and its subsidiaries ("the Group"). Control exists when the Parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The Company re assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- a) the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- b) potential voting rights held by the Company, other vote holders or other parties;
- c) rights arising from other contractual arrangements; and

- d) any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Profit or Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Whenever necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Details of subsidiary company considered in the consolidated accounts:

Particulars	Extent of Ownership / Control as on March 31, 2024
Pavna Marketing Private Limited	100.00%
Pavna Sunworld Autotech Private Limited	74.00%
Pavna Auto Engineering Private Limited	50.74%
Swapnil Switches Private Limited	50.74%
Pavna Goyam Auto Pvt Ltd	51.00% (ceased to exist w.e.f 11 th May 2023)

Basis of preparation of Consolidated Financial Statements

The Consolidated Financial Statements of the Company for the year ended have been prepared using the historical audited general purpose financial statements of the Company as at respective Financial year ended which was prepared under generally accepted accounting principles in India (IND AS) and originally approved by the Board of Directors of the Company at that relevant time.

Accounting policies adopted in the preparation of consolidated accounts:

The consolidated accounts related to Pavna Industries Limited (Holding Company) and its subsidiaries namely (1) Pavna Marketing Private Limited (PMPL), (2) Pavna Sunworld Autotech Private Limited (PSAPL), (3) Swapnil Switches Private Limited (SSPL) and (4) Pavna Auto Engineers Private Limited (PAEPL) (5) Pavna Goyam Auto Pvt Ltd. (hereinafter collectively referred as "Subsidiary Companies"), have been prepared in accordance with IND AS - 110 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

The Consolidated Financial Information:

- have been prepared based on line-by-line consolidation by adding together the book values of each & every item like Assets, Liabilities, Income and Expenses as per the accounts of the Holding Company and its Subsidiary Company and intra group balances/ intra group transactions have been eliminated.
- have been prepared after incorporating adjustments in respect of changes in accounting policies, material errors and regrouping/reclassifications, as may be applicable, retrospectively in the financial years ended March 31, 2024
- do not require any adjustment for qualification as there are no qualifications in the underlying audit reports.

d) The accounting policies have been consistently applied by the group in preparation of the Consolidated Financial Information and are consistent with those adopted in the preparation of Consolidated Financial Information for the year ended March 31, 2024. These Consolidated Financial Information do not reflect the effects of events that occur subsequent to the respective dates of Auditor's report on the audited consolidated financial statements mentioned above.

The Consolidated Financial Statements have been prepared using uniform policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the holding company's individual accounts.

Historical Cost Convention

The Consolidated Financial Information have been prepared on the Historical cost basis, except for the following items:

- Certain Financial Assets and liabilities measured at Fair Value.
- Defined benefit plans- plan assets measured at fair value.

Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

b. Current versus non-current classification

The Company presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification.

Assets:

An asset is treated as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle.
- b) Held primarily for the purpose of trading
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities:

A liability is current when:

- (a) It is expected to be settled in normal operating cycle
- (b) It is held primarily for the purpose of trading
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

c. Property, Plant & Equipment

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of

materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income.

Depreciation: Depreciation is provided using the Straight Line Method as per useful life specified in schedule II to the Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of additions. On assets sold, discarded, etc. during the year, depreciation is provided up to the date of sale/discard. Further, the Schedule II to the Companies Act, 2013 requires that useful life and depreciation for significant components of an asset should be determined separately. The identification of significant components is matter of technical judgment and is decided on case to case basis; wherever applicable.

Asset	Estimated useful life
Plant & equipment	8 years
Office equipment	10 years
Computers and Computer peripherals	3 years
Building	30 years
Car	8 years
Furniture and fixture	10 years

An exception to the above method of depreciation, Pavna Goyam Auto Private Ltd. (PGAPL) has adopted WDV method for computing depreciation for the year.

d. Intangible Assets

Recognition and measurement

Intangible assets that are acquired by the Company to be measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Software purchased by the Company are amortized on a straight line basis over 5 Years.

Amounts paid towards technical know-how fees for specifically identified projects/products being development expenditure incurred towards product design is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product, i.e. the estimated period of 60 to 72 months on straight line basis based on past trends, commencing from the month of commencement of commercial production.

Technical knowhow

Amounts paid towards technical know-how fees for specifically identified projects/products being development expenditure incurred towards product design is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product commencing from the month of commencement of commercial production.

e. Borrowing costs

Borrowing costs consists of interest and amortization of ancillary costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f. Foreign currencies

Functional and presentational currency

The Company's consolidated financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in ₹ except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The company is not dealing in any kind of derivatives.

g. Revenue Recognition

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

Sale of goods

The Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation

were transferred to the customer. Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

a) The Company's contracts with customers could include promises to transfer products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b) Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c) The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price

To each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

e) The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Rendering of services

Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Job work and development charges are recognized upon full completion of the job work and development services and when all the significant risks and rewards of ownership of the goods have been passed to the buyer, on delivery of the goods and no significant uncertainty exists regarding the collection of the consideration.

Interest income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument

(for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in the statement of profit and loss

h. Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the first in, first out basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. 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. The Cost in case of Work-in-Progress and finished goods to be inclusive of allocable manufacturing overheads. The Provision for obsolescence to be made whenever necessary.

i. Leases

Finance lease

Leases of property, plant and equipment are classified as finance leases where the lessor has substantially transferred all the risks and rewards of ownership to the Company.

Operating lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Indian Accounting Standard (Ind AS) 116, Leases, was notified as part of the Companies (Indian Accounting Standards) (Amendment) Rules, 2019, issued by the Ministry of Corporate Affairs, Government of India, vide notification dated March 30, 2019. These Rules came into force w.e.f. April 1, 2019. Accordingly, Ind AS 116, comes into effect in respect of annual reporting periods beginning on or after 1st April, 2019.

j. Employee's Benefits

Short Term Employee Benefits: All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences, bonus and ex-gratia etc. are recognised in statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Company recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts.

Retirement benefits in the form of Provident Fund is a defined contribution scheme and contributions paid/payable towards Provident Fund and Employee state insurance scheme (ESI) are recognised as an

expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

The obligations are measured at the present value of the estimated future cash flows. The discount rate is generally based upon the market yields available on Government bonds at the reporting date with a term that matches that of the liabilities.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest and if applicable), is reflected immediately in Other Comprehensive Income in the statement of profit and loss. All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to statement of profit and loss hence it is treated as part of retained earnings in the statement of changes in equity. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.

k. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

l. Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

-Debt instruments at amortised cost

- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, security deposits received etc.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

m. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, security deposits, loan to employees, etc. The Company to be follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it to be recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At

every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss.

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

n. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

o. Taxes on Income

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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 consolidated financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. The carrying amount of deferred tax assets is reviewed at 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

p. Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q. Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period. Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders 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.

We have also calculated EPS amount by dividing the profit for the year attributable to the shareholders of the Company by actual outstanding number of equity shares as at the end of reporting period.

r. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

s. Segment Reporting

The Group is primarily engaged in the business of manufacture of auto components for two wheeler, four wheelers and commercial vehicle industry, which are governed by the same set of risks and returns but subject to the geographical industry trends and hence the Group's business activities fall within a single primary business segment. Hence disclosure of Segment wise information is not applicable under IND AS – 108. Geographical segment is not material and hence not reported.

3. Notes on Consolidated Financial Statements

- a. There is no employee who is in the receipt of remuneration exceeding the limit prescribed in accordance with the provisions of Companies Act, 2013.
- b. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.

The company has not received any intimation from supplier regarding their status under micro, small and medium enterprises development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year-end together with interest payable as required under the said Act have not furnished. We have put the amount of Outstanding of those parties for which we have received the declaration. We have sent a declaration in form of mail to all vendors but only few have responded, which has been considered above. The interest payable on these outstanding amount is immaterial due to which it is not provided.

- c. In the opinion of the management the value on realization of current assets, Loans & Advance in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- d. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
- e. The Management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

f. Payments to Auditors:

Particulars	Year ended March 31, 2024
Audit Fees	3.20
Total	3.20

g. Related Party disclosure:

The transactions with related parties are disclosed in Note No. 35

h. Deferred Tax Liability have been created during the current year as per the provisions prescribed in AS-22 issued by The Institute of Chartered Accountants of India.

i. Other Information

1. Company has received following GST orders and Notices-Order for Aligarh Unit is Rs. 1489753 and for Aurangabad Unit Rs 9589497. Notice for Input Tax - Reconciliation has been received and we are in process of its disposal and necessary step has been taken. There is dispute regarding accidental claim by worker which amounts to approximately Rs 17 Lakhs.

2. One of the subsidiaries of the company M/s Pavna Goyam Auto Private Limited ceased to be a subsidiary w.e.f 11.05.2023.

3. There are certain charges open at MCA portal. These charges are created against the loan availed and which has been fully repaid. We have got no dues certificate from respective institution and charge satisfaction form filing with MCA is under process.

4. Since payments to MSME creditors has been made by way of Account Payee cheques, within the specified time limits hence no provision has been made.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS
PAVNA INDUSTRIES LIMITED

already signed

ASHA JAIN
DIN: 00035024
DIRECTOR

SWAPNIL JAIN
DIN: 01542555
DIRECTOR

PALAK JAIN
CHIEF FINANCIAL OFFICER
PAN: BDEPJ7242M

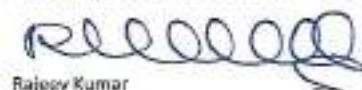
CHARU SINGH
COMPANY SECRETARY
PAN: CVBPS6669B

Pavna Industries Limited
Consolidated Balance Sheet as at 31st March 2024
(All amounts are in INR ₹, unless otherwise specified)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3A	7,350.77	8,594.16
Intangible Asset Under Development	3A	34.61	103.90
Right of Use assets	3B	151.66	185.43
Financial assets			
Investments		-	-
Others	4	916.76	936.39
Deferred tax Assets (net)		-	-
Other Non Current assets	5	233.18	215.60
		<u>8,686.98</u>	<u>10,035.49</u>
Current assets			
Inventories	6	9,779.98	10,635.41
Financial assets			
Trade Receivable	7	5,560.67	5,794.74
Cash and cash equivalents	8	30.58	43.09
Other Bank Balances	9	4.56	4.61
Loans	10	-	-
Others	11	(1.00)	16.50
Income tax assets (net)	12	16.47	67.50
Other current assets	13	1,683.23	1,725.93
Total current assets		<u>17,063.49</u>	<u>17,837.87</u>
Total assets		<u>25,770.47</u>	<u>27,873.36</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	1,218.08	1,218.08
Other equity	15	6,001.57	4,948.44
Non Controlling Interest	16A	1,368.28	1,344.52
Total equity		<u>8,467.93</u>	<u>7,411.04</u>
Non current liabilities			
Financial liabilities			
Long term Borrowing	17A	1,443.63	4,660.51
Lease liabilities	38	153.26	175.61
Other Non current financial liabilities	18	70.32	15.00
Provisions	19	262.61	231.31
Deferred tax liabilities (net)	20	4.24	51.13
		<u>1,934.05</u>	<u>5,133.56</u>
Current liabilities			
Financial liabilities			
Borrowings	17B	10,651.75	9,057.16
Lease Liabilities	38	22.35	28.89
Trade payables	18A	-	-
Total outstanding dues of micro enterprises and small enterprises		681.83	63.92
Total outstanding dues of creditors other than micro and small enterprises		3,212.10	5,317.82
Other financial liabilities	19A	219.07	472.57
Other current liabilities	20	265.74	230.85
Income Tax liabilities	21	31.53	4.52
Short term provisions	22	184.13	153.05
Total current liabilities		<u>15,368.58</u>	<u>15,328.76</u>
Total equity and liabilities		<u>25,770.48</u>	<u>27,873.36</u>

The accompanying notes form an integral part of these financial statements.
This is the Balance Sheet referred to in our report of even date.

For Rajeev Kumar & Co
Chartered Accountants
Firm's Registration No.: 000633C



Rajeev Kumar
Proprietor
Membership No.: 070103

Place: Aligarh
Date: 30/05/2024



For and on behalf of the Board of Directors of
Pavna Industries Limited

Swapnil Jain
Director
DIN: 01542555

Asha Jain
Director
DIN: 00035024

 
Palak Jain
Chief Financial officer
PAN : BDEPJ7242M

Charu Singh
Company Secretary
PAN : CVBPS66696

Pavna Industries Limited

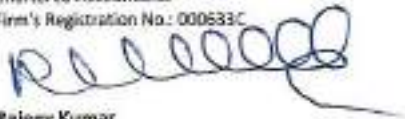
Consolidated Statement of Profit and Loss for the year ended 31st March 2024

(All amounts are in lac/₹), unless otherwise specified

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue:			
Revenue from operations	23	31,687.49	36,222.20
Other income	24	299.83	194.88
Total income		31,987.32	36,417.08
Expenses:			
Cost of materials consumed	25	17,160.21	19,922.94
Purchase of Stock-in-Trade	26	4,047.09	3,823.49
Change in Inventory of finished goods	27	(960.24)	(559.51)
Employee benefits expense	28	3,151.13	3,905.68
Finance costs	29	1,107.73	1,087.28
Depreciation and Amortisation Expenses	30	1,070.25	1,181.34
Other expenses	31	4,840.17	5,845.27
Total expenses		30,416.34	35,206.50
Profit/(Loss) before tax		1,570.98	1,210.58
Tax expense:			
Current tax	32	383.69	310.31
Deferred tax credit		(13.12)	36.71
Earlier years tax adjustments (net)		-	-
Mat Credit adjustments		-	-
Total tax expense		370.57	347.62
Profit/(Loss) for the year		1,200.41	863.96
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		18.78	45.43
Income tax relating to above item		(4.73)	(11.68)
Other comprehensive income / (loss)		14.05	33.75
Total comprehensive Profit / (loss) for the year		1,214.46	897.72
Profit/ (Loss) for the year attributable to			
- Owners of the company		1,056.06	835.79
- Non- Controlling interest		144.35	27.77
Other comprehensive income / (loss) for the year attributable to			
- Owners of the company		10.26	25.80
- Non- Controlling Interest		3.79	7.95
Total comprehensive Profit / (loss) for the year attributable to		1,066.32	861.59
- Owners of the company		148.14	35.72
- Non- Controlling Interest			
Earnings per equity share (₹ 10 per share)			
Basic EPS on actual outstanding	33	8.67	6.86
Basic & Diluted EPS weighted average		8.67	8.88

The accompanying notes form an integral part of these financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

For Rajeev Kumar & Co
Chartered Accountants
Firm's Registration No.: 000533C



Rajeev Kumar
Proprietor
Membership No.: 070108



Place: Aligarh
Date: 30/05/2024

For and on behalf of the Board of Directors of
Pavna Industries Limited



Swapnil Jain
Director
DIN: 01542555


Palak Jain
Chief Financial officer
PAN : BDEPJ7242M



Asha Jain
Director
DIN: 00035024


Charu Singh
Company Secretary
PAN : CVBPS6689B

Pavna Industries Limited
Consolidated Cash flow statement for the year ended 31st March 2024
(All amounts are in INR/L, unless otherwise specified)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A Cash flow from operating activities		
Profit/(Loss) before tax	1,570.96	1,210.88
Adjustments for:		
Depreciation and amortisation expense	1,070.25	1,181.54
Interest income on bank deposits	(0.86)	(2.33)
Interest income on loan	-	-
Interest expense on lease liability	16.17	21.33
Loss/(Profit) on sale of PPE	(3.76)	(71.46)
Provision for impairment on advances/ balance written off	-	-
Interest expense on borrowings	1,307.73	1,044.66
Operating profit before working capital changes	3,362.58	3,334.14
Movement in working capital		
Inventory	(530.26)	(1,454.49)
Trade Receivables	(331.43)	(312.61)
Other non-current financial assets	(54.95)	(79.04)
Other current financial assets	17.53	36.54
Other current assets	9.59	(762.84)
Other Non-current assets	(17.50)	37.33
Other financial current liabilities	(163.01)	76.27
Other financial non-current liabilities	55.32	(10.00)
Other current liabilities	82.25	(69.23)
Provision Long Term	31.90	33.34
Provision Short Term	31.06	33.11
Trade payables	(1,415.53)	1,203.76
Cash used in operating activities post working capital changes	896.89	2,348.29
Income tax paid (net)	(347.31)	(301.00)
Net cash used in operating activities (A)	549.58	1,847.29
B Cash flows from investing activities		
Purchase of property, plant and equipment	(2,064.32)	(2,474.08)
Sale of property, plant and equipment	23.28	163.53
Sale of investment in subsidiaries	255.00	-
Loss	-	-
Investment made in subsidiaries	-	(0.00)
Interest received	0.86	2.33
Net cash used in investing activities (B)	(1,785.18)	(2,308.23)
C Cash flows from financing activities		
Proceeds from issue of share capital	-	-
Payment of Lease liability	(46.68)	(39.93)
Finance cost paid	(1,107.73)	(1,044.66)
Bonus / Dividend Paid	-	(321.81)
Proceeds from borrowings	2,377.49	1,086.04
Net cash flows from financing activities (C)	1,223.08	459.59
Net increase in cash and cash equivalents (A+B+C)	(12.51)	(1.46)
Cash and cash equivalents at the beginning of the year	45.69	44.55
Cash and cash equivalents at the end of the year	33.18	43.09

The accompanying notes form an integral part of these financial statements
This is statement of cash flows referred to in our report of even date

For Rajeev Kumar & Co
Chartered Accountants
Firm's Registration No.: 000633C

Rajeev Kumar
Proprietor
Membership No.: 070103

Place: Aligarh
Date: 30/05/2024



For and on behalf of the Board of Directors of
Pavna Industries Limited

Sorajit Jain
Director
DIN: 01542555
Pankaj Jain
Chief Financial officer
PAN : BDEFP7242M

Ashu Jain
Director
DIN: 00195024
Chetan Singh
Company Secretary
PAN : CVBPS6649B

Pavna Industries Limited
Summary of significant accounting policies and other explanatory information for the year ended 2024
(All amounts are in Rupee, unless otherwise specified)

14 Property, plant and equipment

Particulars	Land	Building	Fleet and Machinery	Office Equipment	Furniture and fixtures	Computer	Vehicle	Total
Net Book								
Balance as at 31 March 2022	366.82	1,466.52	6,718.80	350.47	135.29	239.43	796.96	11,063.89
Additions	-	81.86	2,565.76	14.44	27.82	47.15	38.00	2,675.83
Disposals	-	-	(121.42)	-	-	-	(115.78)	(237.20)
Balance as at 31 March 2023	366.82	1,548.38	6,602.14	364.91	163.11	286.58	719.18	13,940.92
Additions	-	11.55	3,791.55	6.04	6.76	311.88	4.83	4,222.51
Disposals	-	-	(27.96)	-	-	(14.40)	(4.80)	(32.16)
Netty disposed during the year	(70.71)	(252.59)	(2,552.14)	(142.56)	(8.56)	(13.75)	(25.23)	(3,165.54)
Balance as at 31 March 2024	296.11	1,315.34	4,022.49	222.35	154.55	368.61	783.67	10,863.92
Accumulated depreciation								
Balance as at 31 March 2022	-	349.18	3,542.37	71.31	71.90	355.09	191.59	4,491.44
Change for the year	-	89.13	805.36	16.30	12.12	19.01	89.14	1,142.93
Disposals	-	-	(36.54)	-	-	-	(39.82)	(76.36)
Balance as at 31 March 2023	-	438.31	4,311.19	87.61	83.92	374.09	340.91	5,656.93
Change for the year	-	17.56	811.24	6.11	6.81	51.80	84.33	1,077.85
Disposals	-	-	(32.11)	-	-	(6.81)	(1.84)	(39.76)
Netty disposed during the year	-	(186.61)	(753.83)	(46.78)	(1.51)	(10.93)	(16.02)	(1,013.73)
Balance as at 31 March 2024	-	469.26	3,557.59	40.83	82.41	414.96	408.16	4,662.21
Net Book as at 31 March 2023	366.82	1,109.07	3,290.95	277.30	81.19	311.49	378.27	5,345.08
Net Book as at 31 March 2024	296.11	846.08	4,564.90	181.52	62.04	383.65	375.51	6,238.21
Intangible Asset Under Development								
Particulars	Knowhow	Software	Total					
Balance as at 31 March 2022	25.00	-	25.00	Balance as at 1 April 2022				
Additions	-	81.40	81.40	Change for the year				
Disposals	-	-	-	Disposals				
Balance as at 31 March 2023	25.00	81.40	106.40	Balance as at 31 March 2023				
Additions	14.61	-	14.61	Change for the year				
Disposals	-	81.40	(81.40)	Disposals				
Balance as at 31 March 2024	39.61	-	39.61	Balance as at 31 March 2024				
Net Book as at 31 March 2023	-	-	106.40					
Net Book as at 31 March 2024	-	-	39.61					

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 2024
(All amounts are in INR lakhs, unless otherwise specified)

38 Leases**(i) Right of Use Assets**

Particulars	Buildings	Total
As at 31 March 2022	283.81	283.81
Additions	-	-
Deletions	-	-
As at 31 March 2023	283.81	283.81
Additions	-	-
Deletions	-	-
As at 31 March 2024	283.81	283.81
Accumulated Depreciation		
As at 31 March 2022	52.44	52.44
Charges during the year	45.95	45.95
Deletions	-	-
As at 31 March 2023	98.38	98.38
Charges during the year	33.77	33.77
Deletions	-	-
As at 31 March 2024	132.15	132.15
Net Carrying Value		
As at 31 March 2023	185.43	185.43
As at 31 March 2024	151.66	151.66

(ii) Lease Liabilities

Particulars	Current	Non Current	Total
As at 31 March 2022	38.63	204.12	242.75
Additions	-	-	-
Accretions of interest	-	21.36	21.36
Payments of lease liabilities	-38.63	-21.36	(59.99)
Deletions	-	-	-
Re-classification from non current to current	28.88	-28.51	0.37
As at 31 March 2023	28.88	175.61	204.49
Additions	-	-	-
Accretions of interest	-	18.17	18.17
Payments of lease liabilities	-26.24	-20.45	(46.68)
Deletions	-	-	-
Re-classification from non current to current	19.72	-20.09	-0.37
As at 31 March 2024	22.35	153.26	175.61

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31st March 2024

(All amounts are in INR(₹), unless otherwise specified)

4 Other non current financial assets	As at 31 March 2024	As at 31 March 2023
Margin money deposits (including interest accrued) (a)		
Margin money deposits	0.12	0.11
Advance From Supplier	-	-
Security deposits	478.19	-
- Unsecured considered good	409.11	936.28
Trade Receivable considered doubtful	29.34	-
	<u>916.76</u>	<u>936.39</u>

(a) Includes Margin Deposit with Government authorities.

5 Other non current assets	As at 31 March 2024	As at 31 March 2023
Prepaid expense	189.29	215.60
Capital advances-Unsecured, considered good	43.89	-
	<u>233.18</u>	<u>215.60</u>

6 Inventories	As at 31 March 2024	As at 31 March 2023
(Valued at lower of cost or net realisable value, unless otherwise stated)		
Finished Goods	-	955.83
Goods in Transit	25.74	95.18
Raw Materials	2,060.70	3,080.76
Work in Progress	5,833.73	5,243.64
Store and Spares	411.14	599.70
Trading Material	848.67	862.33
	<u>9,779.98</u>	<u>10,635.41</u>
Impairment provision on Project in progress		
	<u>9,779.98</u>	<u>10,635.41</u>

7 Trade Receivable	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good	5,569.67	5,344.74
Unsecured, considered doubtful	-	-
	<u>5,569.67</u>	<u>5,344.74</u>

Trade receivable aging schedule as at 31 March 2024

Outstanding for following periods from due date of payment	Undisputed Trade Receivables- considered good	Undisputed Trade Receivables- considered
Not due	-	-
0-6 Months	4,425.89	-
6-12 Months	595.08	-
1-2 Years	399.96	-
2-3 Years	62.20	-
above 3 years	87.15	-
Total	<u>5,569.67</u>	<u>-</u>

Trade receivable aging schedule as at 31 March 2023

Outstanding for following periods from due date of payment	Undisputed Trade	Undisputed
Not due	-	-
0-6 Months	4,681.24	-
6-12 Months	550.01	-
1-2 Years	15.81	-
2-3 Years	4.76	-
above 3 years	92.92	-
Total	<u>5,344.74</u>	<u>-</u>

	As at 31 March 2024	As at 31 March 2023
8 Cash and cash equivalents		
Cash on hand	18.57	23.92
Balances with banks	12.01	19.17
	<u>30.58</u>	<u>43.09</u>

	As at 31 March 2024	As at 31 March 2023
9 Other Bank Balances		
Balance with bank in deposit account having maturity of more than three months but are due for maturity within twelve months from balance sheet date (a)	4.56	4.61
	<u>4.56</u>	<u>4.61</u>

(a) includes Margin Deposit with Government authorities

	As at 31 March 2024	As at 31 March 2023
11 Other Current assets		
Security deposit to others	(1.00)	16.50
	<u>(1.00)</u>	<u>16.50</u>

	As at 31 March 2024	As at 31 March 2023
12 Income tax assets		
Income Tax paid (net of provision for taxation)	16.47	67.59
	<u>16.47</u>	<u>67.59</u>

	As at 31 March 2024	As at 31 March 2023
13 Other current assets		
Prepaid expenses	214.98	129.75
Advances to contractors and material suppliers	-	-
Unsecured, Consider Good	1,002.63	1,364.62
Unsecured, Considered Doubtful	71.01	-
Other advances	1.36	27.80
Balances with government authorities	353.68	138.45
	<u>13.95</u>	<u>-</u>
	1,657.61	1,659.61
Amount recoverable - Others	25.61	66.02
Less : Allowance for impairment (net)	-	-
	<u>1,683.22</u>	<u>1,725.63</u>

	As at 31 March 2024		As at 31 March 2023	
14 Equity Share capital	Number*	Amount	Number*	Amount
Authorized shares				
Equity shares of ₹ 10 each with voting rights	1,80,00,000	1,800.00	1,50,00,000	1,500.00
	<u>1,80,00,000</u>	<u>1,800.00</u>	<u>1,50,00,000</u>	<u>1,500.00</u>
Issued, subscribed and fully paid up				
Equity share capital of face value of ₹ 10 each	1,21,80,800	1,218.08	1,21,80,800	1,218.08
	<u>1,21,80,800</u>	<u>1,218.08</u>	<u>1,21,80,800</u>	<u>1,218.08</u>

a. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the period	1,21,80,800	1,218.08	60,50,400	609.04
Shares issued during the period	-	-	-	-
Bonus issued during the period	-	-	60,50,400	609.04
Balance at the end of the year	<u>1,21,80,800</u>	<u>1,218.08</u>	<u>1,21,80,800</u>	<u>1,218.08</u>

Pavna Industries Limited

Statement of Changes in Equity for the year ended 31st March 2024

(All amounts are in lacs/₹), unless otherwise specified)

A. Equity share capital*

Particulars	Opening balance as at 31 March 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
Equity share capital	609.04	609.04	1,218.08

Particulars	Opening balance as at 31 March 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
Equity share capital	1,218.08	-	1,218.08

B. Other equity**

Particulars	Reserves and Surplus				OCI	Total
	Security Premium	Retained Earnings	Capital Reserve	General Reserve	Remeasurement of defined benefit plans	
Balance as at 31 March 2022	1,398.72	3,381.18	19.46	1.62	16.71	4,817.69
Profit/ (Loss) for the year	-	835.79	-	-	-	835.79
Issue of Bonus Shares	-	(609.04)	-	-	-	(609.04)
Dividend	-	(121.81)	-	-	-	(121.81)
Other comprehensive income for the year (net of tax impact)	-	-	-	-	25.80	25.80
Balance as at 31 March 2023	1,398.72	3,486.12	19.46	1.62	42.51	4,948.44
Profit/ (Loss) for the period	-	1,056.06	-	-	-	1,056.06
Other comprehensive income for the year (net of tax impact)	-	-	-	-	10.36	10.36
Change Due to sale of subsidiary	-	(25.00)	51.84	-	-	66.81
Balance as at 31 March 2024	1,398.72	4,517.16	111.30	1.62	52.77	6,082.57

*Refer note 14 for details

**Refer note 15 for details

The accompanying notes form an integral part of these financial statements.
This is statement of changes in equity referred to in our report of even date

For Rajeev Kumar & Co
Chartered Accountants
Firm's Registration No.: 000693C

Rajeev Kumar
Proprietor
Membership No.: 070103

Place: Aligarh
Date: 30/05/2024



For and on behalf of the Board of Directors of
Pavna Industries Limited

Swapnil Jain *Asha Jain*

Swapnil Jain Asha Jain
Director Director

DIN: 01542555 DIN: 00035024

Palak Jain *Charu Singh*

Palak Jain Charu Singh
Chief Financial officer Company Secretary
PAN : BDEP17242M PAN : CVBPS6669B

b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors in any financial year is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shares shall be transferable subject to the provisions contained in the Articles of Association and in the agreements entered/to be entered into with the investors/shareholders from time to time.

c. Details of shares held by Holding Company and shareholders holding more than 5% shares in the Company

Name of the equity shareholder (Promotor)	As at 31 March 2024		As at 31 March 2023	
	Number	%	Number	%
Smt. Asha Jain	58,21,960	47.80%	58,21,960	47.80%
Shri Swapnil Jain	13,56,160	11.13%	13,56,160	11.13%
P.J. Wealth Management and Consultant Private Limited	9,97,040	8.19%	9,97,040	8.19%
Smt. Palak Jain	5,78,200	4.75%	9,23,200*	7.58%
Smt. Saehna Jain	3,58,529	2.94%	6,70,400	5.50%

d. Aggregate number of bonus shares issued for a consideration other than cash

*Pursuant to the approval of shareholders granted in the extra-ordinary general meeting held on 26.08.2022, the Company issued and allotted fully paid-up "bonus shares" at par in proportion of one new equity shares of Rs. 10 each for every one existing fully paid up equity share of Rs. 10 each.

e. Shareholding of Promoters

As at 31st March 2024

Shares held by Promoters and Promoter Group at end of the year				% change during the year
S.n	Particulars	No. of shares	% of total shares	
1	Asha Jain	58,21,960	47.80%	-
2	Swapnil Jain	13,56,560	11.14%	-
3	PJ Wealth Management And Consultant Pvt Ltd	9,97,040	8.19%	-
4	Priya Jain	4,04,000	3.32%	-
5	Pawan Jain Huf	840	0.01%	-

15 Other Equity

	As at 31 March 2024	As at 31 March 2023
General Reserve		
Opening balance	1.62	1.62
Add: Transfer from Profit/(loss)	-	-
Closing balance (A)	1.62	1.62
Capital Reserve		
Opening balance	19.46	19.46
Add : Sale of Subsidiary	91.84	-
Closing balance (B)	111.30	19.46
Securities premium		
Opening balance	1,398.72	1,398.72
Add: Addition during the year	-	-
Closing balance (C)	1,398.72	1,398.72
Profit/ (Deficit) in the statement of profit and loss		
Opening balance	3,528.64	3,397.89
Less: Issue of Bonus Shares	-	(609.04)
Less : Dividend	-	(121.81)
Add: Profit / (Loss) for the year	1,055.05	835.79
Add: Other comprehensive income for the year (net of tax impact)	10.25	25.80
Less: Transfer to general Reserve	(25.02)	-
Closing balance (D)	4,568.93	3,528.64
Total (A+B+C+D)	6,081.57	4,948.44

16A Non Controlling interest

Non Controlling Interest

Opening Balance
 Entity sold during the year
 NCI share in current year Profit
 Closing Balance

As at 31 March 2024	As at 31 March 2023
1,244.52	1,208.80
224.39	-
148.14	35.72
<u>1,617.05</u>	<u>1,244.52</u>

17A Long term borrowing**Secured**

Indian rupee term loan from Bank
 Indian rupee term loan from financial institutions
 Indian rupee vehicle loan from Bank

Unsecured

Indian rupee loan from related parties
 From Directors & KMPs
 From Corporate entities

As at 31 March 2024	As at 31 March 2023
1,431.03	2,295.55
-	202.46
12.60	56.13
-	1,316.37
-	790.00
<u>1,443.63</u>	<u>4,660.51</u>

17B Short term Borrowings**Secured**

Cash credit facilities from Bank / financial institutions - Secured
 Cash credit facilities from financial institutions - Unsecured
 Current maturities of long term borrowings - Secured

As at 31 March 2024	As at 31 March 2023
7,537.34	6,384.64
2,479.00	2,060.00
635.40	712.52
<u>10,651.75</u>	<u>9,157.16</u>
<u>12,095.37</u>	<u>13,717.66</u>

Total**18A Other Non current financial liabilities**

Security deposit from customer
 Trade payable Long outstanding

As at 31 March 2024	As at 31 March 2023
12.50	15.00
57.82	-
<u>70.32</u>	<u>15.00</u>

19A Provisions

Provision for employee benefits (a)
 Gratuity

(a) Refer Note 36

As at 31 March 2024	As at 31 March 2023
262.61	231.31
<u>262.61</u>	<u>231.31</u>

20 Deferred tax liabilities (net)

Deferred tax assets/liabilities on account of:-

Property, plant and equipment
 Unused business losses
 Origination and reversal of temporary difference due to employee expenses
 Effect of adoption of Ind AS
 Others

As at 31 March 2024	As at 31 March 2023
115.00	131.53
-	-
(72.60)	(56.68)
-	(2.08)
(3.96)	(0.91)
<u>40.04</u>	<u>71.88</u>

Deferred tax Assets (net)

Deferred tax assets/liabilities on account of:-

Property, plant and equipment
 Unused business losses
 Origination and reversal of temporary difference
 Effect of adoption of Ind AS
 Others

As at 31 March 2024	As at 31 March 2023
-	-
(7.50)	(23.39)
(3.88)	(2.08)
41.41	39.10
2.16	3.35
4.00	3.76
<u>35.80</u>	<u>20.75</u>

18 Trade payables #

Due to micro and small enterprises
 Due to others (a)

As at 31 March 2024	As at 31 March 2023
681.83	63.92
3,212.10	5,317.82
<u>3,893.93</u>	<u>5,381.74</u>

Trade payable aging schedule as at 31st March 2024

Outstanding for following periods from due date of payment	Micro and Small Enterprises ("MSME")	Others
Not due		
Unbilled dues		-
Less than 1 year	681.84	2,984.91
1-2 Years		174.67
2-3 Years		19.28
above 3 years		31.23
Total	681.84	3,212.09

Trade payable aging schedule as at 31st March 2023

Outstanding for following periods from due date of payment	Micro and Small Enterprises ("MSME")	Others
Not due		
Unbilled dues		-
Less than 1 year	63.92	4,890.07
1-2 Years		300.38
2-3 Years		8.24
above 3 years		29.12
Total	63.92	5,317.82

19 Other Financial liabilities

Interest accrued but not due on borrowings
 Payable to employees

As at 31 March 2024	As at 31 March 2023
0.04	73.97
319.03	308.60
-	-
<u>319.07</u>	<u>472.57</u>

20 Other current liabilities

Advance received from customers
 Statutory dues payable

As at 31 March 2024	As at 31 March 2023
34.20	105.47
231.54	125.38
<u>265.74</u>	<u>230.85</u>

21 Income tax liabilities

Income Tax Payable (Net of advance tax)

As at 31 March 2024	As at 31 March 2023
31.53	4.52
<u>31.53</u>	<u>4.52</u>

22 Short term provisions

Provision for employee benefits
 Gratuity

As at 31 March 2024	As at 31 March 2023
184.13	153.05
<u>184.13</u>	<u>153.05</u>

(This space has been intentionally left blank)

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31st March 2024

(All amounts are in lacs/₹, unless otherwise specified)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Furniture		
23 Revenue from operations		
Sale of products	31,687.49	36,170.62
Other operating revenue	-	51.58
	<u>31,687.49</u>	<u>36,222.20</u>
24 Other Income		
Interest income on:		
Bank deposits	0.86	2.33
Loan Given	-	4.73
Security deposits measured at amortised cost	35.24	32.53
Income tax refunds	-	5.78
Profit on sale of Property, Plant and Equipment	3.76	75.26
Income from export incentive	23.17	9.39
Rent received	0.60	36.60
Foreign Exchange fluctuation gain (Net)	(4.21)	8.66
Gain on investments carried at fair value through profit or loss	(1.74)	-
Excess liability/provision written back	0.02	8.29
Miscellaneous income	247.13	11.31
	<u>291.83</u>	<u>194.88</u>
25 Cost of raw material & components consumed		
Inventory at the beginning of the year	4,306.73	3,472.58
Add: Purchase during the year	16,899.86	20,757.08
	<u>21,206.59</u>	<u>24,229.66</u>
Less: Inventory at the end of the year	4,046.38	4,306.73
	<u>17,160.21</u>	<u>19,922.94</u>
26 Purchase of Stock-in-Trade		
Purchases of material	3,892.06	3,622.67
Packing expense	153.90	198.73
Freight & Cartage Inward	1.13	2.08
	<u>4,047.09</u>	<u>3,823.49</u>
27 Changes in inventories of finished goods and work-in-progress		
Closing Inventories		
Trading Material	1,247.44	765.00
Work in Progress	5,966.54	5,088.74
Opening Inventories		
Trading Material	765.00	865.90
Work in Progress	5,088.74	4,428.34
	<u>(960.24)</u>	<u>(558.51)</u>
28 Employee benefits expense		
Salaries, wages and bonus	2,738.99	3,278.30
Contribution to provident and other funds	203.69	196.01
Gratuity expense	84.91	68.44
Staff welfare expenses	463.05	362.93
	<u>3,490.64</u>	<u>3,905.68</u>
Less : Personnel Cost capitalized during the year #	(339.51)	-
Net Employee benefits expense	<u>3,151.13</u>	<u>3,905.68</u>

Being portion of Employee Cost of Research & Development division engaged in dies and tools development.

	For the year ended 31 March 2024	For the year ended 31 March 2023
29 Finance costs		
Interest expense	96.88	991.89
Interest expense on Term loan	-	3.33
Interest expense on Security deposit	930.00	26.23
Other borrowing costs	62.67	44.48
Interest on lease obligation	18.17	21.35
	<u>1,107.72</u>	<u>1,087.28</u>
30 Depreciation and Amortisation		
Depreciation and amortization expense	1,036.49	1,135.40
Depreciation on right of use assets	33.77	45.94
	<u>1,070.25</u>	<u>1,181.34</u>
31 Other expenses		
Factory expenses	-	17.94
Consumption of stores and spares	756.28	578.12
Diecasting/ Job work charges	1,344.44	1,973.83
Material Testing Exp	-	2.07
Packing material	4.87	-
Gas Expenses	-	259.95
Power & Fuel	684.98	943.66
Advertisement and publicity	30.67	55.34
Bank charges	21.49	28.87
Communication & Postage Expense	23.06	22.75
Donation	16.62	29.41
Electricity expenses	27.87	33.97
House keeping expenses	36.66	42.96
Insurance Expenses	96.29	36.30
Legal and professional fees	170.78	130.80
Loss on sale of Property, Plant and equipment	-	3.80
Payments to auditors	3.20	4.61
Printing and stationery	10.86	22.64
Rates and taxes	54.56	27.23
Rent	87.01	6.68
Building Rent	4.25	58.40
Machine Rent	-	0.14
Repair and maintenance - Machinery	25.86	173.11
Repair and maintenance - office	40.82	117.56
Repair and maintenance - Computer	-	0.40
Vehicle running and maintenance expense	141.01	158.09
Research and development expense	1.19	5.65
Sales promotion expenses	110.32	48.08
Security charges	9.89	131.65
Software expenses	11.91	7.18
Trade mark royalty	83.65	76.93
Travelling and conveyance-Foreign	1.61	-
Travelling and conveyance-Local	80.13	129.43
Bad debts	70.69	-
ISO TS certification expense	5.33	2.24
Warranty claim/ Line rejection expense	128.04	18.87
Office expense	33.05	30.03
Rebate & Discount	262.57	293.15
Prior Period expense	3.45	-
Freight & forwarding expense	454.56	364.52
Miscellaneous expenses	1.18	(0.36)
	<u>4,840.17</u>	<u>5,845.27</u>

	For the year ended	For the year ended
# Consumption of Stores, spares, packing and tools		
Opening stock	474.94	530.32
Add:		
Consumption of stores, tools and spares parts	348.26	355.00
Consumption of Packing materials	212.42	194.78
Consumption of polishing and plating material	0.23	75.65
Less: Closing stock	275.56	577.63
Net Consumption of stores ,spares, Packing & tools	<u>756.28</u>	<u>578.12</u>

Payment to auditors

	For the year ended 31 March 2024	For the year ended 31 March 2023
As auditors		
-Audit fees	3.20	4.61
	<u>3.20</u>	<u>4.61</u>

32 Income tax

	For the year ended 31 March 2024	For the year ended 31 March 2023
Tax expense comprises of:		
Current tax	383.69	320.31
Deferred tax credit	(14.10)	36.71
Earlier years tax adjustments (net)	-	-
Minimum Alternative Tax	-	-
Income tax expense reported in the statement of profit and loss	<u>369.60</u>	<u>347.02</u>

Deferred tax credit	(0.98)	(9.08)
Income tax expense reported in the statement of Other comprehensive income	<u>(0.98)</u>	<u>(9.06)</u>

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company and the reported tax expense in profit or loss are as follows:

Effective Income Tax Rate	25.168%	25.168%
Accounting profit before income tax	1,570.98	1,210.58
At India's statutory income tax rate	395.35	304.68
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Item on which deferred tax has not been created	-	-
Tax impact of expenses which will never be allowed	-	-
Effect of tax incentive	-	-
Earlier years tax adjustments (net)	-	-
Impact of change in tax rate	-	-
Others	-	-
Income tax expense	<u>395.38</u>	<u>304.68</u>

33 Earnings per share

	For the year ended 31 March 2024	For the year ended 31 March 2023
Net Profit/(loss) attributable to equity shareholders	1,055.06	835.79
Nominal value of equity share in ₹	-	-
Total number of equity shares outstanding at the beginning of the year*	1,21,80,800	60,90,400
Total number of equity shares outstanding at the end of the year*	1,21,80,800	1,21,80,800
Weighted average number of equity shares*	1,21,80,800	91,35,600
Basic Earning per Share on actual outstanding at year end	8.67	6.86

* These are in absolute numbers

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31st March 2024

(All amounts are in INR Lakhs, unless otherwise specified)

35 Related party transactions

A. Name of the Related Parties and description of relationship is as follows:

a) Subsidiary Company	Swagnil Switches Pvt. Ltd. Pavna Auto Engineering Pvt. Ltd. Pavna Sun World Autotech Pvt Ltd Pavna Marketing Pvt Ltd
b) Entity having substantial interest in the Company	PJ Wealth Management & Consultants P. Ltd.
c) Key Managerial Personnel (KMP)	
Managing Director	Shri Swagnil Jain
Director	Smt. Asha Jain
Director	Smt. Priya Jain
Director	Shri Sanjay Kumar Jain
CEO	Shri. Ravindra J Pise
CFO	Smt. Palak Jain
CFO	Shri Makarand Haribhau Mahajan
CFO	Shri. Ravindra Madan Mohan Agrawal
CS	Ms. Charu Singh
CS	Ms. Kanchan Gupta
KMP	Mr. Ajay Maheshwari
KMP	Mr. Vijay Sharma
KMP	Mr. Ram Karan Malik
KMP	Mr. Arun Khanna
KMP	Mr. Pankaj Agarwal
KMP	Mr. Alok Sharma
KMP	Mr. Rachakonda Murthy
Independent Director	Shri Nazim Firoze Akbar
Independent Director	Shri Dhruv Jain
Independent Director	Shri Achyutanand Ramchandra Mishra
e) Relatives of Key Managerial Personnel (KMP)	
Where transactions have taken place during the year or previous year or balances are outstanding	
f) Enterprise over which KMP exercise control or significant influence	Pavna Sports Venture Private Limited Accus Cricket Private Limited Pavna Electric Systems Private Limited Pavna International Schools Private Limited PJ Wealth Management & Consultants P. Ltd.

Note No. - Related Party Disclosure - Contd..

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant

Nature of Transactions	Name of Related Party	Relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
	Loan taken during the year			
Loan taken	Smt. Asha Jain	KMP	-	120.00
Loan taken	Smt. Priya Jain	KMP	-	180.00
Loan taken	Shri Swapnil Jain	KMP	-	859.00
Loan taken	PJ Wealth Management & Consultants P. L	Entity having substantial	414.50	150.00
	Loan Repaid during the year			
Repayment of Loan taken	Smt. Asha Jain	KMP	95.00	225.00
Repayment of Loan taken	Smt. Priya Jain	KMP	-	180.00
Repayment of Loan taken	Shri Swapnil Jain	KMP	269.00	590.00
Repayment of Loan taken	PJ Wealth Management & Consultants P. L	Entity having substantial	1,204.50	325.00
	Interest on Loans (Net of TDS)			
Interest(Net)	Smt. Asha Jain	KMP	0.70	10.52
Interest(Net)	Shri Swapnil Jain	KMP	1.99	9.26
Interest(Net)	Smt. Priya Jain	KMP	-	0.83
Interest(Net)	PJ Wealth Management & Consultants P. L	Entity having substantial	54.10	76.85
	Remuneration, Salary & Other Expense			
Remuneration	Smt. Asha Jain	KMP	96.00	96.00
Remuneration	Shri Swapnil Jain	KMP	216.00	216.00
Remuneration	Smt. Priya Jain	KMP	180.00	180.00
Remuneration	Mr. Ajay Maheshwari	KMP	10.80	11.90
Remuneration	Shri. Ravindra J Pise	CEO	28.00	-
Remuneration	Shri. Makarand Mahajan	CFO	5.00	15.00
Remuneration	Shri. Ravindra Madan Mohan Agrawal	CFO	10.61	-
Remuneration	Ms. Palak Jain	CFO	3.24	-
Remuneration	Ms. Charu Singh	CS	7.90	7.12
Remuneration	Kanchan Gupta	CS	6.23	-
Remuneration	Vijay Sharma	KMP	24.00	24.00
Remuneration	Ram Karan Malik	KMP	26.28	26.28
Remuneration	Arun Khanna	KMP	25.44	23.44
Remuneration	Pankaj Agarwal	KMP	25.16	22.16
Remuneration	Alok Sharma	KMP	18.60	15.58
Remuneration	Rachakonda Murthy	KMP	7.29	-
Building Rent	Smt. Asha Jain	KMP	31.08	28.08
Lease Rent	Smt. Asha Jain	KMP	0.10	0.10
Rent	Pavna Goyam Auto PvtLtd	Fellow Subsidiary	-	20.48
Trade Mark Royalty	Smt. Asha Jain	KMP	81.64	76.93
	Purchase & Sales			
	SSPL & PIL		317.68	368.59
	PAEPL & PIL		2,040.06	2,295.54
	PIL & SSPL		159.31	242.99
	PIL & PAEPL		66.27	239.19
	PIL & PSAPL		0.10	0.58
	PSAPL & PIL		5.43	11.46
	PIL & PMPL		303.64	100.81
	PMPL & PIL		3,044.69	2,695.60
	PGPL & PIL		-	238.71
	PIL & PGPL		-	967.81
	PAEPL & SSPL		-	-
	PAEPL & PMPL		-	2.39
	SSPL & PMPL		0.18	13.5
	PSAPL & PMPL		0.03	0.02
	PMPL & PAEPL		35.36	0.83
	PMPL & SSPL		334.74	278.58
	PMPL VS PSPL		9.38	14.54
Sale / Purchase of Fixed Assets	SSPL & PIL		-	44.26
	Investment of Shares- Sales/ Purchase			
Advances	Pavna Goyam Auto Pvt. Ltd.	Subsidiary Company	250.00	-
	Security Deposits			
Security Deposit	Pavna Goyam Auto Pvt. Ltd.	Subsidiary Company	-	-
	Short Term Loans & Advances			
Advances	Pavna Goyam Auto Pvt. Ltd.	Subsidiary Company	-	100.00

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31st March 2024

(All amounts are in lacs/₹, unless otherwise specified)

Note No.- Related Party Disclosure - Contd..

C. Details of related party balances as at year end:

Nature of Transactions	Name of Related Party	Relationship	As at 31 March 2024	As at 31 March 2023
Loan Taken	Smt. Asha Jain	Director		95.00
Loan Taken	Shri Swapnil Jain	Director		269.00
Loan Taken	PI Wealth Management & Consultants P. Ltd.	Entity having		790.00
	Debtors & Creditors			
	PIL & SSPL		114.40	231.76
	PIL & PMPL		755.91	216.05
	PIL & PSAPL		107.95	64.34
	PIL & PAEPL		255.26	193.16
	PGAPL & PIL		-	37.83
	SSPL & PMPL		12.40	89.94
	PSAPL & PMPL		1.58	1.77
Investments	Smt. Asha Jain	Whole time director	-	2.86
Investments	Swapnil Switches Pvt. Ltd.	Subsidiary company	197.76	197.76
Investments	Pavna Marketing Pvt Ltd	Subsidiary company	10.00	10.00
Investments	Pavna Sun World Autotech Pvt Ltd	Subsidiary company	71.50	71.50
Investments	Pavna Auto Engineering Pvt. Ltd.	Subsidiary company	684.77	684.77
Investments	Pavna Goyam Auto Pvt. Ltd.	Subsidiary company		255.00
Security Deposit	Shri Pawan Jain & Smt. Asha Jain	Managing director	300.00	300.00
			-	-
			-	-
			-	-

RAJEEV KUMAR & COMPANY

CHARTERED ACCOUNTANTS

B-120, CENTRE POINT

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INDEPENDENT AUDITOR'S REPORT

To the Members of Pavna Industries Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of Pavna Industries Limited (*"the Company"*) which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 as amended, (*"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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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



Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the financial year ended 31st March, 2024. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the company's annual report but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the Ind AS 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 are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Ind AS Financial Statement

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Ind AS Financial Statements.

A further description of the auditor's responsibilities for the audit of the Standalone Ind AS Financial Statements is included in Annexure A. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.;
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Statement of Other Comprehensive income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;



- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 Control with reference to these Standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C" to this report;
- g) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements. *Note No. 43 of notes to accounts*
- ii) The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv)
- i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- iii. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v) The Company has not paid interim dividend during the year.
- vi) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated w.e.f. 13 June 2023 to the end of the year for all relevant transactions recorded in the respective software.

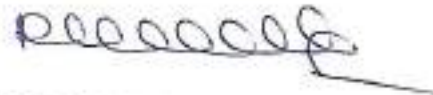


Further, for the periods where the audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid/ provided by the Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.

For RAJEEV KUMAR & COMPANY
CHARTERED ACCOUNTANTS
FRN: 000633C



PLACE: ALIGARH

DATE: 30 MAY, 2024

UDIN: 24070103BKCOML8072

CA RAJEEV KUMAR
PROPRIETOR
M.NO.070103



Responsibilities for Audit of Standalone Ind AS Financial Statement

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

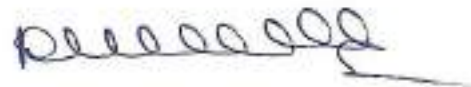
- Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk 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 with reference to Standalone Ind AS Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Standalone 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 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.

For RAJEEV KUMAR & COMPANY
CHARTERED ACCOUNTANTS
FRN: 000633C



PLACE: ALIGARH
DATE: 30 MAY, 2024
UDIN: 24070103BKCOML8092

CA RAJEEV KUMAR
PROPRIETOR
M.NO. 070103



ANNEXURE B

The annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements" of Pavana Industries Limited (the Company)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The company has maintained proper records showing full particulars, of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year ended 31st March, 2024.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us & on the basis of the records examined by us, in our opinion, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on such physical verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and/or financial institutions during the year on the basis of security of current assets of the company. In our opinion quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company except as disclosed in note no. 43 of the notes to accounts.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made investments in, or has not provided guarantee or security or granted any loans or advances in the



[Handwritten signature]

nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

However, the company had advanced a loan to its subsidiary in earlier years which stands repaid on 03 May, 2023. The company has not charged any interest on the loan.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with except not charging interest on the loan.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) As per information & explanation given by the management, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable except as disclosed in note 43 of notes to accounts.
- (b) According to the information and explanations given to, there are no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except as disclosed in note 43 of notes to accounts.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or government or government authority;
- (c) According to the information and explanations given to us by the management, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.



- (e) According to the information and explanation given to us and on an overall examination of the Standalone Ind AS Financial Statements of the company, the Company has not taken any funds from any entity or person on account of or to meet obligations of its subsidiaries as defined under the Act. The company does not hold any investment in any associate or joint ventures (as defined under the Act) during the year ended 31 March 2024.
- (f) According to the information and explanation given to us and based on the audit procedures conducted by us, we report that, the Company has not raised loans during the year on pledge of securities held in its subsidiaries as defined under the Act. The company does not hold any investment in any associate or joint ventures (as defined under the Act) during the year ended 31 March 2024.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the company or on the company has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under subsection (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints have been received by the company
- (xii) According to the information and explanations given to us the company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details of the related party transactions have been disclosed in the standalone financial statements, as required by the applicable accounting standards;
- (xiv) (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and nature of its business;
- (b) The reports of internal auditors for the period under audit were considered by us;
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the company.



[Handwritten signature]

- (xvi) (a) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given by the management, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have not more than one CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

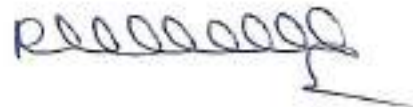
Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Company's annual report is expected to be made available to us after the date of this auditors report



(xx) a. In respect of other ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 42 of the standalone Ind AS financial statements.

b. There is no unspent amount in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 42 of the standalone Ind AS financial statements.

For RAJEEV KUMAR & COMPANY
CHARTERED ACCOUNTANTS
FRN: 000633C



PLACE: ALIGARH

DATE: 30 MAY, 2024

UDIN: 24070103BKCOML2072

(RAJEEV KUMAR, F.C.A.)

PROPRIETOR

M.NO.070103



Report on Internal Financial Controls with reference to financial statements

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 with reference to Financial Statements of PAVNA INDUSTRIES LIMITED ("the Company") as of March 31, 2024 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 and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements, 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 with reference to 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to



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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to 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 with reference to 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 with reference to Financial Statements

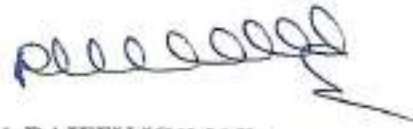
Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to 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 Company has, in all material respects, adequate internal financial controls system with reference to Financial Statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For RAJEEV KUMAR & COMPANY
CHARTERED ACCOUNTANTS
FRN: 000633C



PLACE: ALIGARH
DATE: 30 MAY, 2024
UDIN: 24070101BkCOML8072

CA RAJEEV KUMAR
PROPRIETOR
M.NO. 070103



Pavna Industries Limited
Balance Sheet as at 31 March 2024

(All amounts are in INR ₹, unless otherwise specified)

	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3A	6,641.34	5,626.40
Intangible Work in Progress	3A	-	81.40
Right of Use assets	3B	33.18	38.71
Financial assets			
Investments	4	964.03	1,219.03
Others	5	313.17	254.81
Other Non Current assets	6	102.66	58.76
		<u>8,051.38</u>	<u>7,279.11</u>
Current assets			
Inventories	7	7,082.85	6,682.00
Financial assets			
Trade Receivable	8	5,290.06	4,375.22
Cash and cash equivalents	9	13.37	* 16.94
Other Bank Balances	10	4.44	4.50
Loans	11	-	250.00
Others	12	(1.50)	16.00
Income tax assets (net)	13	20.67	16.83
Other current assets	14	1,438.99	1,053.73
Total current assets		<u>13,948.88</u>	<u>12,415.23</u>
Total assets		<u>21,903.26</u>	<u>19,694.34</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,218.08	1,218.08
Other equity	16	5,298.90	4,515.05
Total equity		<u>6,516.98</u>	<u>5,733.13</u>
Non current liabilities			
Financial liabilities			
Long term Borrowing	17A	1,431.25	2,272.33
Lease liabilities	3B	35.39	38.86
Other Non current financial liabilities		-	-
Provisions	3B	242.44	154.99
Deferred tax liabilities (net)	19	43.90	35.91
		<u>1,752.58</u>	<u>2,502.09</u>
Current liabilities			
Financial liabilities			
Borrowings	17B	9,616.77	6,553.18
Lease liabilities	3B	3.47	4.96
Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		506.53	63.92
Total outstanding dues of creditors other than micro and small enterprises		2,967.29	4,293.23
Other financial liabilities	21	278.64	347.43
Other current liabilities	22	173.91	126.28
Income Tax liabilities		-	-
Short term provisions	23	87.09	70.13
Total current liabilities		<u>13,633.69</u>	<u>11,459.13</u>
Total equity and liabilities		<u>21,903.26</u>	<u>19,694.34</u>

The accompanying notes form an integral part of these financial statements.
This is the Balance Sheet referred to in our report of even date.

For Rajeev Kumar & Co
Chartered Accountants
Firm's Registration No.: 000633C

Rajeev Kumar
Proprietor
Membership No.: 070103



Place: Aligarh
Date: 30/05/2024

For and on behalf of the Board of Directors of
Pavna Industries Limited

Asha Jain
Director
DIN: 00035024

Swarnil Jain
Director
DIN: 01542555

Palak Jain
Chief Financial officer
PAN : BDEPJ7242M

Charu Singh
Company Secretary
PAN : CVBPS6669B

Pavna Industries Limited
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in lac/₹, unless otherwise specified)

Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue:		
Revenue from operations	24 28,273.49	26,323.09
Other income	25 33.99	39.35
Total income	28,307.48	26,362.44
Expenses:		
Cost of materials consumed	26 18,939.45	18,638.89
Change in inventory of finished goods	27 (703.73)	(621.79)
Employee benefits expense	28 2,281.61	2,371.13
Finance costs	29 931.08	695.62
Depreciation and Amortisation Expenses	30 897.34	717.11
Other expenses	31 3,914.33	3,559.35
Total expenses	27,260.09	25,360.32
Profit/(Loss) before tax	1,047.38	1,002.12
Tax expense:		
Current tax	32 264.43	257.58
Deferred tax credit	5.46	16.00
Total tax expense	269.88	273.58
Profit/(Loss) for the year	777.50	728.53
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurements of the defined benefit plans	8.49	23.53
Income tax relating to above item	(2.14)	(5.92)
Other comprehensive income / (loss)	6.35	17.61
Total comprehensive Profit / (loss) for the year	783.85	746.14
Earnings per equity share (₹ 10 per share)		
Basic EPS on actual outstanding	33 6.38	5.98

The accompanying notes form an integral part of these financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

For Rajeev Kumar & Co
Chartered Accountants
Firm's Registration No.: 000633C

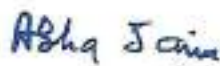


Rajeev Kumar
Proprietor
Membership No.: 070103

Place: Aligarh
Date: 30/05/2024



For and on behalf of the Board of Directors of
Pavna Industries Limited



Asha Jain
Director
DIN: 00035024


Palak Jain
Chief Financial officer
PAN : BDEPJ7242M



Swapnil Jain
Director
DIN: 01542555


Charu Singh
Company Secretary
PAN : CVBPS6669B

Pavna Industries Limited

Cash flow statement for the year ended 31 March 2024

(All amounts are in INR[₹], unless otherwise specified)

	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flow from operating activities		
Profit/(Loss) before tax	1,047.38	1,002.12
Adjustments for:		
Depreciation and amortisation expense	897.55	717.11
Interest income on bank deposits	(0.08)	(0.56)
Re-measurements of the defined benefit plans	8.49	23.53
Interest expense on lease liability	3.93	4.96
Loss/(Profit) on sale of PPE	(3.76)	(6.94)
Interest expense on borrowings	927.15	695.62
Operating profit before working capital changes	2,886.47	2,435.84
Movement in working capital		
Inventories	(400.85)	(356.60)
Trade Receivables	(914.84)	(295.61)
Other non current financial assets	(58.36)	(8.89)
Other current financial assets	17.56	13.48
Other current assets	(385.25)	(425.00)
Other Non current assets	(43.89)	9.77
Other current financial liabilities	(68.79)	94.87
Other current liabilities	47.62	56.71
Provision Short term	16.96	3.58
Provision Long term	87.45	21.14
Trade payables	(883.33)	703.74
Cash used in operating activities post working capital changes	294.76	1,655.80
Income tax paid (net)	(268.27)	(235.54)
Net cash used in operating activities (A)	26.49	1,419.46
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(1,888.62)	(1,884.97)
Sale of property, plant and equipment	66.65	35.16
Loans	250.00	(100.00)
Investment made in subsidiaries	255.00	-
Interest received	0.08	0.56
Net cash used in investing activities (B)	(1,316.89)	(1,949.25)
C. Cash flows from financing activities		
Proceeds from issue of share capital	-	-
Payment of Lease liability	(8.52)	(24.83)
Finance cost paid	(927.15)	(695.62)
Bonus / Dividend Paid	-	(124.81)
Proceeds from borrowings	2,227.50	1,373.83
Net cash flows from financing activities (C)	1,289.83	534.57
Net increase in cash and cash equivalents (A+B+C)	(3.58)	4.78
Cash and cash equivalents at the beginning of the year	16.94	12.16
Cash and cash equivalents at the end of the year	13.37	16.94

Note:

(i) The above cash flow statement has been prepared under the "Indirect method" as set out in the Indian Accounting Standard (Ind AS-7) statement of cash flow.

(ii) Reconciliation of liabilities arising from financing activities under Ind As 7

The accompanying notes form an integral part of these financial statements
This is statement of cash flows referred to in our report of even date

For Rajeev Kumar & Co
Chartered Accountants
Firm's Registration No.: 000633C

Rajeev Kumar
Proprietor
Membership No.: 070103

Place: Aligarh
Date: 30/05/2024



Asha Jain

Asha Jain
Director
DIN: 00035024

Palak Jain
Chief Financial officer
PAN : BDEPJ7242M

Swapnil Jain

Swapnil Jain
Director
DIN: 01542555

Chans Singh
Company Secretary
PAN : CVBPS6669B

Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2024

(All amounts are in Lacs/₹, unless otherwise specified)

Note 1: Corporate Information

Pavna Industries Limited ("PIL" or "the company") is a Public Limited Company incorporated in India on 19 April 1994 under the Provision of Companies Act 1956. The Company is engaged in business of manufacturing of Locks, Auto Locks and Auto Parts in India.

Note 2:

Basic of Preparation:

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 and relevant presentation requirements of the Companies Act 2013. The financial statements have been prepared in accordance with the historical cost convention except for certain financial instruments that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in ₹ and all values are rounded to the nearest Lacs upto two decimal places except otherwise stated.

Note 2.1: Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets:

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities:

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle: 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.

c) Property, Plant and Equipment

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income.

Depreciation: Depreciation is provided using the Straight Line Method as per useful life specified in schedule II to the Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of additions. On assets sold, discarded, etc. during the year, depreciation is provided up to the date of sale/discard. Further, the Schedule II to the Companies Act, 2013 requires that useful life and depreciation for significant components of an asset should be determined separately. The identification of significant components is matter of technical judgment and is decided on case to case basis, wherever applicable.

The company has used following rates to provide depreciation which coincides with the rates indicated with schedule II of the act on its property, plant and equipment:

Asset Category	Useful lives estimate by the management (Years)
Factory Buildings	30 Years
Plant and Machinery	8 Years
Computer	3 Years
Office Equipment	10 Years
Furniture and Fixtures	10 Years
Commercial Vehicles	8 Years

Subsequent costs: The cost of replacing a part of an item of property, plant and equipment is to be recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment to be recognised in statement of profit and loss as and when incurred.

Capital work in progress: Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

d) Intangible assets**Recognition and measurement**

Intangible assets that are acquired by the Company to be measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Software purchased by the Company are amortized on a straight line basis over 5 Years.

Amounts paid towards technical know-how fees for specifically identified projects/products being development expenditure incurred towards product design is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product, i.e. the estimated period of 60 to 72 months on straight line basis based on past trends, commencing from the month of commencement of commercial production.

e) Borrowing costs

Borrowing costs consists of interest and amortization of ancillary costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Foreign currencies**Functional and presentational currency**

The Company's financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in ₹ except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

g) Derivative (Forward contract)

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

h) Revenue Recognition

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

Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2024

Sale of goods

The Company recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer. Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned or deferred revenue is recognized when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

a) The Company's contracts with customers could include promises to transfer products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c) The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

d) The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Rendering of services

Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Job work and development charges are recognized upon full completion of the job work and development services and when all the significant risks and rewards of ownership of the goods have been passed to the buyer, on delivery of the goods and no significant uncertainty exists regarding the collection of the consideration.

Interest income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in the statement of profit and loss.

I) Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the first in, first out basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. 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. The Cost in case of Work-in-Progress and finished goods to be inclusive of allocable manufacturing overheads. The Provision for obsolescence to be made whenever necessary.

J) Leases

Finance lease

Leases of property, plant and equipment are classified as finance leases where the lessor has substantially transferred all the risks and rewards of ownership to the Company.

Operating lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Indian Accounting Standard (Ind AS) 116, Leases, was notified as part of the Companies (Indian Accounting Standards) (Amendment) Rules, 2019, issued by the Ministry of Corporate Affairs, Government of India, vide notification dated March 30, 2019.

K) Employee's Benefits

Short Term Employee Benefits: All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Company during an accounting period, the Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences, bonus and gratuity etc. are recognized in statement of profit and loss in the period in which the employee renders the related service.

A liability is recognized for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Company recognizes that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2024

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts.

Retirement benefits in the form of Provident Fund is a defined contribution scheme and contributions paid/payable towards Provident Fund and Employee state insurance scheme (ESI) are recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

The obligations are measured at the present value of the estimated future cash flows. The discount rate is generally based upon the market yields available on Government bonds at the reporting date with a term that matches that of the liabilities.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest and if applicable), is reflected immediately in Other Comprehensive Income in the statement of profit and loss. All other expenses related to defined benefit plans are recognised in statement of profit and loss as employee benefit expenses. Re-measurements recognised in Other Comprehensive Income will not be reclassified to statement of profit and loss hence it is treated as part of retained earnings in the statement of changes in equity. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Curtailment gains and losses are accounted for as past service costs.

l) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

m) Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, security deposits received etc.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2024

n) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, security deposits, loan to employees, etc.

The Company to be follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it to be recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance for reversal recognized during the period is recognized as income/ expense in the statement of profit and loss.

o) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognized in statement of profit and loss.

Impairment losses recognized in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (and/or listed) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2024

4) **Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

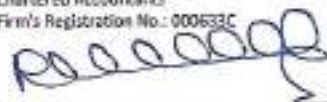
Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity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

We have also calculated EPS amount by dividing the profit for the year attributable to the shareholders of the Company by actual outstanding number of equity shares as at the end of reporting period.

5) **Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

For Rajeev Kumar & Co
Chartered Accountants
Firm's Registration No.: 000633C



Rajeev Kumar
Proprietor
Membership No.: 070103

Place: Aligarh
Date: 30/05/2024



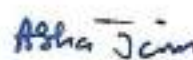
For and on behalf of the Board of Directors of
Pavna Industries Limited



Swapnil Jain
Director
DIN: 01542555



Charu Singh
Company Secretary
PAN : CVSPS6669B



Asha Jain
Director
DIN: 00035034



Pankaj Jain
Chief Financial officer
PAN : BDEP77242M

Pawa Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in HK\$ unless otherwise specified)

3A Property, plant and equipment

Particulars	Land	Building	Plant and Machinery	Office Equipment	Furniture and fixtures	Computer	Vehicle	Total	Intangible Work in Progress
Cost									
Balance as at 31 March 2022	296.50	1,117.75	6,918.00	95.88	131.11	176.32	277.54	8,003.00	-
Additions	-	47.55	1,403.06	20.12	24.33	34.64	-	1,532.67	81.40
Disposals	-	-	(24.12)	-	-	-	-	(24.12)	-
Capital work in Progress	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	296.50	1,165.28	7,697.00	115.99	155.44	210.96	277.54	8,503.12	81.40
Additions	-	13.55	1,701.34	5.62	8.44	111.05	8.81	1,925.73	-
Disposals	-	-	(15.45)	-	-	(8.42)	(5.82)	(30.69)	(12.88)
Balance as at 31 March 2024	296.50	1,178.83	8,412.79	121.61	163.88	312.18	281.54	11,716.01	-
Accumulated depreciation									
Balance as at 31 March 2022	-	281.45	2,697.50	26.94	51.62	126.74	130.71	3,205.16	-
Charge for the year	-	30.62	602.20	4.28	5.20	23.49	25.64	691.43	-
Disposals	-	-	(2.72)	-	-	-	-	(2.72)	-
Balance as at 31 March 2023	-	312.07	3,296.98	31.22	56.82	150.23	156.35	4,296.67	-
Charge for the year	-	31.50	796.57	5.09	8.96	45.74	25.78	911.51	-
Disposals	-	-	(15.71)	-	-	(20.81)	(2.64)	(39.16)	-
Balance as at 31 March 2024	-	343.57	4,242.42	36.31	65.78	195.47	179.43	5,077.48	-
Net book as at 31 March 2022	296.50	836.30	4,219.50	68.94	79.49	49.58	146.83	4,797.84	81.40
Net book as at 31 March 2024	296.50	835.26	4,170.37	85.30	98.10	116.71	102.11	6,644.54	-

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts are in Lacs/₹), unless otherwise specified)

38 Leases

(i) Right of Use Assets

Particulars	Buildings	Total
As at 1 April 2021	81.88	81.88
Additions	-	-
Deletions	-	-
As at 31 March 2022	81.88	81.88
Additions		
Deletions		
As at 31 March 2023	81.88	81.88
Additions		
Deletions		
As at 31 March 2024	81.88	81.88
	*	
Accumulated Depreciation		
As at 1 April 2021	6.64	6.64
Charges during the year	18.62	18.62
Deletions	-	-
As at 31 March 2022	25.45	25.45
Charges during the year	17.71	17.71
Deletions		
As at 31 March 2023	43.16	43.16
Charges during the year	5.53	5.53
Deletions		
As at 31 March 2024	48.69	48.69
Net Carrying Value		
As at 1 April 2021	75.24	75.24
As at 31 March 2022	56.42	56.42
As at 31 March 2023	38.71	38.71
As at 31 March 2024	33.18	33.18

(ii) Lease Liabilities

Particulars	Current	Non Current	Total
As at 1 April 2021	15.44	61.33	76.78
Additions	-	-	-
Accretions of interest	-	6.59	6.59
Payments of lease liabilities	(15.44)	(7.60)	(23.04)
Deletions	-	-	-
Re-classification from non current to current	16.87	(16.87)	-
As at 31 March 2022	16.87	43.45	60.33
Additions			
Accretions of interest		4.96	4.96
Payments of lease liabilities	(16.87)	(4.96)	(21.83)
Deletions			
Re-classification from non current to current	4.96	(4.96)	0.37
As at 31 March 2023	4.96	38.86	43.82
Additions			
Accretions of interest		3.93	3.93
Payments of lease liabilities	(4.59)	(3.93)	(8.52)
Deletions			
Re-classification from non current to current	3.10	(3.47)	(0.37)
As at 31 March 2024	3.47	35.39	38.86

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts are in INR Lakhs, unless otherwise specified)

4 Non Current Investments

Investment at cost in subsidiaries

	As at 31 March 2024	As at 31 March 2023
Equity shares of Rs. 10/- each fully paid up in Swapnil Switches Private Limited	197.76	197.76
Equity shares of Rs. 10/- each fully paid up in Pavna Marketing Private Limited	10.00	10.00
Equity shares of Rs. 10/- each fully paid up in Pavna Sunworld Autotech Private Limited	71.50	71.50
Equity shares of Rs. 100/- each fully paid up in Pavna auto Engineering Private Limited	684.77	684.77
Equity shares of Rs. 10/- each fully paid up in Pavna Goyam Auto Private Limited	-	255.00
	<u>964.03</u>	<u>1,219.03</u>

Details of number of shares held in Equity Investments in subsidiaries

	As at 31 March 2024	As at 31 March 2023
Swapnil Switches Private Limited	3,09	3,09
Pavna Marketing Private Limited	1,00	1,00
Pavna Sunworld Autotech Private Limited	7,15	7,15
Pavna Auto Engineering Private Limited	0,31	0,31
Pavna Goyam Auto Private Limited	-	25,50

5 Other non current financial assets

	As at 31 March 2024	As at 31 March 2023
Security deposits	-	-
Advance to Suppliers	-	-
Interest accrued on fixed deposits - held as margin money	-	-
- Unsecured considered good	283.83	254.81
Trade Receivable considered	29.34	-
	<u>313.17</u>	<u>254.81</u>

6 Other non current assets

	As at 31 March 2024	As at 31 March 2023
Prepaid expense	58.76	58.76
Capital advances-Unsecured, considered good	43.90	-
	<u>102.66</u>	<u>58.76</u>

7 Inventories

(Valued at lower of cost or net realisable value, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
Raw Materials	1,791.68	1,937.78
Work in Progress	5,047.03	4,343.30
Store and Spares	218.41	400.92
Stock-in Transit	25.74	-
	<u>7,082.85</u>	<u>6,682.00</u>
	<u>7,082.85</u>	<u>6,682.00</u>

8 Trade Receivable

	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good	5,290.06	4,375.22
Unsecured, considered doubtful	-	-
	<u>5,290.06</u>	<u>4,375.22</u>

Trade receivable aging schedule as at 31st March 2024

Outstanding for following periods from due date of payment	Undisputed Trade Receivables- considered good	Undisputed Trade Receivables- considered doubtful
Not due		
0-6 Months	4,705.17	-
6-12 Months	394.78	-
1-2 Years	143.91	-
2-3 Years	20.29	-
above 3 years	25.90	-
Total	<u>5,290.06</u>	<u>-</u>

Trade receivable aging schedule as at 31 March 2023

Outstanding for following periods from due date of payment	Undisputed Trade Receivables- considered good	Undisputed Trade Receivables- considered doubtful
Not due		
0-6 Months	4,252.93	-
6-12 Months	109.76	-
1-2 Years	12.41	-
2-3 Years		-
above 3 years	0.12	-
Total	4,375.22	-

9 Cash and cash equivalents	As at 31 March 2024	As at 31 March 2023
Cash on hand	6.07	8.95
Balances with banks	6.40	8.00
	12.47	16.94

10 Other Bank Balances	As at 31 March 2024	As at 31 March 2023
Balance with bank in deposit account having maturity of more than three months but are due for maturity within twelve months from balance sheet date (a)	4.44	4.50
	4.44	4.50

(a) includes Margin Deposit with Government authorities

11 Loans	As at 31 March 2024	As at 31 March 2023
(Unsecured, considered good)		
Loans to related parties	-	250.00
	-	250.00

12 Other Current assets	As at 31 March 2024	As at 31 March 2023
Security deposit to others	(1.50)	16.00
	(1.50)	16.00

13 Current tax assets	As at 31 March 2024	As at 31 March 2023
Income Tax paid (net of provision for taxation)	20.67	16.83
	20.67	16.83

14 Other current assets	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	128.34	31.75
Advances to contractors and material suppliers	-	-
Unsecured, Consider Good	932.76	825.70
Unsecured, Considered Doubtful	-	-
Balances with government authorities	352.28	130.26
	1,413.37	987.71
Amount recoverable - Other	25.61	66.02
Less : Allowance for Impairment (net)	-	-
	1,438.99	1,053.73

15 Equity Share capital	As at 31 March 2024		As at 31 March 2023	
	Number*	Amount	Number*	Amount
Authorized shares				
Equity shares of ₹ 10 each with voting rights	1,80,00,000	1,800.00	61,00,000	610.00
	1,80,00,000	1,800.00	61,00,000	610.00
Issued, subscribed and				
Equity share capital of face value of ₹ 10 each	1,21,80,800	1,218.08	1,21,80,800	1,218.08
	1,21,80,800	1,218.08	1,21,80,800	1,218.08

a. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the period	1,21,80,800	1,218.08	60,90,400	609.04
Shares issued during the period	-	-	-	-
Bonus issued during the period	-	-	60,90,400	609.04
Balance at the end of the	1,21,80,800	1,218.08	1,21,80,800	1,218.08

b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors in any financial year is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shares shall be transferable subject to the provisions contained in the Articles of Association and in the

c. Details of shares held by Holding Company and shareholders holding more than 5% shares in the Company

Name of the equity shareh	As at 31 March 2024		As at 31 March 2023	
	Number	%	Number	%
Smt. Asha Jain	58,21,960	47.80%	29,10,980	47.80%
Smt. Swapnil Jain	13,56,160	11.13%	6,78,080	11.13%
P.J. Wealth Management and Consultant Private Limited	9,97,040	8.19%	4,98,520	8.19%
Smt. Palak Jain	5,78,200	4.75%	4,40,600	7.36%
Smt. Sathna Jain	3,58,579	2.94%	3,35,200	5.50%
	98,11,889	74.81%	48,70,780	79.97%

d. Aggregate number of bonus shares issued for a consideration other than cash

Pursuant to the approval of shareholders granted in the extra-ordinary general meeting held on 26.08.2022, the Company issued and allotted fully paid-up "bonus shares" at par in proportion of one new equity shares of Rs. 10 each for every one existing fully paid up equity share of Rs. 10 each held as on the record date of 05.09.2022.

e. Shareholding of Promoters

As at 31st March 2024

Shares held by Promoters and Promoter Group at end of the year			
S.n		No. of shares	% of total shares
1	Asha Jain	58,21,960	47.80%
2	Swapnil Jain	13,56,160	11.14%
3	Pj Wealth Management And Consultant Pvt Ltd	9,97,040	8.19%
4	Priya Jain	4,04,000	3.32%
5	Pawan Jain Huf	840	0.01%

As at 31st March 2023

Shares held by Promoters and Promoter Group at end of the year			
S.n		No. of shares	% of total shares
1	Asha Jain	58,21,960	47.80%
2	Swapnil Jain	13,56,160	11.14%
3	Pj Wealth Management And Consultant Pvt Ltd	9,97,040	8.19%
4	Priya Jain	4,04,000	3.32%
5	Pawan Jain Huf	840	0.01%

16 Other Equity

	As at 31 March 2024	As at 31 March 2023
General Reserve		
Opening balance	1.12	1.12
Closing balance (A)	1.12	1.12
Securities premium		
Opening balance	1,398.72	1,398.72
Add: Addition during the year	-	-
Closing balance (B)	1,398.72	1,398.72

Profit/ (Deficit) in the statement of profit and loss

Opening balance	3,115.21	3,099.91
Less: Issue of Bonus Shares	-	(609.04)
Less : Dividend	-	(121.81)
Add: Profit / (Loss) for the year	777.50	728.53
Add: Other comprehensive income for the year (net of tax impact)	6.35	17.61
Closing balance (A)	<u>3,899.06</u>	<u>3,115.21</u>
Total (A)	3,899.06	3,115.21

Total (A)**Nature and purpose of other reserves****Securities premium**

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act 2013.

17A Long term borrowing**Secured**

	As at 31 March 2024	As at 31 March 2023
Indian rupee term loan from bank	1,431.03	1,112.92
Indian rupee term loan from financial institutions	-	-
Indian rupee vehicle loan from Bank	0.28	5.41
Unsecured	-	-
Indian rupee loan from related parties	-	-
From Directors & KMPs	-	364.00
From Corporate entities	-	790.00
	<u>1,431.25</u>	<u>2,272.33</u>

17B Short term Borrowings

	As at 31 March 2024	As at 31 March 2023
Cash credit facilities from bank / financial institutions - Secured	7,003.19	3,979.06
Cash credit facilities from financial institutions - Unsecured	2,000.00	2,000.00
Current maturities of long term borrowings - Secured	613.59	574.11
	<u>9,616.77</u>	<u>6,553.18</u>
Total	11,048.02	8,825.51

18 Provisions**Provision for employee benefits (a)**

	As at 31 March 2024	As at 31 March 2023
Gratuity	184.63	154.99
Compensated absences	-	-
Trade payable Long outstanding	57.82	-
	<u>242.46</u>	<u>154.99</u>

19 Deferred tax liabilities (net)**Deferred tax:**

	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	118.59	94.65
Unused business losses	-	-
Origination and reversal of temporary difference	(72.60)	(56.66)
Others	(2.48)	(2.08)
	<u>43.50</u>	<u>35.91</u>

(i) Movement in deferred tax liabilities (net)

Particulars	31 March 2023	Recognised/ reversed through profit and loss	Recognised in other comprehensive income	31 March 2024
Assets/ (Liabilities)				
Property, plant and equipment	94.65	23.94	-	118.59
Unused business losses	-	-	-	-
Origination and reversal of temporary difference	(56.66)	(18.08)	2.14	(72.60)
Effect of adoption of Ind AS 115	(2.08)	2.08	-	-
Others	-	(2.48)	-	(2.48)
Total	35.91	5.46	2.14	43.50

Particulars	31 March 2022	Recognised/ reversed through profit and loss	Recognised in other comprehensive income	31 March 2023
Assets/ (Liabilities)				
Property, plant and equipment	65.54	29.11	-	94.65
Unused business losses	-	-	-	-
Origination and reversal of temporary difference	(49.93)	(12.65)	5.92	(56.66)
Effect of adoption of Ind AS 115	(1.62)	(0.47)	-	(2.09)
Others	-	-	-	-
Total	13.99	16.00	5.92	35.91

	As at 31 March 2024	As at 31 March 2023
20 Trade payables #		
Due to micro and small enterprises	506.53	63.92
Due to others (a)	2,967.29	4,293.23
	3,473.81	4,357.15

Trade payable aging schedule as at 31st March 2024

Outstanding for following periods from due date of payment	Micro and Small Enterprises ("MSME") *	Others
Not due		
Unbilled dues		
Less than 1 year	506.53	2,743.59
1-2 Years		178.55
2-3 Years		19.28
above 3 years		38.86
Total	506.53	2,967.29

Trade payable aging schedule as at 31st March 2023

Outstanding for following periods from due date of payment	Micro and Small Enterprises ("MSME")	Others
Not due		
Unbilled dues		
Less than 1 year	63.92	3,909.42
1-2 Years		360.81
2-3 Years		1.98
above 3 years		21.06
Total	63.92	4,293.23

	As at 31 March 2024	As at 31 March 2023
21 Other financial liabilities		
Interest accrued but not due on borrowings	-	73.82
Payable to employees	278.64	273.61
	278.64	347.43

	As at 31 March 2024	As at 31 March 2023
22 Other current liabilities		
Advance received from customers	21.16	68.05
Statutory dues payable	152.75	57.34
	173.91	125.28

	As at 31 March 2024	As at 31 March 2023
23 Short term provisions		
Provision for employee benefits		
Gratuity	87.09	70.13
Compensated absences	-	-
	87.09	70.13

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Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts are in INR ₹, unless otherwise specified)

	For the year ended 31 March 2024	For the year ended 31 March 2023
24 Revenue from operations		
Sale of products	28,273.49	26,271.51
Other operating revenue	-	51.58
	<u>28,273.49</u>	<u>26,323.09</u>

	For the year ended 31 March 2024	For the year ended 31 March 2023
25 Other income		
Interest income on:		
Bank deposits	0.08	0.56
Security deposits measured at amortised cost	10.58	8.89
Income tax refunds	-	4.30
Profit on sale of Property, Plant and Equipment	3.76	6.94
Income from export incentive	23.17	9.39
Rent received	0.60	0.60
Foreign Exchange fluctuation gain (Net)	(4.21)	8.66
	<u>33.99</u>	<u>39.35</u>

	For the year ended 31 March 2024	For the year ended 31 March 2023
26 Cost of raw material & components consumed		
Inventory at the beginning of the year	1,937.78	1,660.37
Add: Purchase during the year	19,793.34	18,916.31
	<u>21,731.12</u>	<u>20,576.67</u>
Less: Inventory at the end of the year	1,791.68	1,937.78
	<u>19,939.45</u>	<u>18,638.89</u>

	For the year ended 31 March 2024	For the year ended 31 March 2023
27 Changes in inventories of finished goods and work-in-progress		
Closing inventories:		
Finished goods	-	-
Work in Progress	5,047.03	4,343.30
Opening inventories:		
Finished goods	-	-
Work in Progress	4,343.30	3,721.51
	<u>(703.73)</u>	<u>(621.79)</u>

	For the year ended 31 March 2024	For the year ended 31 March 2023
28 Employee benefits expense		
Salaries, wages and bonus	1,014.14	1,905.10
Contribution to provident and other funds	158.36	139.98
Gratuity expense	55.64	50.25
Staff welfare expenses	392.98	275.80
	<u>2,621.12</u>	<u>2,371.13</u>
Less: Personnel Cost capitalized during the year #	(339.51)	-
Net Employee benefits expense	<u>2,281.61</u>	<u>2,371.13</u>

Being portion of Employee Cost of Research & Development division engaged in dies and tools development.

	For the year ended 31 March 2024	For the year ended 31 March 2023
29 Finance costs		
Interest expense	901.70	878.36
Other borrowing costs	23.46	12.30
Interest on lease obligation	3.93	4.96
	<u>931.08</u>	<u>895.62</u>

	For the year ended 31 March 2024	For the year ended 31 March 2023
30 Depreciation and Amortisation		
Depreciation and amortization expense	891.81	699.40
Depreciation on right of use assets	5.53	17.71
	<u>897.34</u>	<u>717.11</u>

	For the year ended 31 March 2024	For the year ended 31 March 2023
31 Other expenses		
Consumption of stores and spares#	440.05	561.64
Diecasting/ Job work charges	1,377.20	1,037.32
Power & Fuel	729.54	760.16
Advertisement and publicity	11.72	22.75
Bank charges	22.34	28.87
Communication & Postage Expense	21.94	19.39
Donation	16.62	29.35
Electricity expenses	0.21	18.27
House keeping expenses	34.35	38.40
Insurance Expenses	24.03	19.61
Legal and professional fees	125.78	63.69
Payments to auditors##	2.00	1.00
Printing and stationery	7.71	16.00
Rates and taxes	38.79	16.89
Rent	69.16	55.40
Repair and maintenance - Machinery	14.94	100.46
Repair and maintenance - office	36.81	108.02
Vehicle running and maintenance expense	109.64	116.33
Research and development expenses###	0.92	5.63
Sales promotion expenses	71.96	20.09
Security charges	-	101.81
Software expenses	9.23	3.65
Trade mark royalty	70.77	65.68
Traveling and conveyance-Local	65.95	62.98
Bad debts	70.69	-
ISO TS certification expense	5.00	2.24
Warranty claim/ Line rejection expense	129.66	14.02
Office expense	17.17	17.36
Prior Period expense	3.45	-
Freight & forwarding expense	375.06	252.72
Miscellaneous expenses	0.56	(0.32)
	<u>3,914.39</u>	<u>3,559.35</u>

	For the year ended 31 March 2024	For the year ended 31 March 2023
# Consumption of Stores, spares, packing and tools		
Opening stock	400.92	343.52
Add:		
Consumption of stores, tools and spares parts	99.06	364.06
Consumption of Packing materials	198.49	179.36
Consumption of polishing and plating material	-	75.62
Less: Closing stock	118.41	400.92
Net Consumption of stores ,spares, Packing & tools	<u>440.05</u>	<u>561.64</u>

	For the year ended 31 March 2024	For the year ended 31 March 2023
## Payment to auditors		
As auditors		
-Audit fees	2.00	1.00
	<u>2.00</u>	<u>1.00</u>

	For the year ended 31 March 2024	For the year ended 31 March 2023
32 Income tax		
Tax expense comprises of:		
Current tax	264.43	257.58
Deferred tax credit	5.46	16.00
Income tax expense reported in the statement of profit and loss	<u>269.89</u>	<u>273.58</u>
Deferred tax credit	(2.14)	(5.92)
Income tax expense reported in the statement of Other comprehensive income	<u>(2.14)</u>	<u>(5.92)</u>

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company and the reported tax

Effective Income Tax Rate	25.168%	25.168%
Accounting profit before income tax	1,047.38	1,002.12
At India's statutory income tax rate	263.61	252.21
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Items on which deferred tax has not been created	0.82	7.32
Impact of change in tax rate	-	-
Others	-	14.05
Income tax expense	264.43	273.58

33 Earnings per share

	For the year ended 31 March 2024	For the year ended 31 March 2023
Net Profit/(loss) attributable to equity shareholders	777.50	728.53
Nominal value of equity share in ₹	10.00	10.00
Total number of equity shares outstanding at the beginning of the year*	1,21,80,800	60,90,400
Total number of equity shares outstanding at the end of the year*	1,21,80,800	1,21,80,800
Weighted average number of equity shares*	1,21,80,800	
Basic Earning per Share on actual outstanding at year end	6.38	5.98
Diluted Earnings per Share	6.38	7.49

* These are in absolute numbers.

Pavna Industries Limited
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts are in lacs('), unless otherwise specified)

A. Equity share capital*

Particulars	Opening balance as at 31 March 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
Equity share capital	609.04	609.04	1,218.08

Particulars	Opening balance as at 31 March 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
Equity share capital	1,218.08	-	1,218.08

B. Other equity**

Particulars	Reserves and Surplus			OCI	Total
	Security Premium	Retained Earnings	General Reserve	Remeasurement of defined benefit plans	
Balance as at 31 March 2022	1,398.72	3,085.01	1.12	14.90	4,499.75
Profit/ (Loss) for the year	-	728.53	-	-	728.53
Issue of Bonus Shares	-	(609.04)	-	-	(609.04)
Dividend	-	(121.81)	-	-	(121.81)
Other comprehensive income for the year (net of tax impact)	-	-	-	17.61	17.61
Balance as at 31 March 2023	1,398.72	3,082.70	1.12	32.51	4,515.05
Profit/ (Loss) for the period	-	777.50	-	-	777.50
Other comprehensive income for the year (net of tax impact)	-	-	-	6.35	6.35
Balance as at 31 December 2024	1,398.72	3,860.20	1.12	38.86	5,298.90

*Refer note 15 for details

The accompanying notes form an integral part of these financial statements.
 This is statement of changes in equity referred to in our report of even date

For Rajeev Kumar & Co
 Chartered Accountants
 Firm's Registration No.: 000633C

Rajeev Kumar
 Proprietor
 Membership No.: 070103

Place: Aligarh
 Date: 30/05/2024



For and on behalf of the Board of Directors of
 Pavna Industries Limited

Swapnil Jain
 Director
 DIN: 01542555

Palak Jain
 Chief Financial officer
 PAN : BDEPJ7242M

Asha Jain
 Director
 DIN: 00035024

Charu Singh
 Company Secretary
 PAN : CVBPS6669B

Pavna Industries Limited

Notes to the financial statements for the year ended 31 March 2023

(All amounts are in INR lakhs, unless otherwise specified)

34 Financial Instruments

i) Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	As at 31 March 2024			As at 31 March 2023		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial assets*						
Investments	964.01	-	-	1,219.03	-	-
Trade Receivables	5,290.06	-	-	4,375.22	-	-
Loans	-	-	-	250.00	-	-
Cash and cash equivalents	13.37	-	-	16.94	-	-
Other Bank Balances	4.44	-	-	4.50	-	-
Other financial assets	311.67	-	-	270.81	-	-
Total financial assets	6,583.57	-	-	6,136.51	-	-
Financial liabilities*						
Borrowings	11,048.02	-	-	8,825.51	-	-
Lease liabilities	38.86	-	-	43.82	-	-
Trade payables	3,473.81	-	-	4,357.15	-	-
Other financial liabilities	278.64	-	-	347.43	-	-
Total financial liabilities	14,839.33	-	-	13,573.90	-	-

Fair Value Hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

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

Level 3: Inputs which are not based on observable market data (unobservable inputs). The input factors considered are Estimated cash flows and other assumptions.

Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost, for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying value	Fair value*	Carrying value	Fair value*
Financial assets				
Investments	964.03	964.03	1,219.03	1,219.03
Trade Receivables	5,290.06	5,290.06	4,375.22	4,375.22
Loans	-	-	250.00	250.00
Cash and cash equivalents	13.37	13.37	16.94	16.94
Other Bank Balances	4.44	4.44	4.50	4.50
Other financial assets	311.67	311.67	270.81	270.81
Total financial assets	6,583.57	6,583.57	6,136.51	6,136.51
Financial liabilities				
Borrowings	11,048.02	11,048.02	8,825.51	8,825.51
Lease liabilities	38.86	38.86	43.82	43.82
Trade payables	3,473.81	3,473.81	4,357.15	4,357.15
Other financial liabilities	278.64	278.64	347.43	347.43
Total financial liabilities	14,839.33	14,839.33	13,573.90	13,573.90

Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk Management Framework

The Company's activities make it susceptible to various risks. The company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of those risks on the Company's financial performance. The Company's senior management oversee the management of these risks and advises on financial risks and the appropriate financial risk

governance framework for the Company. The board provides assurance to the shareholders that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and company's activities. The Company's audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, loans and other financial assets measured at amortised cost	Ageing analysis	Diversification of bank deposits and regular monitoring
Liquidity risk	Borrowings, lease liabilities and other financial liabilities	Cash flow forecasts	Availability of funds and credit facilities.
Market risk - interest	Variable rates borrowings	Sensitivity analysis	Negotiation of terms that reflect the market factors

A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial asset fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each financial asset. The carrying amounts of financial assets represent the maximum credit risk exposure. The Company monitors its exposure to credit risk on an ongoing basis.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors

A: Low credit risk

B: Moderate credit risk

C: High credit risk

There are certain charges open at MCA portal. These charges are created against the loan availed and which has been fully repaid. We have got no dues certificate from respective institution and charge satisfaction form filing with MCA is under process.

The Company provides for expected credit loss based on the following:

Asset groups	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, loans, and other financial assets	12 months expected credit loss

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation dedded against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in

Credit rating	Particulars	As at 31 March 2024	As at 31 March 2023
Low credit risk	Cash and cash equivalents, loans and other financial assets	5,619.54	4,917.48

Cash and cash equivalents and other bank balances

Credit risk from balances with banks and financial institutions is managed by the Corporate finance department in accordance with the Company's policy. Investments of surplus funds are made only in schemes of alternate investment fund/or other appropriate avenues including term and recurring deposits with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company places its cash and cash equivalents and term deposits with banks with high investment grade ratings, limits the amount of credit exposure with any one bank and conducts ongoing evaluation of the credit worthiness of the banks with which it does business. Given the high credit ratings of these banks,

Trade Receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a company of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Credit risk exposure

i) Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets:

As at 31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash	13.37	-	13.37
Other bank balances	4.44	-	4.44
Trade receivables	5,299.06	-	5,299.06
Loans	-	-	-
Other financial assets	311.67	-	311.67

As at 31 March 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash	16.94	-	16.94
Other bank balances	4.50	-	4.50
Trade receivables	4,375.22	-	4,375.22
Loans	250.00	-	250.00
Other financial assets	270.81	-	270.81

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

As at 31 March 2024	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Non-derivatives					
Borrowings	9,305.16	1,066.92	851.16	24.78	11,048.02
Trade payable	2,967.29	-	-	-	2,967.29
Lease liabilities	3.47	8.52	8.52	15.53	36.04
Other financial liabilities	278.64	-	-	-	278.64
Total	12,354.56	1,075.44	859.68	40.31	14,330

As at 31 March 2023	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Non-derivatives					
Borrowings	5,979.07	574.11	373.72	1,898.61	8,825.51
Trade payable	4,293.23	-	-	-	4,293.23
Lease liabilities	4.96	8.52	8.52	34.08	56.08
Other financial liabilities	347.43	-	-	-	347.43
Total	10,624.68	582.63	382.24	1,932.69	13,522

C) Market risk

Interest rate risk

i) Liabilities

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company manages its interest rates by selection appropriate type of borrowings and by negotiation with the bankers.

Interest rate risk exposure

Particulars	As at	As at
	31 March 2024	31 March 2023
Secured Variable rate borrowings	9,048.02	5,671.51
UnSecured Variable rate borrowings	2,000.00	2,000.00
Total borrowings	11,048.02	7,671.51

*The above amount doesnot include borrowings from related party

Sensitivity

Profit or loss and equity is not sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates on year to year basis

Particulars	As at	As at
	31 March 2024	31 March 2023
Increase in borrowing rate by 1%	110.48	76.72
Decrease in borrowing rate by 1%	(110.48)	(76.72)

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Currency Risk

The Company has International transactions and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency.

Earnings in Foreign currency

Description of Transactions	As at	As at
	31 March 2024	31 March 2023
Export of Material and services	789.03	581.69

Expenditure in Foreign currency

Description of Transactions	As at	As at
	31 March 2024	31 March 2023
Import of Material and services	34.64	14.88

Foreign Currency risk Exposures

Financial Assets	As at 31 March 2024		As at 31 March 2023	
	USD \$	EUR	USD \$	EUR
Trade Receivable in Foreign currency	12,700	2,28,178.63		1,61,714.28
Trade Receivable in INR	30,57,005	2,05,46,197.31		1,38,43,444.00

Sensitivity Analysis of 5% change in exchange rate at the end of reporting period

Financial Assets	As at 31 March 2024		As at 31 March 2023	
	USD \$	EUR	USD \$	EUR
1% Depreciation in INR Impact on Profit and Loss Account - Income/ (Expense)		(2,05,462)	-	(1,38,434)
1% Appreciation in INR Impact on Profit and Loss Account - Income/ (Expense)		(2,05,462)	-	(1,38,434)

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts are in lacs/₹, unless otherwise specified)

35 Related party transactions

A. Name of the Related Parties and description of relationship is as follows:

a) Subsidiary Company	Swapnil Switches Pvt. Ltd. Pavna Auto Engineering Pvt. Ltd. Pavna Sun World Autotech Pvt Ltd Pavna Marketing Pvt Ltd Pavna Goyam Auto Pvt Ltd
b) Entity having substantial interest in the Company	PJ Wealth Management & Consultants P. Ltd.
c) Key Managerial Personnel (KMP)	
Managing Director	Shri Swapnil Jain
Director	Smt. Asha Jain
Director	Smt. Priya Jain
Director	Shri Sanjay Kumar Jain
CEO	Shri. Ravindra J Pise
CFO	Shri Makarand Haribhau Mahajan
CFO	Shri. Ravindra Madan Mohan Agrawal
CFO	Ms. Palak Jain
CS	Ms. Charu Singh
CS	Ms. Kanchan Gupta
KMP	Mr. Vijay Sharma
KMP	Mr. Ram Karan Malik
KMP	Mr. Anur Khanna
KMP	Mr. Pankaj Aggarwal
KMP	Mr. Ajai Sharma
KMP	Mr. Ilachakonda Murthy
Independent Director	Shri Naozer Firoze Albari
Independent Director	Shri Dhruv Jain
Independent Director	Shri Achyutanand Ramchandra Mishra

d) Relatives of Key Managerial Personnel (KMP)

Where transactions have taken place during the year or previous year or balances are outstanding - NIL

e) Enterprise over which KMP exercise control or significant influence

Pavna Sports Venture Private Limited
PJ Wealth Management & Consultants P. Ltd.
Aorus Cricket Private Limited
Pavna Electric Systems Private Limited
Pavna International Schools Private Limited

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts are in INR `), unless otherwise specified)

Note No.- Related Party Disclosure - Contd..

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Noture of Transactions	Name of Related Party	Relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
Loan taken	Loan taken during the year			
Loan taken	Smt. Asha Jain	Director	-	95.00
Loan taken	Smt. Priya Jain	Director	-	180.00
Loan taken	Shri Swapnil Jain	Managing Director	-	859.00
Loan taken	PI Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	414.50	150.00
Repayment of Loan taken	Loan Repaid during the year			
Repayment of Loan taken	Smt. Asha Jain	Director	95.00	100.00
Repayment of Loan taken	Smt. Priya Jain	Director	-	180.00
Repayment of Loan taken	Shri Swapnil Jain	Managing Director	269.00	590.00
Repayment of Loan taken	PI Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	1,204.50	325.00
Interest(Net)	Interest on Loans (Net of TDS)			
Interest(Net)	Smt. Asha Jain	Director	0.70	9.70
Interest(Net)	Shri Swapnil Jain	Managing Director	1.99	9.26
Interest(Net)	Smt. Priya Jain	Director	-	0.83
Interest(Net)	PI Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	54.10	76.85
Remuneration	Remuneration, Salary & Other Expense			
Remuneration	Shri Swapnil Jain	Managing Director	216.00	216.00
Remuneration	Shri. Ravindra J Pise	CEO	28.00	-
Remuneration	Shri. Makarand Mahajan	CFO	5.00	15.00
Remuneration	Shri. Ravindra Madan Mohan Agrawal	CFO	10.61	-
Remuneration	Ms. Palak Jain	CFO	3.24	-
Remuneration	Ms. Charu Singh	CS	7.90	7.12
Remuneration	Kanchan Gupta	CS	6.23	-
Remuneration	Vijay Sharma	KMP	24.00	24.00
Remuneration	Ram Karan Malik	KMP	26.28	26.28
Remuneration	Arun Khanna	KMP	25.44	23.44
Remuneration	Pankaj Agarwal	KMP	25.16	22.16
Remuneration	Alok Sharma	KMP	18.60	15.58
Remuneration	Rachakonda Murthy	KMP	7.29	-
Building Rent	Smt. Asha Jain	Director	8.52	8.52
Lease Rent	Smt. Asha Jain	Director	0.10	0.10
Trade Mark Royalty	Smt. Asha Jain	Director	70.77	65.68
Purchase	Sales & Purchase			
Purchase - Fixed Assets	Swapnil Switches Pvt. Ltd.	Subsidiary Company	159.31	242.69
Purchase	Swapnil Switches Pvt. Ltd.	Subsidiary Company	-	44.26
Purchase	Pavna Auto Engineering Pvt. Ltd.	Subsidiary Company	66.27	230.19
Sale	Swapnil Switches Pvt. Ltd.	Subsidiary Company	317.68	368.59
Sale	Pavna Auto Engineering Pvt. Ltd.	Subsidiary Company	2,040.06	2,295.54
Sale	Pavna Sun World Autotech Pvt Ltd	Subsidiary Company	5.43	11.46
Purchase	Pavna Sun World Autotech Pvt Ltd	Subsidiary Company	0.10	0.58
Sale	Pavna Marketing Pvt Ltd	Subsidiary Company	3,044.69	2,695.60
Purchase	Pavna Marketing Pvt Ltd	Subsidiary Company	303.64	100.81
Purchase	Pavna Goyam Auto Pvt Ltd	Subsidiary Company	-	967.81
Sale	Pavna Goyam Auto Pvt Ltd	Subsidiary Company	-	238.71
DG SET RENT	Pavna Goyam Auto Pvt Ltd	Subsidiary Company	-	0.80
Building Rent	Pavna Goyam Auto Pvt Ltd	Subsidiary Company	-	13.78
Advances	Investment of Shares- Sales/ Purchase			
Advances	Pavna Goyam Auto Pvt. Ltd.	Subsidiary Company	250.00	-
Security Deposit	Security Deposits			
Security Deposit	Pavna Goyam Auto Pvt Ltd	Subsidiary Company	-	100.00

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts are in INR/₹, unless otherwise specified)

Note No.- Related Party Disclosure - Contd.

C. Details of related party balances as at year end:

Nature of Transactions	Name of Related Party	Relationship	As at 31 March 2024	As at 31 March 2023
Loan Taken	Smt. Asha Jain	Whole time director	-	95.00
Loan Taken	Shri Swapnil Jain	KMP	-	269.00
Loan Taken	PJ Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	-	790.00
Trade Receivables	Swapnil Switches Pvt. Ltd.	Subsidiary company	114.40	231.76
Trade Receivables	Pavna Marketing Pvt Ltd	Subsidiary company	755.91	216.05
Trade Receivables	Pavna Sun World Autotech Pvt Ltd	Subsidiary company	107.95	64.34
Trade Receivables	Pavna Auto Engineering Pvt. Ltd.	Subsidiary company	255.26	199.16
Trade Payables	Pavna Auto Engineering Pvt. Ltd.	Subsidiary company	-	-
Trade Payables	Smt. Asha Jain	Whole time director	-	2.80
Investments	Swapnil Switches Pvt. Ltd.	Subsidiary company	197.76	197.76
Investments	Pavna Marketing Pvt Ltd	Subsidiary company	10.00	10.00
Investments	Pavna Sun World Autotech Pvt Ltd	Subsidiary company	71.50	71.50
Investments	Pavna Auto Engineering Pvt. Ltd.	Subsidiary company	684.77	684.77
Investments	Pavna Goyam Auto Pvt. Ltd.	Subsidiary company	-	255.00
Security Deposit given*	Smt. Asha Jain	Managing director	300.00	300.00

Pavna Industries Limited

Notes to the financial statements for the year ended 31 March 2024

(All amounts are in lacs(₹), unless otherwise specified)

36 Capital management

The Company's capital includes issued share capital and all other distributable reserves. The primary objective of the Company's capital management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Company have short term borrowings.

Companies Debt equity ratio is:

Particulars	As at 31 March 2024	As at 31 March 2023
Debt*	11,034.65	8,808.56
Equity	6,516.98	5,733.13
Debt to equity ratio	1.69	1.54

* Debt includes short term borrowings + interest accrued - cash and cash equivalents

37 Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

Defined contribution plans

The company makes contribution towards employee's provident fund and employee's state insurance. The company has recognised following as contribution towards these schemes.

	For the year ended 31 March 2024	For the year ended 31 March 2023
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	158.36	139.96
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Defined benefit plans

Gratuity

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.

Salary increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate
Discount rate	Reduction in discount rate in subsequent
Mortality & disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal

Amounts recognised in the balance sheet:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Present value of the obligation	272.27	396.40
Current liability (amount due within one year)	87.09	70.13
Non-current liability (amount due over one year)	185.18	326.27

Loss recognised in other comprehensive income:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial loss recognised during the year	(8.49)	(23.53)

Expenses recognised in statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	39.98	37.34
Interest cost	16.21	13.29
Cost recognised during the year	56.19	50.63

Movement in the liability recognised in the balance sheet is as under:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Present value of defined benefit obligation at the beginning of the year	225.12	198.40
Current service cost	39.98	37.34
Interest cost	16.21	13.29
Actuarial (gain)/loss net	-	-
Actuarial loss on arising from change in demographic assumption	-	-
Actuarial loss on arising from change in financial assumption	2.66	(5.80)
Actuarial loss on arising from experience adjustment	(11.15)	(17.65)
Benefits paid	(0.55)	(0.18)
Present value of defined benefit obligation at the end of the year	272.27	225.12

For determination of the liability of the Company the following actuarial assumptions were used:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Discount rate	7.00%	7.20%
Salary escalation rate	5.00%	5.00%
Retirement age (Years)	58 Years	58 Years
Withdrawal rate	10.00%	10.00%
Weighted average duration of PBO	7 Years	7 Years

Mortality rates inclusive of provision for disability -100% of IAMM (2012 - 14)

Sensitivity analysis for gratuity liability:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Impact of the change in discount rate		
Present value of obligation at the end of the year		
Impact due to increase of 1 %	13.57	11.40
Impact due to decrease of 1 %	12.04	10.10
b) Impact of the change in salary increase		
Present value of obligation at the end of the year		
Impact due to increase of 1 %	13.71	11.54
Impact due to decrease of 1 %	12.37	10.39

Sensitivities due to mortality and withdrawals are not material. Hence impact of change is not calculated

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement

38 Segment information

The company operates in a single reportable segment, for the purpose of Ind AS 108 "Operating Segment", is considered to be the only reportable business segment. The Company derives its major revenues from the activities related to manufacturing of Locks, Auto Locks and Auto Parts in India.

40 Disclosure under Ind AS 115 - Revenue from Contracts with Customer

I. Disaggregation of revenue

Description	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of products	28,273.49	26,271.51
Sale of services	-	-
Scrip sales	-	-

(II) Contract Assets and Contract Liabilities

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Trade receivable	5,290.06	4,375.22
Contract Assets - Accrued revenue	-	-
Contract Liabilities - Advance from customer	21.16	68.95

41 Leases

a) Company as a lessee

The company has leases for office space and buildings. With the exception of short term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right of use assets and a lease liability. The company has presented its right of use assets in the balance sheet separately from other assets.

Each lease generally imposes a restriction that unless there is contractual right for the company to sublease the assets to another party, the right of use assets can only be used by the company. The company is prohibited from selling or pledging the underlying assets as security.

i. Lease Liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current	3.47	4.96
Non-Current	35.39	38.86

Additions to the right of use assets during the year were Nil

(ii) Amount recognised in Profit or loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on right of use assets	5.53	17.71
Interest on lease liabilities (included in interest expense)	3.93	4.96
Expense relating to short term leases	69.16	55.40
Net impact on Statement of Profit or loss	78.62	78.06

(iii) Amount recognised in the cash flow statement

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Payment of lease liabilities- interest and principal	8.52	21.83

(iv) Maturity of lease liabilities

The lease liabilities are secured by the underlying assets. Further minimum lease payments were as follows:

Lease Payments	As at 31 March 2024	As at 31 March 2023
Less than 1 year	-	3.47
1-2 Years	8.52	8.52
2-3 Years	8.52	8.52
More than 3 Years	34.08	34.08
Total	51.12	84.59

Pavna Industries Limited

Notes to the financial statements for the year ended 31 March 2024

(All amounts are in lacs/₹), unless otherwise specified)

42 Financial Ratios

Ratio	Measurement Unit	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	% Change March 2024	% Change March 2023
Current Ratio	Times	Current assets	Current liabilities	1.02	1.06	-4.24%	-0.20%
Debt Equity Ratio	Times	Total debt (Non-current borrowings + Current borrowings)	Total equity	1.70	1.34	10.13%	5.54%
Debt Service coverage Ratio	Times	Earnings before depreciation and amortisation and interest (Profit & loss after tax + depreciation & amortisation expense+ Finance costs (including interest on lease liabilities))	Interest expenses (including capitalised)+ Principal repayments (including prepayments)	1.53	1.94	-21.80%	-10.07%
Return on equity ratio	%	Profit after tax	Average of total equity	12.69%	13.44%	-5.55%	1.27%
Inventory Turnover Ratio	Times	Cost of material consumed	Average inventories	2.90	3.00	-3.43%	-31.82%
Trade Receivables turnover Ratio	Times	Revenue from Operations	Average trade receivables	5.85	6.23	-6.02%	-14.23%
Trade Payables turnover Ratio	Times	Purchase + other expenses	Average trade payables	6.05	5.66	7.04%	-20.52%
Net Capital turnover ratio	Times	Revenue from Operations	Working capital (Current assets-current liabilities)	111.29	27.53	377.22%	-7.18%
Net Profit ratio	%	Profit after tax	Revenue from operation	2%	3%	-0.54%	8.71%
Return on Capital Employed	%	Earnings before depreciation and amortisation and interest (Profit & loss before tax + depreciation & amortisation expense+ Finance costs)	Capital employed (Total assets - current liabilities + current borrowings)	16.06%	16.30%	-1.47%	-3.86%
Return on Investment	%	Profit after tax	Equity share capital + securities premium	29.71%	27.84%	6.72%	-12.02%

Reasons for Changes in ratio above 25%:

Ratio	Reason
Current Ratio	Not Applicable
Debt Equity Ratio	Not Applicable
Debt Service coverage Ratio	Not Applicable
Return on equity ratio	Not Applicable
Inventory Turnover Ratio	Not Applicable
Trade Receivables turnover Ratio	Not Applicable
Trade Payables turnover Ratio	Not Applicable
Net Capital turnover ratio	MSME creditors have been paid which has lead to decrease in Trade payable, thus having an impact on the ratios
Net Profit ratio	Not Applicable
Return on Capital Employed	Not Applicable
Return on Investment	Increase in Profits as compared to previous year

42 Corporate Social Responsibility

Particulars	Mar-24	Mar-23
CSR liability for the year:		
Average net profit for last 3 years	850.00	803.88
CSR liability (2% of average) for the year	17.00	16.08
Amount spent during the year	17.00	16.08
Balance amount unspent	-	-

Information relating to Litigations

Company has received following GST orders and Notices-Order for Aligarh Unit is Rs. 1480753 and for Aurangabad Unit Rs 9689497
Notice for Input Tax - Reconciliation has been received and we are in process of its disposal and necessary step has been taken.

There is dispute regarding accidental claim by worker which amounts to approximately Rs 17 lakhs.

Other information

(i) Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 01-April-20 domestic companies have the option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ("New Tax Rate") subject to certain conditions. The Company continued to compute tax as per old tax rate for the financial year 2019-20 & 2020-21 & adopted new scheme from 01.04.2021.

(ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(iii) The Company did not have any transactions with Companies struck off.

(iv) There are certain charges open at MCA portal. These charges are created against the loan owed and which has been fully repaid. We have got no dues certificate from respective institution and charge satisfaction form filing with MCA is under process. There are 2 charges for Reliance Capital Loan and Reliance Home Finance Ltd. Loan is repaid and NOC for the same is received. Compliance is in process for Charge satisfaction. Pawa Goyam Auto Pvt Ltd has repaid Rs 500, Borrower has repaid but charge not yet satisfied. NOC is yet to be received.

(v) The Company has not traded or invested in Crypto currency or Virtual Currency during the respective financial years / period.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like in or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(ix) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(x) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.

(xi) The Company has complied with the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of layers) Rules, 2017.

(xii) There are some differences between stock statement submitted to bank and books of accounts. These difference are due to clerical mistake while compiling the data. However revised stock statement are submitted to Bank.

(xiii) Since payments to MSME creditors has been made by way of Account Payee cheques, within the specified time limits hence no provision has been made.

(xiv) During the year the company has given an advance of Rs. 107.95 lakhs to its subsidiary Pawa Samworld Private limited against purchase of Raw Material and fixed asset.

(xv) During the year the company sold its entire holding in Pawa Goyam Auto Pvt Ltd, on 11th May 2023, as such PGAPL ceased to be a subsidiary of the company w.e.f 11 May 2023. The management is of the opinion that there is no Gain / Loss on sale of shares and it requires no provision for Income Tax.

NOTICE OF 30TH ANNUAL GENERAL MEETING

РПННН



NOTICE

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

NOTICE IS HEREBY GIVEN THAT THE 30TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PAVNA INDUSTRIES LIMITED TO BE HELD AT PAVNA INTERNATIONAL SCHOOL, ALIGARH—AGRA HIGHWAY, NEAR MANGALAYATAN MANDIR, ALIGARH-202001, UTTAR PRADESH INDIA ON SEPTEMBER 30, 2024 MONDAY AT 11:00 A.M TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended on March 31, 2024 and the Profit and Loss Account for the year ended on that date together with the Schedules thereon, along with the Reports of the Directors and Auditors thereon.**

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

“RESOLVED THAT the Audited Standalone and Consolidated Financial Statements of the Company comprising of the balance sheet as at March 31, 2024, the statement of profit and loss, cash flow statement and statement of equity, for the financial year ended on March 31, 2024, together with the notes thereto, report of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

- 2. To reappoint Mrs. Priya Jain (DIN: 03355623), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.**

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

“RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013, Mrs. Priya Jain (DIN: 03355623) who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as a director of the company.

- 3. Increase Authorised Share Capital of the Company**

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

“RESOLVED that pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 2013 and the rules issued there under (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the shareholders in the General Meeting, the consent of the board of Directors is hereby accorded for increasing the Authorized Share Capital of the Company from Rs.18,00,00,000/- (Rupees Eighteen Crores Only) comprising 1,80,00,000 (Rupees One

Crore Eighty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. Rs.30,00,00,000/- (Rupees Thirty Crores Only) comprising into 3,00,00,000 (Rupees Three Crore only) Equity Shares of Rs. 10/- (Rupees Ten) each.

4. Alteration of the Capital Clause of the Memorandum of Association

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

“RESOLVED THAT pursuant to the provisions of Sections 13 and 61 and other applicable provisions of the Companies Act, 2013 and the rules issued there under (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the shareholders in the General Meeting the existing Clause V of the Memorandum of Association of the Company be and are hereby deleted and substituted by the following:

V. The Authorised Share Capital of the Company is Rs. 30,00,00,000 (Rupees Thirty Crores only) comprising of: 3,00,00,000 (Three Crore Only) Equity Shares of Rs. 10 (Rupees Ten) each

RESOLVED FURTHER THAT , for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things, including delegation of any of its powers herein conferred to its Directors, Company Secretary or any other officer(s).”

SPECIAL BUSINESS:

5. Appointment of M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration No. 005560C) as Statutory Auditors of the Company and to fix their remuneration

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors through resolution passed on on September 4, 2024 appointed M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration No. 005560C), approval of the members be and are hereby accorded for the appointment of M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration No. 005560C) as Statutory Auditors to fill the casual vacancy caused by the resignation of M/s

Rajeev Kumar & co., Chartered Accountants on such remuneration and out of expenses as may be determined by the Board of Directors in consultation with the Audit Committee.

RESOLVED FURTHER THAT approval of the shareholders be and are hereby accorded for the appointment of M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration No. 005560C) as the Statutory Auditors of the Company, to hold office for a period of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 35th Annual General Meeting of the Company to be held in the year 2029, at such remuneration as may be decided by the Board of Directors of the Company (or any committee thereof) in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT any of the Directors of the Company be and is/are hereby authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.”

6. Appointment of Mr. Paras Shrikant Parekh (DIN:10277614) as an Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies ACT, 2013 (including statutory modifications or re-enactment thereof for the time being in force) and Regulation 17 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Paras Shrikant Parekh (DIN:10277614) was appointed as an Additional Non-Executive Independent Director on the Board of the Company with effect from August 14, 2024, the approval of the members/shareholders of the Company be and are hereby accorded to the appointment of Mr. Paras Shrikant Parekh (DIN:10277614) as an Independent Director of the Company on the Board of the Company to hold office for a term of five (5) consecutive years from August 14, 2024 to August 13, 2029, not liable to retire by rotation.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modifications(s) or re-enactment(s) thereof], Mr. Paras Shrikant Parekh be paid such sitting fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed by the Company from time to time.”

RESOLVED FURTHER THAT any of the Directors of the Company be and is/are hereby

authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.”

7. Re-confirm the Appointment of Mr. Naozer Firoze Aibara (DIN: 08759817) as an Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies ACT, 2013 (including statutory modifications or re-enactment thereof for the time being in force) and Regulation 17 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Naozer Firoze Aibara (DIN: 08759817) was appointed as an Additional Non-Executive Independent Director on the Board of the Company with effect from June 25, 2020 and was appointed by the shareholders of the Company as an Independent Director through passing of Ordinary Resolution on June 30, 2020, the approval of the members/shareholders of the Company be and are hereby accorded through passing of special resolution for re-confirming the appointment of Mr. Naozer Firoze Aibara (DIN: 08759817) as an independent Director of the Company on the Board of the Company to hold office for a term of five (5) consecutive years from June 25, 2020 to June 24, 2025, not liable to retire by rotation.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modifications(s) or re-enactment(s) thereof], Mr. Naozer Firoze Aibara be paid such sitting fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed by the Company from time to time.”

RESOLVED FURTHER THAT any of the Directors of the Company be and is/are hereby authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.”

8. Re-confirm the Appointment of Mr. Dhruv Jain (DIN: 09835701) as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies ACT, 2013 (including statutory modifications or re-enactment thereof for the time being in force) and Regulation 17 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Dhruv Jain (DIN: 09835701) was appointed as an Additional Non-Executive Independent Director on the Board of the Company with effect from February 14, 2023 and was appointed by the shareholders of the Company as an Independent Director through passing of an Ordinary Resolution on September 29, 2023, the approval of the members/shareholders of the Company be and are hereby accorded through passing of special resolution to re-confirm the appointment of Mr. Dhruv Jain (DIN:09835701) as an independent Director of the Company on the Board of the Company to hold office for a term of five (5) consecutive years from February 14, 2023 to February 13, 2028, not liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modifications(s) or re-enactment(s) thereof], Mr. Dhruv Jain be paid such sitting fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed by the Company from time to time.”

RESOLVED FURTHER THAT any of the Directors of the Company be and is/are hereby authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.”

9. Re-confirm the appointment of Mrs. Priyanka Moondra Rathi (DIN: 09485101) as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies ACT, 2013 (including statutory modifications or re-enactment thereof for the time being in force) and Regulation 17 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mrs. Priyanka Moondra Rathi (DIN: 09485101) was appointed as an Additional Non-Executive Independent Director on the Board of the Company with effect from August 14, 2023 and was appointed by the shareholders of the Company as an Independent Director through passing of an

Ordinary Resolution on September 29, 2023, the approval of the members/shareholders of the Company be and are hereby accorded through passing of special resolution to re-confirm the appointment of Mrs. Priyanka Moondra Rathi (DIN: 09485101) as an independent Director of the Company on the Board of the Company to hold office for a term of five (5) consecutive years from August 14, 2023 to August 13, 2028, not liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modifications(s) or re-enactment(s) thereof], Mrs. Priyanka Moondra Rathi be paid such sitting fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed by the Company from time to time.”

RESOLVED FURTHER THAT any of the Directors of the Company be and is/are hereby authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.”

10. Re-confirm the appointment of Mrs. Himani Bhootra (DIN: 09811030) as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies ACT, 2013 (including statutory modifications or re-enactment thereof for the time being in force) and Regulation 17 and any other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mrs. Himani Bhootra (DIN: 09811030) was appointed as an Additional Non-Executive Independent Director on the Board of the Company with effect from April 17, 2023 and was appointed by the shareholders of the Company as an Independent Director through passing of Ordinary Resolution on September 29, 2023, the approval of the members/shareholders of the Company be and are hereby accorded through passing of special resolution to re-confirm the appointment of Mrs. Himani Bhootra (DIN: 09811030) as an independent Director of the Company on the Board of the Company to hold office for a term of five (5) consecutive years from April 17, 2023 to April 16, 2028, not liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modifications(s) or re-enactment(s) thereof], Mrs. Himani Bhootra be paid such sitting fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed by the Company from time to time.”

RESOLVED FURTHER THAT any of the Directors of the Company be and is/are hereby authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.”

11. Approve the Related Party Transactions

To approve Related Party Transactions of the Company and in this regard, to consider and if thought fit, to pass the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the consent of the Audit Committee vide resolutions passed in their respective meetings, the approval of the Company be and is hereby accorded to the Related Party Transactions as entered by the company during Financial Year 2024-25 as per details set out under item no. 11 of the Statement annexed to this Notice.

RESOLVED FURTHER THAT Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof) be and are hereby authorized to perform and execute all such deeds, matters and things including delegation of authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto”.

12. Approval for Increase in Overall Borrowing Limits of the Company as Per Section 180 (1) (c) of The Companies Act, 2013

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

“RESOLVED THAT pursuant to Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in supersession of all the earlier resolutions, the consent of the members of the Company be and is hereby accorded to the Board of Director(s) (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board of Directors by this Resolution), to borrow any sum or sums of monies, from time to time, in any form including but not limited to by way of loans, financial facility, through the issuance of debentures, commercial paper or such other form, upon such terms and conditions as to interest, repayment, or otherwise and with or without security, as the Board may think fit for the purposes of the Company’s business notwithstanding that the money or monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s

bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, provided however, the total amount so borrowed shall not exceed at any point in time a sum equivalent to Rs. 7,50,00,00,000/- (Rupees Seven Hundred and Fifty Crores Only).”

“RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

13. Approval To Sell, Lease Or Otherwise Dispose Undertaking Of Company Pursuant To Section 180(1)(a):

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

“RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any amendment thereto or re-enactment thereof), and as per the Articles of Association of the Company, subject to such approvals, consents, permissions and sanctions as may be necessary from appropriate authorities, the consent of shareholders of the Company be and is hereby accorded to create charges, hypothecations, mortgages/equitable mortgages, on movable and/or immovable properties and/ or whole or any part of the undertaking(s) of the Company, present and/or future, to take over he the management of the business and concern of the Company and/ or sell/ dispose of the properties so charged , mortgaged or hypothecated in certain events, in favour of lenders, banks, financial institutions, trustees of the holders of debentures/bonds and/or other instruments, hire, purchase/lease companies, body corporate or any other person/ on such terms and conditions as the Board may deem fit, towards security for borrowings of the Company from time to time, provided that the total amount at any point of time shall not exceed Rs. 7,50,00,00,000/- (Rupees Seven Hundred and Fifty Crores Only).”

FURTHER RESOLVED THAT any of the Directors of the Company be and is/are hereby authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.”

14. Approval to make loan(s) and give guarantee(s), provide security(ies) or make investments in excess of the prescribed limit as mentioned under section 186 of Companies Act, 2013

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

RESOLVED THAT pursuant to the provisions of Section 179, 186 and other applicable provisions, if any, of the Companies Act, 2013, consent of the shareholders of the Company be and is hereby accorded for making Investments in other bodies corporate / giving Loans to any other person / providing Guarantees / Securities on behalf of loan availed by any other person, from time to time, on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the investments made / loans given / guarantees / securities already made by the Company, which may exceed 60% of paid up capital and free reserves and securities premium OR 100% of free reserves and securities premium, that is to say, reserves not set apart for any specific purpose, whichever is more, provided that the total amount of investments made / loans given / guarantees / securities already made by the Company, shall not at any time exceed the limit of Rs. 7,50,00,00,000/- (Rupees Seven Hundred and Fifty Crores Only).”

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to negotiate and settle the terms and conditions of the investments / loans / guarantees / securities which may be made by the Company from time to time, by the Company, finalize the agreements/contracts and documents in this regard and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.

FURTHER RESOLVED THAT any of the Directors of the Company be and is/are hereby authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.”

**For & On Behalf of the Board of Directors of
Pavna Industries Limited**

Sd/-

Swapnil Jain

Managing Director

DIN:01542555

Date: September 4, 2024

Place: Aligarh

Registered office:

Vimlanchalhari nagar Aligarh, Uttar Pradesh-202001,India

[Tel:+91-0571-2410010](tel:+91-0571-2410010)

Website: www.pavna.in, Email: cs@pavnagroup.com

CIN:L34109UP1994PLC016359

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument of Proxy in order to be effective and valid, 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 MGT -11 is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 members provided shareholding of those members in aggregate should not be more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) is also annexed.
4. Members are requested to bring their attendance slip along with copy of the report and accounts to Annual General Meeting. Duplicate attendance slips shall not be issued.
5. Relevant documents referred to in the accompanying Notice & Explanatory Statement would be available for inspection by the members at the Registered Office of the Company on all working days, except Saturday / Sunday & Public Holidays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
6. Members are requested to notify immediately any changes, if any, in their registered addresses at an early date to the Registrar and Share Transfer Agent, quoting their folio numbers/client ID/ DP ID in all correspondence, so as to enable the Company to address any future communication at their correct address.
7. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details/NECS/ mandates, nominations, power of attorney, change of address/ name, Permanent Account Number (‘PAN’) details, etc. to their Depository Participant only and not to the Company’s RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company’s records which will help the Company and its RTA provide efficient and better service to the members.

8. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting Venue.
9. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days prior to the Annual General Meeting so that the requested information can be made available at the time of the meeting.
10. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
11. No gifts shall be provided to members before, during or after the AGM.
12. Rule 11 of the Companies (accounts) Rules, 2014 permits circulation of Annual Report through electronic means to such of the shareholders whose e-mail addresses are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the Company or with the depositories. To support “Green Initiative in Corporate Governance” Electronic copy of the Annual Report is being sent to all the members who’s Email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
13. Members are requested to address all correspondence pertaining to their securities mentioning Client ID or DP ID numbers, as applicable, including any change of address, if any, to the Registrar and Transfer Agent of the Company viz.:

LINK INTIME INDIA PRIVATE LIMITED

C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli
(West), Mumbai, Maharashtra, India, 400083

Tel: +91 22 4918 6200

Email: pavna.ipo@linkintime.co.in,

Website: www.linkintime.co.in

Investor Grievance Email: pavna.ipo@linkintime.co.in

14. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository participants. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
15. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports & other communications through electronic mode to those members whose email IDs are registered with the Company. As per provisions of Section 20 of the Companies Act, 2013 read with Rules made there under, a document may be served on any member

by sending it to him/her by post or by registered post or by speed post or by courier or by delivering at his/her office/home address or by such electronic mode as may be prescribed including by facsimile telecommunication or to electronic mail address, which the member has provided to the Company from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he/she shall pay such fees as may be determined by the Company in its Annual General Meeting. For members who have not registered their email address with the Company, the service of documents will be affected by other modes of services as provided in Section 20 of the Companies Act, 2013 read with the relevant Rules there under. Printed copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of voting along with Attendance Slip and Proxy Form is being sent to all members in the permitted mode.

16. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2021 will also be available on the Company's website www.pavna.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office 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, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: mail to:cs@pavnagroup.com
17. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain close from Tuesday, 24 September, 2024 to Monday, 30th September, 2024 (both days inclusive) in connection with the Annual General Meeting.

18. VOTING SYSTEM:

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

The remote e-voting period begins on Thursday, September 26, 2024 at 09:00 A.M. and ends on Sunday, September 29, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2024.

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

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


Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

	
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - 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.
 - How to retrieve your ‘initial password’?
 - 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’.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
- 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.
 - Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shantanu@sbjainassociates.com > with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Mr. Kaushal Kumar at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@pavnagroup.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@pavnagroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

ITEM NO.5

M/s Rajeev Kumar & Company, Aligarh (Firm's Regn No. 000633C) has resigned as Statutory Auditor the Company with effect from the closure of the business hours of August 14, 2024. They proposed the audit fees to be revised but the proposal was not passed by the Audit Committee, hence they resigned as the Statutory Auditor.

This has resulted into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by Section 139(8) of the Companies Act, 2013. Casual vacancy caused by the resignation of auditor shall be approved by the shareholders in General Meeting within three months from the date of recommendation of the Board of Directors of the Company.

The Board of Directors of the Company recommended the appointment M/s. M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration No. 005560C) as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s Rajeev Singhal & co., Chartered Accountants (Firm Registration No.000633C). Accordingly, shareholders' approval by way of ordinary resolution is sought as envisaged by the section 139(8) of the Companies Act, 2013 ("Act") casual vacancy caused by the resignation of auditors can only be filled up by the Company in the general meeting.

M/s. M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration No. 005560C), have conveyed their consent for being appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013 and shall satisfy the criteria as provided under section 141 of the Companies Act, 2013 and have given a certificate in that firm complies with all eligibility rules regarding appointment of statutory auditors.

M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration No. 005560C), shall hold the office for the period of five years to conduct the audit of accounts from the financial year 2024-25 to 2028-29 to hold office until the conclusion of the ensuing Annual General Meeting.

As per Regulation 36 of SEBI (LODR) Regulations, following are the disclosures related to appointment of Statutory Auditor:

Fee of Rs. 2,00,000/-per annum is proposed by the Board of Directors on such terms and conditions as they deem fit in consultation with the Audit Committee.

There has been no material changes in the fee payable to such auditor from that paid to the outgoing auditor.

Brief profile and credentials of M/s. Arun Varshney & Associates are as under:

M/s. Arun Varshney & Associates is one of the oldest and most reputed Audit and Advisory

firms in Aligarh, Uttar Pradesh. The firm is involved in carrying out professional assignments in the areas of Auditing & Assurance - including Statutory & Internal Audits, Direct Taxation, Indirect Taxation, Audits of PSUs etc. for more than 30 years.

They are being appointed to fill the casual vacancy caused due to the resignation of Statutory Auditor.

No directors, Key Managerial Personnel and their relatives are concerned and interested in the aforesaid resolution except to the extent of their shareholding and managerial interest in the Company.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 05 of the notice as an ordinary resolution.

ITEM NO.6

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and based on the recommendation of the Nomination and Remuneration Committee of the Board, Mr. Paras Shrikant Parekh (DIN:10277614) was appointed as an Additional Non-Executive Independent Director on the Board of the Company with effect from August 14, 2024. The term of the office of Mr. Paras Shrikant Parekh (DIN:10277614) as an Additional Non-Executive Independent Director is upto the date of this Annual General Meeting. Considering the rich experience and vast knowledge of Mr. Paras Shrikant Parekh, his presence on the Board of the Company ("the Board") will be valuable to the Company and accordingly, the Nomination and Remuneration Committee has recommended his appointment as an Independent Director of the Company.

The Company has received a notice in writing, pursuant to the Section 160 of the Companies Act, 2013, from a shareholder proposing his candidature for the office of the Director of the Company. The Company has received the consent in writing from Mr. Paras Shrikant Parekh to act as a Director pursuant to Section 152 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation to the effect that he is not disqualified under 164(2) of the Companies Act, 2013 to be appointed as Director of the Company. The aforesaid notice received is available for inspection at the registered office of the Company till the date of the Annual General Meeting and same shall also be placed at the Meeting.

A brief resume in relation to the experience, functional expertise and memberships on the other Company's Board and Committee(s) in respect of appointment of Mr. Paras Shrikant Parekh (DIN:10277614) is provided at Annexure I which forms part of the Notice. The provisions of the Companies Act, 2013, require the Company to seek approval of the shareholders for the appointment of Mr. Paras Shrikant Parekh (DIN:10277614) as an Independent Director of the Company.

No one except Mr. Paras Shrikant Parekh (DIN:10277614) is interested/ concerned in the resolution under item No. 6. No directors, Key Managerial Personnel and their relatives are

concerned and interested in the aforesaid resolution except to the extent of their shareholding and managerial interest in the Company.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 06 of the notice as a special resolution.

ITEM NO.7

Mr. Naozer Firoze Aibara (DIN : 08759817) was appointed as an Additional Non-executive Independent Director of the Company by the Board based on the recommendation of Nomination & Remuneration Committee in their meeting held on 25th June 2020 and was appointed by the shareholders of the Company as an Independent Director through passing of Ordinary Resolution on June 30, 2020.

Mr. Naozer Firoze Aibara is not disqualified from being appointed as Directors in terms of Section 164 of the Act. The Company has also received a declaration from Mr. Naozer Firoze Aibara declaring that he meets the criteria of independence as provided under Section 146(9) of the Companies Act, 2013. In the opinion of the Board, Mr. Naozer Firoze Aibara fulfills the conditions required to be fulfilled for being appointed as an Independent Director of the Company as per the provisions of Companies Act, 2013.

A brief resume in relation to the experience, functional expertise and memberships on the other Company's Board and Committee(s) in respect of appointment of Mr. Naozer Firoze Aibara (DIN: 08759817) is provided at Annexure I which forms part of the Notice.

The Board places the above resolution before the Members for their approval through passing of special resolution for re-confirming the appointment of Mr. Naozer Firoze Aibara (DIN: 08759817) as an independent Director of the Company on the Board of the Company to hold office for a term of five (5) consecutive years from June 25, 2020 to June 24, 2025, not liable to retire by rotation

No one except Mr. Naozer Firoze Aibara (DIN: 08759817) is interested/ concerned in the resolution under item No. 7. No directors, Key Managerial Personnel and their relatives are concerned and interested in the aforesaid resolution except to the extent of their shareholding and managerial interest in the Company.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 7 of the notice as a special resolution.

ITEM NO.8

Mr. Dhruv Jain (DIN: 09835701) has been appointed as an additional non-executive Independent Director of the Company on the approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors w.e.f 14th February, 2023 for a period of five years from 14th February, 2023 to 13th February, 2028 and was appointed by the shareholders of the Company as an Independent Director through passing of an Ordinary Resolution on September 29, 2023. Mr. Dhruv Jain is qualified to be appointed as a Director in terms of Section 164 of the Companies Act, 2013 (the "Act")

and has given his consent to act as a Director. The Company has also received declaration from Mr. Dhruv Jain that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and that he is not debarred from holding the office of director by virtue of any order from Securities and Exchange Board of India (“SEBI”) or any such authority.

He is a Commerce graduate and also having a Bachelor’s degree in Law. He is an experienced Tax Advisor and consultant with over 13 years of expertise in the areas of Tax Planning, Settlement Negotiation, Government relationship Management and submission to Indian Tax Authorities, Proficient in the Computation of the Corporate, Partnership Firms, and Individual Taxes.

The Board places the above resolution before the Members for their approval through passing of special resolution for re-confirming the appointment of Mr. Dhruv Jain (DIN: 09835701) as an independent Director of the Company on the Board of the Company to hold office for a term of five (5) consecutive years from February 14, 2023 to February 13, 2028, not liable to retire by rotation.”

No one except Mr. Dhruv Jain (DIN: 09835701) is interested/ concerned in the resolution under item No. 8. No directors, Key Managerial Personnel and their relatives are concerned and interested in the aforesaid resolution except to the extent of their shareholding and managerial interest in the Company.

ITEM NO.9

Mrs. Priyanka Moondra Rathi (DIN: 09485101) has been appointed as an additional non-executive Independent Director of the Company on the approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors w.e.f 14th August, 2023 for a period of five years from 14th August, 2023 to 13th August, 2028 and was appointed by the shareholders of the Company as an Independent Director through passing of an Ordinary Resolution on September 29, 2023. Mrs. Priyanka Moondra Rathi is qualified to be appointed as a Director in terms of Section 164 of the Companies Act, 2013 (the “Act”) and has given her consent to act as a Director. The Company has also received declaration from Mrs. Priyanka Moondra Rathi that she meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and that she is not debarred from holding the office of director by virtue of any order from Securities and Exchange Board of India (“SEBI”) or any such authority.

She has completed Bachelors of Commerce degree from Jai Narayan Vyas University in the year 2013 and is a member of Institute of Company secretaries of India since 2017. She has completed Diploma in MBA in Finance from International Business Management Institute, Berlin, Germany in the year 2020 and is currently pursuing Certified Public Accountants course. She has worked with Adani Power Limited, Rathi Eduserve &

Corporate Consultancy Services Private Limited, Sigma Minerals Limited and currently she is working with Transmissions International India Private Limited Rajasthan as an Internal Controller & Company Secretary, Finance department She has an experience of more than 4 years including internship in the field of Secretarial, Compliances and Legal work.

The Board places the above resolution before the Members for their approval through passing of special resolution for re-confirming the appointment of Mrs. Priyanka Moondra Rathi (DIN: 09485101) as an independent Director of the Company on the Board of the Company to hold office for a term of five (5) consecutive years from August 14, 2023 to August 13, 2028, not liable to retire by rotation.

No one except Mrs. Priyanka Moondra Rathi (DIN: 09485101) is interested/ concerned in the resolution under item No. 9. No directors, Key Managerial Personnel and their relatives are concerned and interested in the aforesaid resolution except to the extent of their shareholding and managerial interest in the Company.

ITEM NO.10

Mrs. Himani Bhootra (DIN: 09811030) has been appointed as an additional non-executive Independent Director of the Company on the approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors w.e.f 17th April, 2023 for a period of five years from 17th April, 2023 to 16th April, 2028 and was appointed by the shareholders of the Company as an Independent Director through passing of Ordinary Resolution on September 29, 2023. Mrs. Himani Bhootra is qualified to be appointed as a Director in terms of Section 164 of the Companies Act, 2013 (the “Act”) and has given her consent to act as a Director. The Company has also received declaration from Mrs. Himani Bhootra that she meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and that she is not debarred from holding the office of director by virtue of any order from Securities and Exchange Board of India (“SEBI”) or any such authority.

She is an Associate member of ICSI and holds degree of Bachelors of Commerce (B.Com) and Masters of Commerce (M.Com) and a Bachelor’s degree in Law (LLB) from JNVU, Jodhpur.

The Board places the above resolution before the Members for their approval through passing of special resolution for re-confirming the appointment of Mrs. Himani Bhootra (DIN: 09811030) as an independent Director of the Company on the Board of the Company to hold office for a term of five (5) consecutive years from April 17, 2023 to April 16 , 2028, not liable to retire by rotation.

No one except Mrs. Himani Bhootra (DIN: 09811030) is interested/ concerned in the resolution under item No. 10. No directors, Key Managerial Personnel and their relatives are concerned and interested in the aforesaid resolution except to the extent of their

shareholding and managerial interest in the Company.

ITEM NO.11

All related party transactions have been unanimously approved by the Audit Committee and the Board of Director after satisfying itself that the related party transactions are at arm’s length and in the ordinary course of business. The Audit Committee of the Company reviews on a quarterly basis, the details of all related party transactions entered into by the Company during the previous quarter, pursuant to its approvals.

A).	Particulars	Remarks
1.	Name of the Related Party	Swapnil Switches Private Limited (SSPL)
2.	Name of the Director or KMP who is related	Mrs. Asha Jain & Mrs. Priya Jain
3.	Nature of Relationship	SSPL is a subsidiary of PIL. PIL holds 50.74% shares in SSPL. SSPL and PIL have the common Promoter and Director
4.	Nature, material terms, monetary value and particulars of the contract or arrangement and maximum permissible Limit per annum	Contract for purchase of Switch parts from SSPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2024-25 is expected to be Rs. 15(fifteen) Crores. Contract for sale of Lock parts from SSPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2024-25 is expected to be Rs. 15(fifteen) Crores. The above transactions will be at arm’s length price and in the ordinary course of business.
5.	Justification for Related Party Transactions	PIL will leverage SSPL’s strengths in sourcing Switch Parts at competitive prices. SSPL will leverage PIL’s strength in sourcing of Lock Parts at competitive prices.
6.	Date of Approval by the Board of Directors	30 th May, 2024
7.	Date of Approval by the Audit Committee	13 th May, 2024

B).	Particulars	Remarks
1.	Name of the Related Party	Pavna Auto Engineering Private Limited (PAEPL)
2.	Name of the Director or KMP who is related	Swapnil Jain, Mrs.Asha Jain and Mrs. Priya Jain
3.	Nature of Relationship	PAEPL is a subsidiary of PIL. PIL holds 50.74%

		shares in PAEPL. PAEPL and PIL have the common Promoter and Director
4.	Nature, material terms, monetary value and particulars of the contract or arrangement and maximum permissible Limit per annum	Contract for purchase of Motor Vehicles parts from PAEPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2024-25 is expected to be Rs. 25(Twenty-five) Crores. Contract for sale of Lock parts from PAEPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2024-25 is expected to be Rs. 30(Thirty) Crores. The above transactions will be at arm's length price and in the ordinary course of business.
5.	Justification for Related Party Transactions	PIL will leverage PAEPL's strengths in sourcing Motor Vehicles Parts at competitive prices. PAEPL will leverage PIL's strength in sourcing of Lock Parts at competitive prices.
6.	Date of Approval by the Board of Directors	30 th May, 2024
7.	Date of Approval by the Audit Committee	13 th May, 2024

C).	Particulars	Remarks
1.	Name of the Related Party	Pavna Sunworld Autotech Private Limited (PSAPL)
2.	Name of the Director or KMP who is related	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain
3.	Nature of Relationship	PSAPL is a subsidiary of PIL. PIL holds 71.50% shares in PSAPL. PSAPL and PIL have the common Promoter and Director
4.	Nature, material terms, monetary value and particulars of the contract or arrangement and maximum permissible Limit per annum	Contract for sale of Casting and Plastic parts from PAEPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2024-25 is expected to be Rs. 5 (Five) Crores and purchase of Rs.5 (Five) Crores. The above transactions will be at arm's length price and in the ordinary course of business.
5.	Justification for Related Party Transactions	PIL will leverage PSAPL's strength in selling Casting and Plastic Parts at competitive prices.
6.	Date of Approval by the Board of Directors	30 th May, 2024

7.	Date of Approval by the Audit Committee	13 th May, 2024
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D).	Particulars	Remarks
1.	Name of the Related Party	Pavna Marketing Private Limited (PMPL)
2.	Name of the Director or KMP who is related	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain
3.	Nature of Relationship	PMPL is a subsidiary of PIL. PIL holds 99.99% shares in PMPL. PMPL and PIL have the common Promoter and Director
4.	Nature, material terms, monetary value and particulars of the contract or arrangement and maximum permissible Limit per annum	Contract for purchase of Finished Goods from PMPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2024-25 is expected to be Rs. 20 (Twenty) Crores. Contract for sale of Finished Goods from PMPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2023-24 is expected to be Rs. 40 (Forty) Crores. The above transactions will be at arm's length price and in the ordinary course of business.
5.	Justification for Related Party Transactions	PIL will leverage PMPL's strengths in selling Finished goods under Pavna Brand to distributors at competitive prices.
6.	Date of Approval by the Board of Directors	30 th May, 2024
7.	Date of Approval by the Audit Committee	13 th May, 2024

E).	Particulars	Remarks
1.	Name of the Related Party	PJ Wealth Management & Consultant Private Limited (PWCPL)
2.	Name of the Director or KMP who is related	Mr. Swapnil Jain
3.	Nature of Relationship	PWCPL is a Group Company of PIL. PWCPL and PIL have the common Promoter and Director
4.	Nature, material terms, monetary value and particulars of the contract or arrangement and maximum permissible	Loan is taken by PIL from PWCPL of Rs.20 Crores. Interest rate-As charged in compliance with the provisions of Companies Act, 2013

	Limit per annum	Nature-Unsecured Tenure- Five Years
5.	Justification for Related Party Transactions	Loan is taken to cater to the Working Capital requirements of the Company
6.	Date of Approval by the Board of Directors	30 th May, 2024
7.	Date of Approval by the Audit Committee	13 th May, 2024

F).	Particulars	Remarks
1.	Name of the Related Party	Mr. Swapnil jain
2.	Name of the Director or KMP who is related	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain
3.	Nature of Relationship	Mr. Swapnil Jain is the Managing Director of PIL.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement and maximum permissible Limit per annum	Loan is taken by PIL from Mr. Swapnil Jain of Rs.10 Crores Interest rate-As charged in compliance with the provisions of Companies Act, 2013 Nature-Unsecured Tenure- Five Years
5.	Justification for Related Party Transactions	Loan is taken to cater to the Working Capital requirements of the Company
6.	Date of Approval by the Board of Directors	30 th May, 2024
7.	Date of Approval by the Audit Committee	13 th May, 2024

G).	Particulars	Remarks
1.	Name of the Related Party	Mrs. Priya Jain
2.	Name of the Director or KMP who is related	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain
3.	Nature of Relationship	Mr. Priya Jain is the Managing Director of PIL.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement and maximum permissible Limit per annum	Loan is taken by PIL from Mr. Priya Jain of Rs.10 Crores Interest rate-As charged in compliance with the provisions of Companies Act, 2013 Nature-Unsecured Tenure- Five Years
5.	Justification for Related Party Transactions	Loan is taken to cater to the Working Capital requirements of the Company
6.	Date of Approval by the Board of Directors	30 th May, 2024
7.	Date of Approval by the Audit Committee	13 th May, 2024

H).	Particulars	Remarks
1.	Name of the Related Party	Mrs. Asha Jain
2.	Name of the Director or KMP who is related	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain
3.	Nature of Relationship	Mr. Priya Jain is the Managing Director of PIL.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement and maximum permissible Limit per annum	1.Loan is taken by PIL from Mr. Asha Jain of Rs.10 Crores Interest rate-As charged in compliance with the provisions of Companies Act, 2013 Nature-Unsecured Tenure- Five Years 2. Building Rent-Rs.20 Lakhs per annum. 3.Trademark Royalty- Upto Rs.100 Lakhs per annum 4.Lease Rent-Upto Rs.12 Lakhs per annum
5.	Justification for Related Party Transactions	1.Loan is taken to cater to the Working Capital requirements of the Company 2.Building Rent is provided to Mrs. Asha Jain. 3.Amount of royalty is given to Mrs.Asha Jain to use the Trademark registered in her name which is the identity of the Company. 4. Lease Rent is provided to Mrs. Asha Jain
6.	Date of Approval by the Board of Directors	30 th May, 2024
7.	Date of Approval by the Audit Committee	13 th May, 2024

The Board has recommended the resolution specified in Item 8 to be passed as Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives except Mrs. Asha Jain, Mr. Swapnil Jain and Mrs. Priya Jain are concerned or interested in the proposed resolution as set out in Item No.11 of this Notice.

ITEM NO.12 & 13

As per the provisions of Section 180 (1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting by passing a Special Resolution, borrow monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company. Earlier Shareholders in the Extra-Ordinary Meeting held on March 20, 2020 approved the limit under Section 180 (1) (a) & 180 (1) (c) upto Rs.150 Crores.

Taking into consideration the growth in the business operations, foreseeable future plans and the existing credit facilities availed by the Company, it would be in the interest of the Company to enhance the borrowing limits for the Board and authorise the Board of

Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves and securities premium but that shall not to exceed Rs. 750,00,00,000 Crores (Rupees Seven Fifty Crores Only).

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s). The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/agent(s)/trustees. Further, the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180 (1) (a) of the Companies Act, 2013. Hence it shall be necessary to obtain approval for the same from the Shareholders.

The Board of Directors recommend for Shareholders approval through Special resolution.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

ITEM NO.14

As per Section 186 of the Act read with the Rules framed thereunder, the Company is required to obtain the prior approval of the Members by way of a Special Resolution for acquisition by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher. Earlier Shareholders in the Extra-Ordinary Meeting held on March 20, 2020 approved the limit under Section 186 upto Rs.150 Crores.

It was thought expedient by the Board that as a measure of achieving greater financial flexibility and to enable optimal financial structuring and to keep sufficient safeguard, the Board of Directors increase the existing limit from Rs.150 Crores to Rs.750 Crores under Section 186 and recommend the same to the shareholders.

The approval of the members is being sought by way of a Special Resolution pursuant to Section 186 of the Act read with the Rules made thereunder, to enable the Company to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

It is proposed that the investment activities of the Company shall be carried on in accordance with the Investment Policy of the Company.

The Board of Directors recommend for Shareholders approval through Special resolution. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

**ANNEXURE-I TO NOTICE
DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT
THE TWENTY-NINTH ANNUAL GENERAL MEETING
[PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]**

Name of Director	Mr. Naozer Firoze Aibara (DIN : 08759817)	Mr. Dhruv Jain (DIN:09835701)
Age	68 Years	37 Years
Date of Appointment	30-06-2020	14-02-2023
Period of Appointment	5 (Five) Years	5 (Five) Years
Profile & Expertise in specific Functional Areas	He has experience of more than 30 years. He was previously associated with Airtel as Vice President (Sales & Distribution) and with Reliance Communications as Chief Executive Officer. He is currently working with Idea Cellular Ltd as Chief Operating Officer (UP West).	He is experienced Tax Advisor and consultant with over 13 years of expertise in the areas of Tax Planning, Settlement Negotiation, Government relationship Management and submission to Indian Tax Authorities, Proficient in the Computation of the Corporate, Partnership Firms, and Individual Taxes.
Qualifications	Bachelors of Arts, Master of Business Administration and Diploma in Sales & Marketing from Delhi University	Bachelors of Commerce and a Bachelor's degree in Law
Other Positions	Nil	Nil
Directorship of other Companies	Nil	Pavna Auto Engineering Private Limited
Membership of Committees in other Unlisted Public Companies	Nil	Nil
Inter Relationship	Not Related	Not Related
Shares in the Company as at 31 st march, 2024	Nil	5000

Name of Director	Mrs. Priyanka Moondra Rathi (DIN: 09485101)	Mrs. Himani Bhootra (DIN: 09811030)
Age	31 Years	32 Years

Date of Appointment	14-08-2023	17-04-2023
Profile & Expertise in specific Functional Areas	5 (Five) Years	She has expertise in the field of Secretarial, Compliances and Legal Work.
Qualifications	She has worked with Advani Power Limited, Rathi Eduserve & Corporate Consultancy Services Private Limited, Sigma Minerals Limited and currently she is working with Transmissions International India Private Limited Rajasthan as an Internal Controller & Company Secretary, Finance Department. She has an experience of more than 4 years including internship in the field of Secretarial, Compliances and Legal work.	Associate member of ICSI, Bachelors of Commerce (B.Com) and Masters of Commerce (M.Com) and a Bachelor's degree in Law (LLB)
Other Positions	Associate member of ICSI, Bachelors of Commerce and Diploma in MBA in Finance from International Business Management Institute, Berlin, Germany	Nil
Directorship of other Companies	<ol style="list-style-type: none"> 1.Uma Polymers Limited 2.Rex Sealing and Packing Industries Limited 3.CFF Fluid Control Limited 4.Capstor Finance Private Limited 5.Arrowhead Separation Engineering Limited 6.Shreeshay Engineers Limited 	<ol style="list-style-type: none"> 1. Shreeshay Engineers Limited 2. Sanghvi Housing And Infrastructure Limited 3. CWD Limited 4. Shivam Chemicals Limited

Membership of Committees in other Unlisted Public Companies	Nil	Nil
Inter Relationship	Not Related	Not Related
Shares in the Company as at 31 st march, 2024	Nil	Nil

Name of Director	Mr. Paras Shrikant Parekh (DIN: 09485101)	Mrs. Priya Jain (DIN: 03355623)
Age	43 Years	35 Years
Date of Appointment	14-08-2024	01-04-2020
Profile & Expertise in specific Functional Areas	5 (Five) Years	N.A
Qualifications	<p>Worked for 2 years with Automation Control Systems from 2002 to 2004.</p> <p>Currently Working with Bhavnagari Sweets as General Manager, Purchase and Finance. He is having experience of more than 18 years in Food and Hospitality Business.</p>	<p>She has a total experience of 10 years in the automotive industry. She is responsible for the day to day operations and Business Development of Our Company.</p>

Other Positions	He has completed B.E. Electronics.	She has been awarded with a Degree of Bachelor of Technology in Computer Science and Engineering from Mangalayatan University, Aligarh in the year 2012.
Directorship of other Companies	Nil	Nil
Membership of Committees in other Unlisted Public Companies	1.Uma Polymers Limited 2.Rex Sealing and Packing Industries Limited 3.CFF Fluid Control Limited 4.Capstor Finance Private Limited 5.Arrowhead Separation Engineering Limited 6.Shreeshay Engineers Limited	Nil
Inter Relationship	Nil	Wife of Mr. Swapnil Jain (Managing Director)
Shares in the Company as at 31 st march, 2024	Not Related	404000

**For & On Behalf of the Board of Directors of
Pavna Industries Limited**

**Sd/-
Swapnil Jain
Managing Director
DIN:01542555**

Date: September 4, 2024

Place: Aligarh

Registered office:

Vimlanchal hari nagar Aligarh, Uttar Pradesh-202001,India

[Tel:+91-0571-2410010](tel:+91-0571-2410010)

Website: www.pavna.in, Email; cs@pavnagroup.com

CIN:L34109UP1994PLC016359

ROUTE MAP OF PAVNA INTERNATIONAL SCHOOL

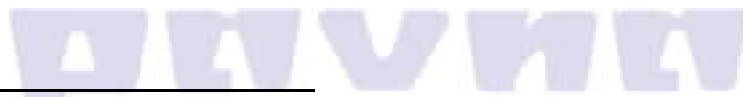


ATTENDANCE SLIP

30TH ANNUAL GENERAL MEETING ON MONDAY, 30TH SEPTEMBER, 2024

Client ID	
Name of Shareholder	
Address	
No. of Shares	

I hereby record my presence at the 30th Annual General Meeting of the Company at Pavna International School, Agra-Aligarh Highway near Mangalayatan Mandir, Aligarh-202001, Uttar Pradesh on Monday, 30th September, 2024 at 11.00 A.M.



Shareholder / Proxy name in block letters

Signature of the Shareholder or Proxy

Email Address:

Note:

- A) Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.
- B) Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

FORM NO. MGT-11**PROXY FORM**

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

PAVNA INDUSTRIES LIMITED
CIN: L34109UP1994PLC016359
VIMLANCHAL, HARI NAGAR
ALIGARH 202001 UP IN

Name of the Member(s)	
Registered address	
E-mail Id	
DP. Id	
Client Id	

I/We being a member / members of shares of the above named company, hereby appoint:

1. Name:
Address:
E-mail Id:
Signature:....., or failing him
2. Name:
Address:
E-mail Id:
Signature:....., or failing him
3. Name:
Address:
E-mail Id:
Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual general meeting of the company, to be held on the Monday of September 30, 2024 At 11:00 a.m. at Pavna International School, Aligarh and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No	Description.	No. of shares held	For	Against
1	To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended on March 31, 2024 and the Profit and Loss Account for the year ended on that date together with the Schedules thereon, along with the Reports of the Directors and Auditors thereon.			
2	To reappoint Mrs. Priya Jain (DIN: 03355623), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment			
3	Increase Authorised Share Capital of the Company			
4	Alteration of the Capital Clause of the Memorandum of Association			
5	Appointment of M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration No. 005560C) as Statutory Auditors of the Company and to fix their remuneration			
6	Appointment of Mr. Paras Shrikant Parekh (DIN:10277614) as an Independent Director of the Company			
7	Re-confirm the Appointment of Mr. Naozer Firoze Aibara (DIN: 08759817) as an Independent Director of the Company			
8	Re-confirm the Appointment of Mr. Dhruv Jain (DIN: 09835701) as an Independent Director of the Company			
9	Re-confirm the appointment of Mrs. Priyanka Moondra Rathi (DIN: 09485101) as an Independent Director of the Company			
10	Re-confirm the appointment of Mrs. Himani Bhootra (DIN: 09811030) as an Independent Director of the Company			
11	Approve the Related Party Transactions			
12	Approval for Increase in Overall Borrowing Limits of the Company as Per Section 180 (1) (c) of The Companies Act, 2013			
13	Approval To Sell, Lease Or Otherwise Dispose Undertaking Of Company Pursuant To Section 180(1)(a):			

14	Approval to make loan(s) and give guarantee(s), provide security(ies) or make investments in excess of the prescribed limit as mentioned under section 186 of Companies Act, 2013			
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Signed this day of..... 2024

Signature of shareholder

Signature of Proxy holder(s)

Notes: 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.



— T H A N K Y O U —

WE OFFER
A BROAD SPECTRUM
OF THESE PRODUCTS



SCAN & VISIT

SINCE 1971

PIVVAR
GROUP