



Pavna Industries Limited

Annual Report 2024-25



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 around 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



About Us

pavna

Amongst leading manufacturers of Automotive Components for two & three wheeler industry

- Incorporated in 1971 by **Mr. Pawan Jain**
- About five decades of experience in Auto Components manufacturing for well-known OEMs

Diversified Portfolio

- Switches, Fuel Tank Caps, Latches, Auto Locks, Handles, Bar Switches, Chain Tensioners, Carburettor, Throttle Body, Fuel Cocks, Oil Pump
- Developing components for drones.

Technical Alliance & Collaborations

- Indo-Taiwan Joint Venture between Pavna Industries and Sunworld Moto Industrial Co. Ltd.
- Technical Alliance with Farma SRL .
- JV with Taiwan based SmartChip Microelectronic Corporation (SMC)



Ultra-Modern Manufacturing Facilities

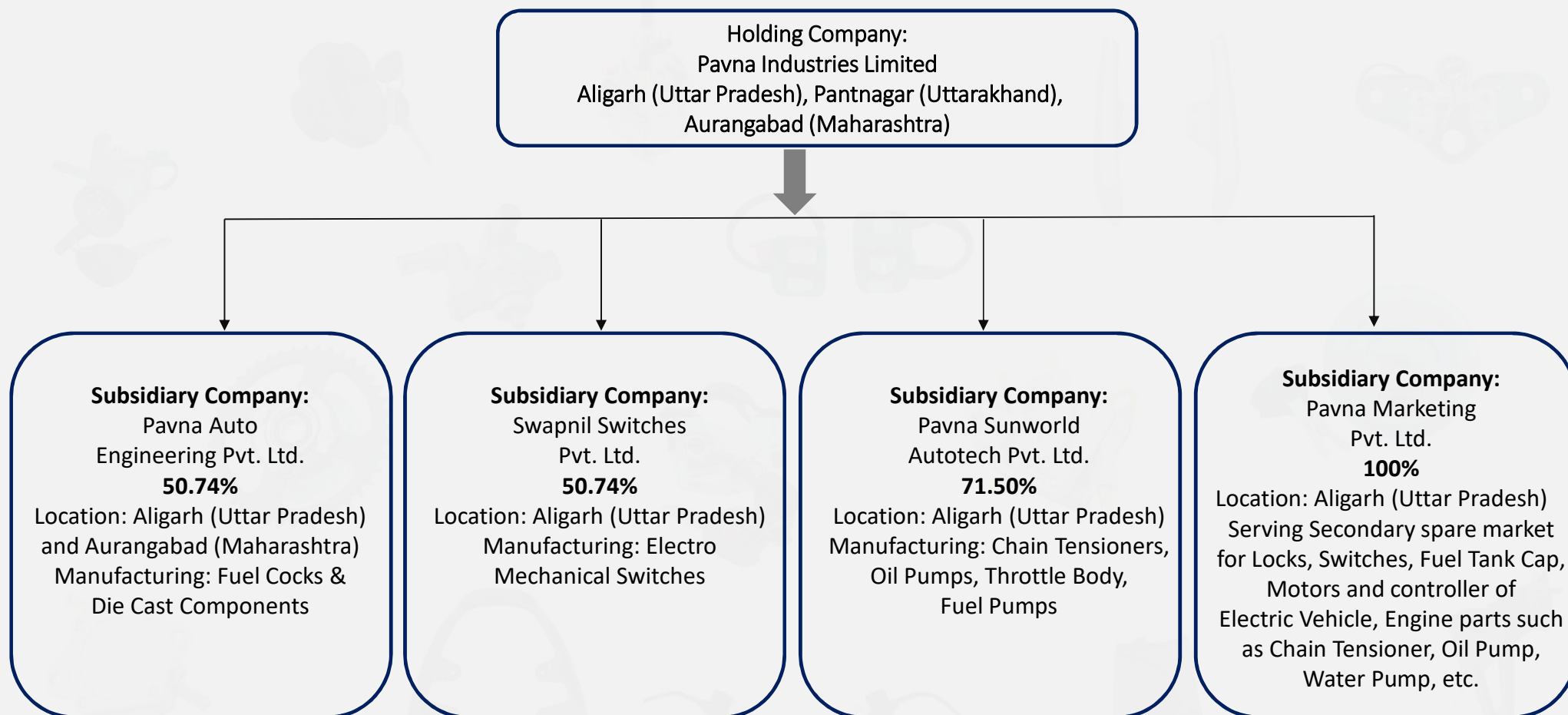
- Nine facilities at three locations Aligarh (Uttar Pradesh), Aurangabad (Maharashtra) Pantnagar (Uttarakhand) & Hosur (upcoming facility)

Domestic and Export presence

- Strong demand for products across key markets in India
- Exports to Italy, Sri Lanka, Indonesia, Sudan, Taiwan, Nepal and Bangladesh



Company Structure





FY25 Financial Highlights

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Particulars (Rs. Cr.)	FY25	FY24	Y-o-Y (%)
Revenue from Operations	308.24	316.87	
Other Operating Income		0.00	
Total Income	308.24	316.87	(2.73%)
Total Raw Materials	200.91	202.47	
Employee Cost	32.35	31.51	
Other Expenses	41.93	48.40	
Total Expenditure	275.18	282.38	(2.55%)
EBITDA	33.05	34.49	(4.17%)
EBITDA Margin %	10.72%	10.88%	
Other Income	1.78	3.00	
Depreciation	13.05	10.70	
Finance Cost	10.64	11.08	
Extraordinary Items	0.00	0.00	
Profit Before Tax	11.16	15.71	(28.99%)
Tax	3.11	3.71	
PAT	8.04	12.00	(33.00%)
PAT Margin	2.61%	3.79%	(118 bps)

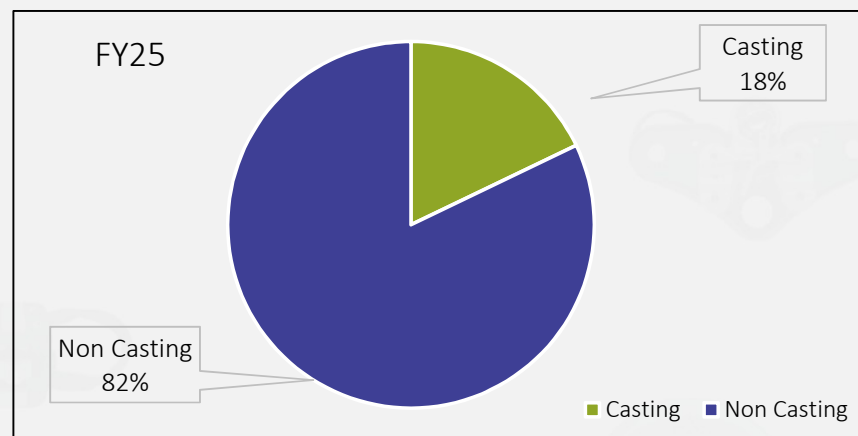
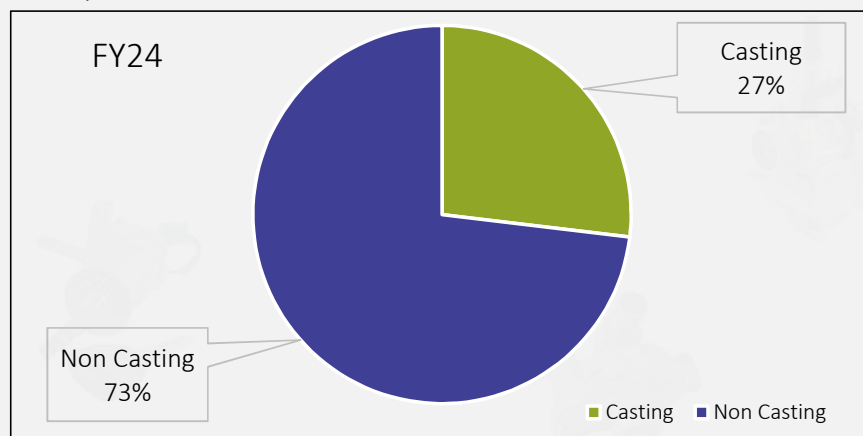
- Continued transition towards high-margin Proprietary segment with reduction in Casting segment in line with long-term strategy
 - Proprietary business grew by >20%
- Positive impact of this strategic shift expected to reflect in margin performance from FY26 onwards
- Strong growth in non-casting business: ₹220 Cr in FY24 to ₹260 Cr in FY25, reinforcing the success of focused diversification



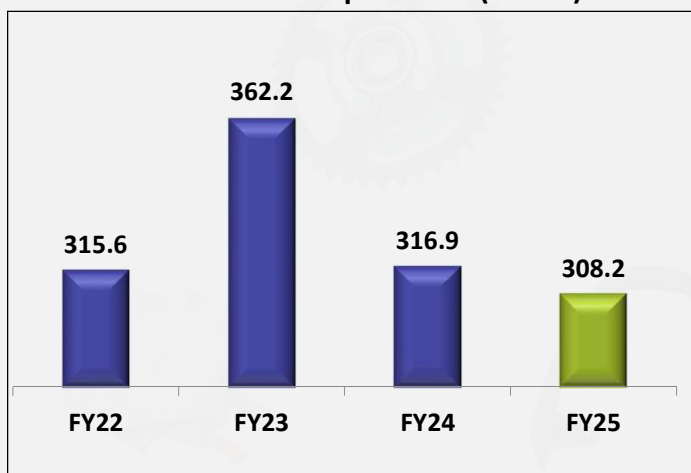
Financial Highlights

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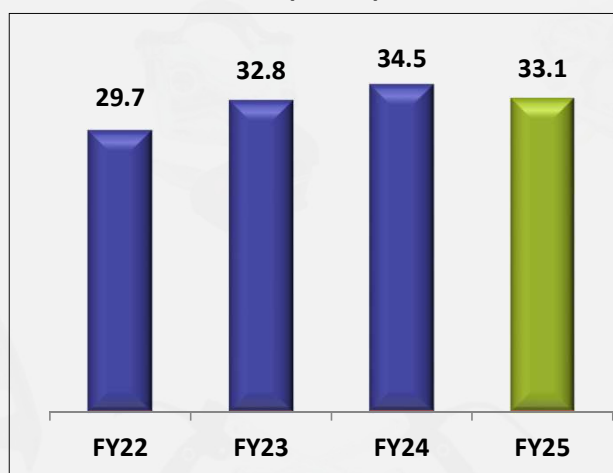
Revenue Mix



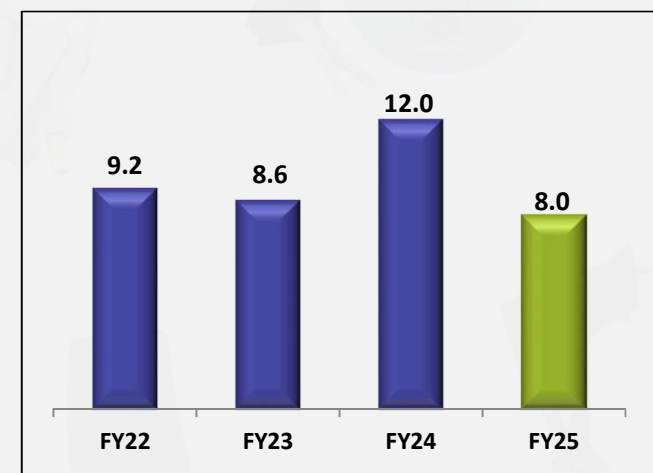
Revenue from Operations (Rs. Cr)



EBITDA (Rs. Cr)*



PAT (Rs. Cr)



*excluding other income

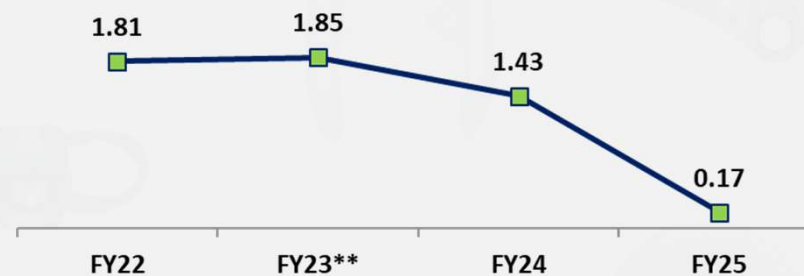


Balance Sheet Ratios

Cash Conversion Cycle



Debt to Equity



RoCE



RoE



RECENT DEVELOPMENTS



Greenfield Expansion

Pantnagar, Uttarakhand: Acquired ~ 1 acre land parcel at the Integrated Industrial Estate to set up a greenfield plant for automobile components, aimed at improving supply chain efficiency and servicing different clients



Expansion In South Indian Market

Hosur, Tamil Nadu: Acquired ~4 acre land to establish a new manufacturing unit, strategically positioned to cater to OEMs in South India and strengthen the company's presence in the region.



Business Movement

Strategically divested our casting business, a key revenue contributor, to realign our focus toward non-casting segments.



Strategic Partnerships

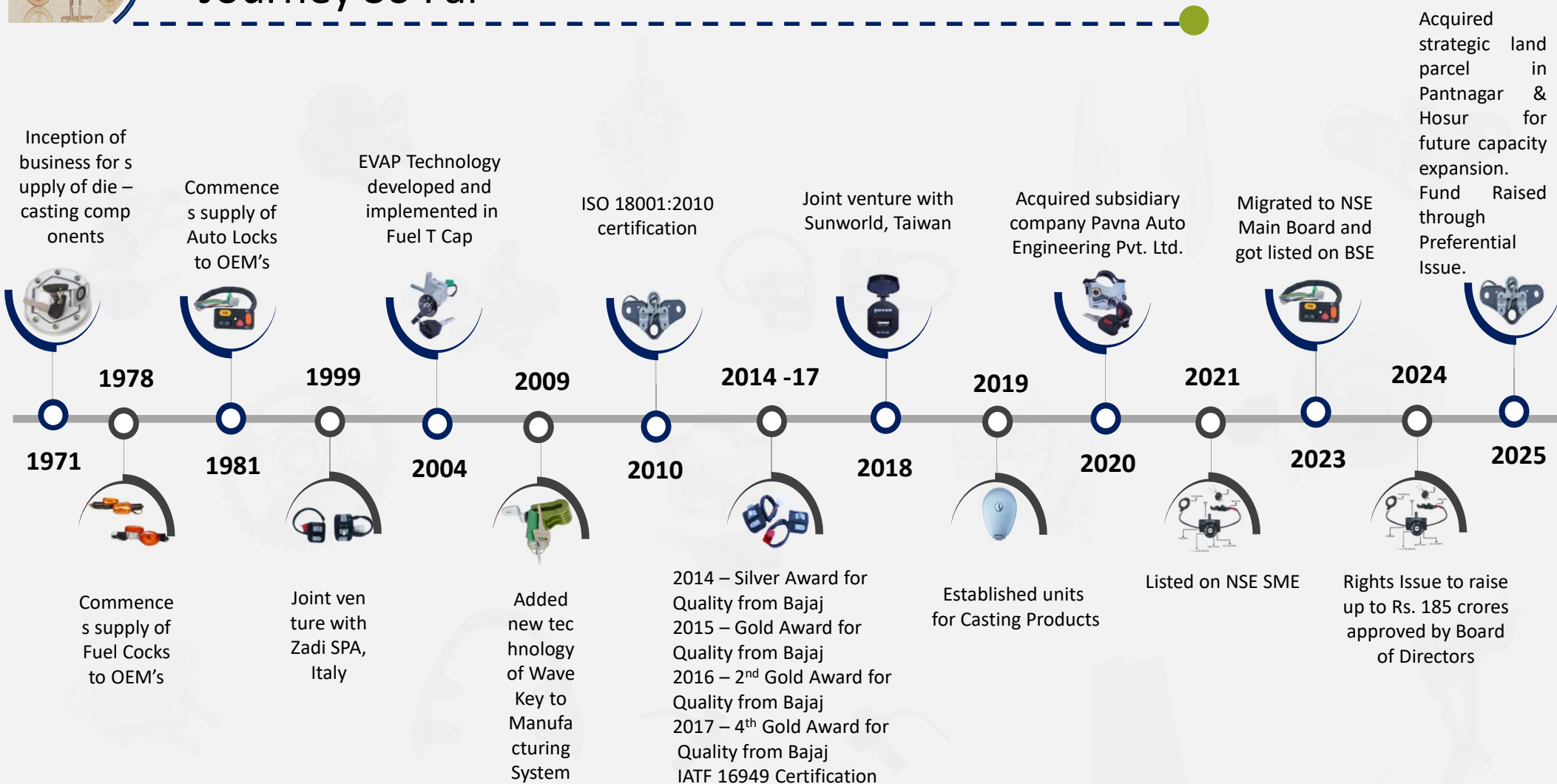
Signed Joint-Venture with Taiwan based SmartChip Microelectronic Corporation (SMC) for EV Technology.





Journey So Far

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Factors Driving Company's Growth



OUR VISION

Build entrepreneurial organizations, making difference to society through creation of value



OUR MISSION

To retain and reinforce our position as leading Indian manufacturer of automotive genuine spare parts, to meet aspirations of customers in domestic and export markets

CORE VALUES & BELIEFS



Non Violence



Learning & Inner Excellence



Humanity



Social Responsibility



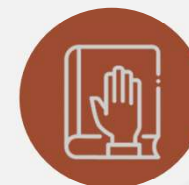
Respect for Individual



Entrepreneurship



Teamwork & Relationship



Delivering Promise



Key Strengths

PAVNA



Our success is attributed to teamwork, continuous R&D and commitment of every member of Company

-  Best 'Speed to Market' in Industry
-  Cost efficiency
-  Updated technology
-  Global scale of operations
-  Product range and expansion lend scalability to operations
-  Comprehensive CAD/CAM and product development capability
-  High Quality, motivated Human Resources



Diverse Product Offerings...

Steering cum Ignition Switches



For 2 Wheeler

For 3 Wheeler

For 4 Wheeler

Steering cum Ignition
Switch assembly with
Bracket

Penta Lock

Fuel Tank Caps



For 2 Wheeler

For 3 Wheeler

For LCV

For Tractor



PAVVA

...Diverse Product Offerings...

Fuel Cocks & Pumps



Manual Fuel Cock



Fuel Pump for 4 stroke



Fuel Pump for 2 stroke



Auto/ Vacuum fuel cock

Engine Components



Carburetor



Throttle Body



Water Pump

Casting Components



Cover Megneto



Grab Handle



Coupling with
Sprocket



Grab Handle
(LH/RH)



Step Holder
(LH/RH)



Clutch & Brake
Lever with
Bracket



Cover Rear



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...Diverse Product Offerings...

Switches



12V Power
Socket



Reverse Break
for 3 Wheeler



Hazard Warning
Switch for 4
Wheeler



Head Lamp
Leveling Switch
for 4 Wheeler



12V Power
Socket



Handle Bar
Switch for 3
Wheeler



USB Mobile Charger
for 3 Wheeler



LH/RH Handle Bar
Switch for 2 Wheeler

Handle and Latches



Outer Handle
for LCV 4
Wheeler



Window
Regulator
Handle



For 2
Wheeler



Molded
Handle



For 2 Wheeler



Front Rear
Flap Latch



Back Door
Latch



Iron Door
Latch



...Diverse Product Offerings...

Automotive Electrical Products



Steering cum
Ignition Lock
Assembly



Ignition
Switch



Handle Bar
Switch LH &
RH



Lever
Assembly LH
& RH



Side Stand
Sensor



LCM Light
Control



Magnet
Holder



Termination
Unit



Regulator Rectifier
Unit

Accessories



Wheel Lock



Helmet Lock



Disc Brake Lock



Foot Rest



Cable Lock



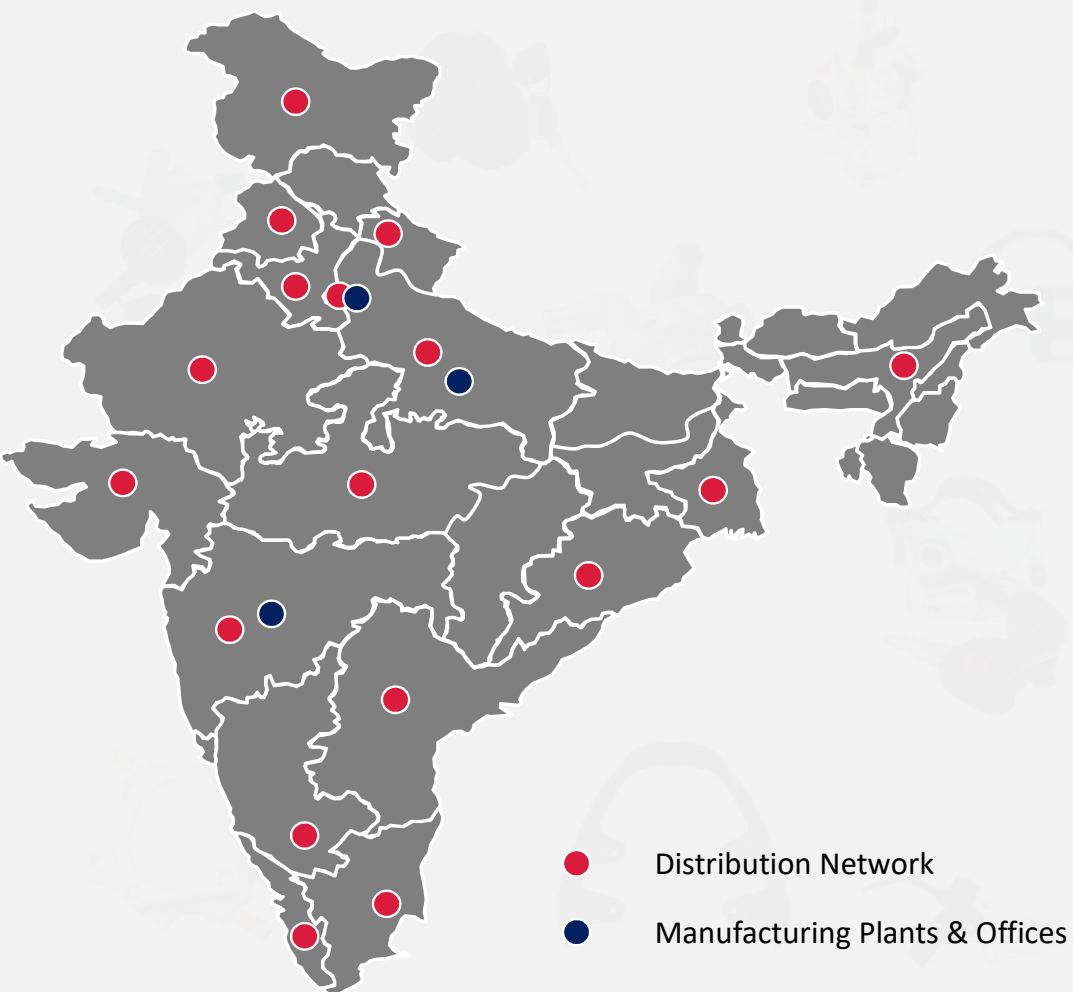
Horns



Wire Harness



Geographical Presence



- Company has 9 facilities at 4 locations - Aligarh (Uttar Pradesh), Aurangabad (Maharashtra), Hosur & Pantnagar (Uttarakhand)
- Strategically located Distribution network in 17 states



Marquee Clients

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SCOOTERS INDIA LIMITED





Way Forward

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Key Focus Areas

- Improve operational efficiencies
- Margin expansion
- Gain in Market Share

New Product Development

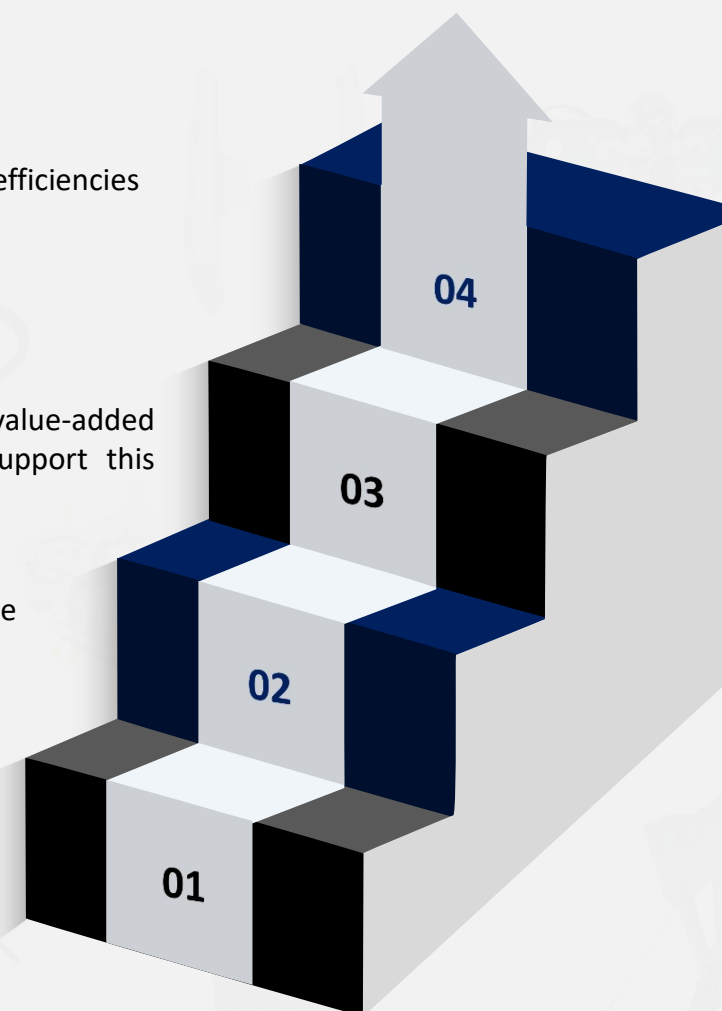
- Continued focus on expanding the product portfolio with value-added offerings; a joint venture is currently in progress to support this initiative

Export Opportunities

- Fully equipped manufacturing facilities of global standards – to provide opportunity to global OEMs
- Incremental Capex, partially, to be dedicated towards export market

Geographical Diversification

- Expand in Geographically strategic locations of India
- Continue to focus on export opportunities and increase export contribution in revenues
- Working on both organic and inorganic growth opportunities



OUR INSPIRATION-MR. PAWAN JAIN- THE FOUNDER



“Change, Hardest At Beginning, Best At The End.” - Pawan Jain

PAVNA means ‘to achieve something, you desire for’

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 THE DESK OF THE MANAGING DIRECTOR



Mr. Swapnil Jain

Dear Shareholders,

As we close the chapter on FY25, I am pleased to share that Pavna Industries Limited continues to move forward with resilience, agility, and a clear vision for sustainable growth. Despite a challenging macroeconomic environment — marked by ongoing geopolitical tensions and tightening global monetary policies — we remain steadfast in our commitment to operational excellence, innovation, and strategic expansion.

The Indian auto component industry has maintained a positive trajectory, supported by strong domestic demand, a rising export share, and the government's sustained support through initiatives such as the PLI scheme. In this evolving landscape, Pavna Industries is seizing opportunities to strengthen its leadership across key product segments and expand its footprint in new-age mobility solutions.

We've taken significant strides this year in strengthening our manufacturing footprint. A major milestone has been the acquisition of land for the development of our first-ever manufacturing facility in South India in coming years — a state-of-the-art plant in Hosur, Tamil Nadu. Designed with the latest technology, this facility will be a significant step forward for Pavna Industries. It will enhance operational efficiency, improve profitability, and strengthen our presence in a region that is home to key clients like TVS Motor, Ola Electric and other OEMs based in South. This marks a new chapter in our growth journey, as we align closer with our customers and expand our capabilities.

Additionally, we acquired a 4,335 sq. meter plot at the Integrated Industrial Estate in Pantnagar, Uttarakhand, to set up a greenfield facility focused on production of Proprietary components. This location strategically positions us nearer to our key clients like Bajaj Auto and other OEMs, while optimizing logistics, reducing turnaround times, and boosting operational efficiency.

The Company has also acquired 11.49 acres (approx.) different parcels of land for future expansion. This move underlines our proactive approach in planning for the future and ensuring that we are well-positioned to meet the evolving needs of our customers and partners.

The Company has also entered into a joint venture agreement with SmartChip Microelectronic

Corporation (SMC), Taiwan based Company, who will offer to undertake and carry on the business of inter alia making electronic components for the automobile industry (ICE & EV) and for other industries like hardware for cupboard/door locks etc. in residential/commercial industries, aero, medical etc. to Pavna. This strategic partnership is an important milestone on our path to emerging as a mobility solutions leader in advanced technologies. By merging Pavna's manufacturing and market capabilities with SMC's state-of-the-art electronics knowledge, we expect to speed up the penetration of EV technologies in India as well as grow into new high-growth markets. With this partnership, we will also further enhance our capacity to serve domestic and global markets with innovative, dependable, and sustainable solutions."

We also expanded our reach in the electric vehicle segment—a space that holds immense promise for the future. In April, we forged a strategic partnership with OLA Electric to supply critical components such as ignition switches and latches across their Indian manufacturing units. This collaboration not only underlines our adaptability but also reinforces our commitment to sustainable mobility. Furthering our global ambitions, we launched product offerings in Bangladesh, unlocking access to new demand clusters in South Asia.

To support our growth vision and deepen our R&D, capacity, and market footprint, our Board has approved two key fund-raising initiatives:

- Raised Funds through Preferential Issue of Equity Shares and Warrants of upto ₹119.79 crores.
- And most recently, on April 09, 2025, the approval to raise up to ₹320 crore via a Qualified Institutional Placement (QIP).

This additional capital will allow us to further diversify our investor base and build financial resilience while fueling long-term growth.

Both initiatives are rooted in our commitment to disciplined capital allocation and strategic execution as we scale new opportunities in domestic and export markets.

As I reflect on the growth and progress, I would like to share with you the performance results for the financial year 2024-25 for our Company. During the year ended 31st March 2025, we reported Rs. 308.24 cr in revenue, a decrease of 2.73% YoY, while EBITDA and PAT stood at Rs. 33.05 cr and Rs. 8.04 cr, The PAT (profit after tax) was Rs. 8.04 crore for the year ended March 31, 2025, as against Rs. 12 crore for the corresponding previous period, a decline of 33% it is due to the company's continued strategic transition towards the high-margin Proprietary segment, which involved a planned reduction in the lower-margin Casting segment. While this shift aligns with our long-term vision, the near-term impact on profitability was expected. Notably, the Proprietary business registered a robust growth of over 20%, and non-casting revenues rose to ₹220 crore in FY24.

Looking forward, we are optimistic and future-focused. Our roadmap is clear: invest in technologies aligned with EV and sustainability trends, broaden our global footprint, and remain a trusted partner to our customers by delivering precision, performance, and value.

As always, I extend my sincere gratitude to our shareholders, clients, partners, and team members for their continued trust and encouragement. With your support, we are confident in our ability to navigate the future with strength and purpose.

Swapnil Jain
Managing Director

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. 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	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. Arun Khanna	General Manager
Mr. Alok Kumar Sharma	Deputy General Manager
Ms. Kanchan Gupta	Company Secretary & Compliance Officer

Statutory Auditor

Arun Varshney and Associates
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
ICICI Bank

Registered Office

Vimlanchal, Hari Nagar
Aligarh, Uttar Pradesh-201010
India

Corporate Office

Sushayat Khurd Aligarh-Agra Road, Near Mangalayatan Mandir,
Sasni, Hathras, Aligarh, Uttar Pradesh, India, 204216
India

Subsidiaries

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

Pavna Sunworld Autotech Private Limited

Plants & Warehouses

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 Gut No. 09, Near Ellora Seeds, Patoda-Gevrai Tanda Road Gangapur Nehari, Chhatrapati Sambhajnagar, Maharashtra, 431136
Unit 7 at Gut No. 09, Near Ellora Seeds, Patoda-Gevrai Tanda Road Gangapur Nehari, Chhatrapati Sambhajnagar, Maharashtra, 431136
Unit 8 at Plot No. 16, Sector-4, IIE SIIDCUL, Pant nagar, 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

MUFG INTIME INDIA PRIVATE LIMITED,
(Formerly Link Intime India Private Limited)
C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai, Maharashtra, India, 400083
SEBI Registration No.: INR000004058
Email- rnt.helpdesk@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

NSE Symbol & BSE Scrip Code

Symbol- PAVNAIND
Scrip Code- 543915

PAVNA INDUSTRIES LIMITED

BOARD OF DIRECTORS' REPORT

FINANCIAL YEAR 2024-25

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DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present 31st Annual Report on the business and operations of the Company along with Audited Financial Statements (Standalone and Consolidated) and the Auditor's Report thereon for the financial year ended on **March 31st, 2025**.

1. FINANCIAL RESULTS

Financial Performance of the Company for the financial year ended on 31st March, 2025 is summarized below:

(Rs. In Lakh)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations	29779.60	28273.49	30823.69	31687.49
Less: Total expenditure	26756.74	25431.66	27518.45	28238.36
Operating profit	3022.86	2841.83	3305.24	3449.13
Add: Other Income	149.57	33.99	178.37	299.83
Profit before interest, foreign exchange, depreciation, amortization, exceptional item and tax	3172.43	2875.82	3483.61	3748.96
Less: Finance cost	935.20	931.08	1063.50	1107.73
Profit before depreciation, amortization, exceptional item, foreign exchange and tax	2237.23	1944.74	2420.11	2641.23
Less: Depreciation, amortization and product development/ engineering Expenses	1151.35	897.34	1304.54	1070.25
Profit/(loss) before exceptional items and tax	1085.88	1047.40	1115.57	1570.98
Exceptional Items - loss (net)	0	0	0	0
Profit / (loss) before Tax	1085.88	1047.40	1115.57	1570.98
Less: Tax expenses / (credit) (net)	279.69	269.89	311.29	370.57
Profit / (loss) after Tax	806.19	777.51	804.28	1200.41
Attributable to:				
- Shareholders of the Company		-	730.54	1066.32
- Non-controlling interest		-	63.46	148.14
Earning Per Equity Share	6.46	6.38	5.91	8.67

(Note-Figures are in lakhs so decimal part is in approx.)

2. OPERATIONAL PERFORMANCE

Standalone Operational Performance

During the review, the Company has generated revenue from operation Rs. 29779.60 lakh in the current financial year which is 5.32 % higher than revenue from operation of Rs. 28273.49 lakh from FY 2023-24.

The Company has booked Net Profit after tax of Rs. 806.19 lakh in the current financial year which is 3.68% higher than of Net profit after tax of Rs. 777.51 lakh from FY 23-24.

Subsidiary Operational Performance

The Company has four subsidiaries. Performance of the subsidiaries have revenue as well as operational expenses and EBITDA as per below table shows-

(Rs. In Lakh)

Particulars	SSPL		PAEPL		PSAPL		PMPL	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Revenue	201.03	805.68	1752.79	3543.28	164.53	65.23	3920.69	4691.42
Operational Exp.	236.46	669.08	1679.24	3237.85	136.86	72.75	3704.10	4456.23
EBITDA	(35.43)	136.60	73.55	305.43	27.67	(7.52)	216.59	235.19

SSPL (Swapnil Switches Private Limited)

PAEPL (Pavna Auto Engineering Private Limited)

PSAPL (Pavna Sunworld Autotech Private Limited)

PMPL (Pavna Marketing Private Limited)

Consolidated Operational Performance

During the financial year under review, consolidated revenue from operations for the financial year ended as on March 31, 2025 is Rs.30823.69 lakhs, while last financial year operational revenue was Rs. 31687.49 lakh. The Company has booked Net Profit after tax of Rs. 804.28 Lakh while last financial year Net profit after tax was 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. 804.28 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.1,800 Lakhs.

During the financial year, the Shareholders of the Company has increased its Authorised Share Capital by Rs. 1,200 Lakhs (consisting of 3,00,00,000 equity shares of Face Value Rs.10/-) by Passing Ordinary Resolution on September 30, 2024 in their 30th Annual General Meeting of the Company.

So, the Authorised Share Capital of the Company at the end of the Financial Year stands at Rs.3,000 Lakhs.

On 3rd August, 2025, Shareholders was passed an Ordinary Resolution through Postal Ballot by Remote e-voting the alteration in the Authorized Share Capital of the Company. So, the Authorized Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crore Only) divided into 30,00,00,000 (Thirty crore) Equity Shares of face value of Rs. 1/- (Rupees One Only)

(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 financial year, the company issued 23,77,000 (Twenty three lakhs Seventy seven thousand) on preferential basis to the persons belonging to “Non Promoter, Public category”. Out of above issue, 17,72,200 (Seventeen lakhs Seventy two thousand two hundred) equity shares of having face value of Rs.10/- each, at an issue price of Rs. 505/- per equity share (including a premium of Rs. 495/- per share) were subscribed, paid and allotted to shareholders.

So, at the end of the Financial Year, the Paid-Up Share Capital stands at Rs.1,395.30 Lakhs only.

On 3rd August, 2025, the shareholders approved Sub-division/ Split of equity shares of the Company, such that 1 (One) Equity Share of Face Value Rs. 10/- (Rupees Ten Only) each fully paid up, be Sub-divided / Split into 10 (Ten) Equity Shares having face value of Re. 1/- (Rupee One Only) each fully paid up by passing ordinary resolution through Postal Ballot via remote e-voting.

So, the Paid-Up Share Capital of the Company will be Rs. 13,95,30,000/- (Rupees Thirteen Crore Ninety-Five lacs Thirty Thousand Only) divided into 13,95,30,000 (Rupees Thirteen Crore Ninety-Five lacs Thirty Thousand) Equity Shares of face value of Rs. 1/- (Rupees One Only) after 1st September, 2025 (Record date for Split).

6. FUND RAISING

The Shareholders of the Company passed Special Resolution on October 23, 2024 in their Extra-Ordinary General Meeting approving the Fund raising through Preferential Issue of Equity Shares to Non Promoter , Public Category and Warrants to Promoter/Promoters Group category.

During the financial year, the company issued 23,77,000 (Twenty three lakhs Seventy seven thousand) on preferential basis to the persons belonging to “Non Promoter, Public category”. Out of above issue, 17,72,200 (Seventeen lakhs Seventy two thousand two hundred) equity shares of having face value of Rs.10/- each, at an issue price of Rs. 505/- per equity share (including a premium of Rs. 495/- per share) were subscribed, paid and allotted to shareholders. The Company received a total of Rs.89,49,61,000/- (Rupees Eight nine Crores Forty Nine Lakhs Sixty one thousand only).

During the financial year, the Company issued 40,00,000 (Forty lakh) fully convertible warrants ("Warrants") on a preferential basis to persons belonging to the Promoter/Promoter Group, in accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations. Each Warrant entitles the holder to subscribe to one equity share of face value ₹10/- at an issue price of ₹505/- per equity share.

The Warrants were issued at ₹505/- per equity share, with 25% of the issue price (i.e., ₹126.25/- per Warrant) payable on application. The Company received a total of ₹30,30,00,000/- (Rupees Thirty Crores and Thirty Lakhs only) against the subscription of 24,00,000 (Twenty-four lakh) Warrants by the Promoter/Promoter Group, and these Warrants were duly allotted by the Company. Each of these Warrants carries the right to be converted into one equity share upon payment of the balance 75% of the issue price at the time of conversion.

Note: - Pursuant to the directive issued by the National Stock Exchange of India Limited (NSE) during the process of the Preferential Issue of Equity Shares, the Company hereby confirms and undertakes that:

“The proceeds raised through the Preferential Issue of Equity Shares have been utilized solely for the purposes and objects as stated in the offer documents and there has been no deviation or variation in the use of funds.”

This undertaking is being provided in compliance with the said directive and forms part of the disclosures in the Annual Report for the financial year ended March 31, 2025.

The Object of Preferential Issue:

The proceeds of the Preferential Issue will be utilized for any one or in combination with any one or more of the purposes such as:

1. . Issue Related Expenses
2. Working Capital Requirements
3. General Corporate Purposes
4. Strategic Acquisitions

• Disclosure regarding issues of equity shares without differential rights:

The Company has not made any issue of equity shares without differential rights during the period under review.

• **Disclosure regarding issues of equity shares with differential rights:**

The Company has not issued any equity shares with differential rights during the period under review.

• **Disclosure regarding issues of employee stock options:**

The Company has not provided any Stock Option Scheme to the employees during the period under review.

• **Disclosure regarding the issues of sweat equity shares:**

The Company has not issued any Sweat Equity Shares during the period under review.

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 financial year under review.

9. SUBSIDIARIES

The Company has 3 Subsidiaries and 1 Wholly owned subsidiary as at March 31, 2025 and detail are 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 (WOS)	100%	Aligarh UP	Business of marketing and trading of automobiles locks, auto parts, die casting items

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 reaffirmed the Long-term rating of 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

a) Fund Raising through Qualified Institutional Placement

The Company came with the Issue of Equity shares of amount not exceeding Rs 320 Crores through the Qualified Institutional Placement decided in its Board meeting held on dated 9th April, 2025 and the shareholders approval also obtained in the Extra ordinary General Meeting held on 5th May, 2025 by passing Special Resolution, The Company shall do the allotment within 12 months from the passing of the special resolution as may be decided by the Board of Directors of the Company.

b) Sub-division/ Split of equity shares of the Company

The Company has decided in this Board Meeting held on 2nd July, 2025 that Sub-division/ Split of equity shares of the Company, such that 1 (One) Equity Share of Face Value Rs. 10/- (Rupees Ten Only) each fully paid up, be Sub-divided / Split into 10 (Ten) Equity Shares having face value of Re. 1/- (Rupee One Only) each fully paid up and the shareholders approved by passing ordinary resolution through Postal Ballot via remote e-voting on 3rd August, 2025.

Record Date for the Split of Shares was set as 1st September, 2025 by the Board of Directors.

Type of Capital	Pre-Sub Division			Post Sub-Division		
	No. of Equity Shares	Face Value per Share (INR)	Total Share Capital (INR)	No. of Equity Shares	Face Value per Share (INR)	Total Share Capital (INR)
Authorised share capital	3,00,00,000	10	30,00,00,000	30,00,00,000	1	30,00,00,000
Paid-up Share Capital	1,39,53,000	10	13,95,30,000	13,95,30,000	1	13,95,30,000

Members of the Exchange are hereby informed that the ISIN Code for the equity shares of the company shall be changed w.e.f. September 01, 2025.

New ISIN of the Company is **INE07S10138**. The new ISIN shall be effective for all trades done on and from the Ex-date i.e., September 01, 2025.

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 financial 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 2024-25 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 Companies Act, 2013 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 2024-25, 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 financial 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, 2025 was 774.

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 financial year with related parties were on an arm's length basis and mostly in the ordinary course of business. Requisite approval were taken from Shareholders by passing Special Resolution. The approval of the Audit Committee and the Shareholders were 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 2024-25.

21. CORPORATE SOCIAL RESPONSIBILITY

During the financial year under review the Company has spent Rs. 19,51,478 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. DIRECTOR S 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 Director was appointed on the Board of the Company as on date of this report:

1. Mr. Paras Shrikant Parekh (DIN: 10277614) (w.e.f 14.08.2024)

The following Independent director who has completed his term:-

1. Mr. Naozer Firoze Aibara cessation w.e.f (25.06.2025)

(b) Retire by Rotation

In accordance with provisions of the Act and the Articles of Association of the Company, Mr. Sanjay Kumar Jain, Non-Executive Director (DIN: 03008142) 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, The following are the Key Managerial Personnel's who have appointed, resigned and terminated during the financial year:-

- Mrs. Charu Singh has resigned from the position of Company Secretary and Compliance Officer of the Company w.e.f. 28th August, 2024.
- Mrs. 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. Pankaj Kumar Aggarwal (Assistant vice president-production) had resigned as Key Managerial Personnel w.e.f 13th August, 2024.
- Mr. Rachakonda Sambasiva Murthy was appointed as a KMP w.e.f Janaury 10, 2024 and was terminated w.e.f August 12, 2024.
- Mr. Ram Karan Malik (Vice President-After Market Development) had resigned as key managerial personnel w.e.f December 12, 2024.
- Mr. Vijay Sharma (Vice President) had resigned as key Managerial Personnel w.e.f 31st January, 2025.

23. 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 fulfil the conditions specified in the Companies Act, 2013 ('the Act') as well as the Rules made thereunder and are independent of the management.

24. 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 financial year is available on the website of the Company at www.pavna.in.

25. 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.

26. 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 in financial 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 caused by the previous statutory Auditor.

Resolution for appointment of M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration NO.005560C), Chartered Accountants has been proposed in the 30th Annual General Meeting for a term of Five years and on such remuneration as decided by the Board of Directors in consultation with the Audit Committee.

M/s. Arun Varshney & Associates, Chartered Accountants (Firm Registration NO.005560C), Chartered Accountants has been appointed as Statutory Auditor in the 30th Annual General Meeting of the Company held on 30th September, 2024 for the period of five financial years starting from the FY 24-25 to FY 29-30.

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 financial year ended March 31, 2025. As per the recent amendments of SEBI(LODR) Regulations, the Board has re-appointed based on the recommendation of Audit Committee **M/s D. Sagar & Associates, (CP No. 11547)**, a Company Secretaries in Practice in Maharashtra in its Board Meeting held on August 08th, 2025 for a period of five financial years starting from FY 25-26 to FY 29-30, subject to the approval of the shareholders in the ensuing 31st Annual General Meeting of the Company.

The Report of the Secretarial Audit for the financial year ended March 31st, 2025 is annexed herewith as "**Annexure-6**".

The Secretarial Audit Report for 2024-25 does not contain any qualification, reservation or adverse remarks.

c) Internal Auditor

During the year under review, the Company has appointed the M/s. Serva Associates, Chartered Accountants (Firm Registration No: 00272N) Delhi, as Internal Auditor of the Company for the Financial Year 2024-25.

During the year, the Company continued to implement his/her suggestions and recommendations to improve the control

Environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditor's findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

M/s. Suri & Sudhir, Chartered Accountants (Firm Registration No. 000601N) has been appointed as Internal Auditor of the Company for the Internal Audit of the Company for the F.Y 2025-26.

27. MEETINGS OF THE BOARD

During the financial year, the Board of Directors met 15 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 financial year was not more than 120 days.

28. 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 Annual Report. Further, during the financial year under review, all recommendations made by the various committees have been accepted by the Board.

29. GENERAL MEETINGS

During the financial year, Members of the Company met 3 times and 1 through Postal Ballot. For details, please refer to the Report on Corporate Governance, which forms part of this Annual Report as “**Annexure-7**”.

30. 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.

31. 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.

32. 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 as on March 31, 2025. For details, please refer to the Report on Corporate Governance, which forms part of this Annual Report as "Annexure-7".

33. HUMAN RESOURCES

No complaints/suggestions were received during the financial 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, 2025. From the total 774 permanent employees, 209 are Women.

34. 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 2024-25 will be available on the website of the Company.

35. 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.

36. DETAILS OF APPLICATION MADE FOR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016.

During the financial year under review, there were no application made or proceedings pending in the name of the company under the Insolvency and Bankruptcy Code, 2016.

37. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE-TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS.

During the financial year under review, there has been no one time settlement of Loans taken from Banks and Financial Institutions.

38. MARKET PRICE DATA

The shares of the Company were traded as under during 2024-25.

Month	NSE			BSE		
	High (Rs.)	Low (Rs.)	Turnover (Rs.in Lakhs)	High (Rs.)	Low (Rs.)	Turnover (Rs.in Lakhs)
April	620.75	502.00	2107.66	618.90	500.35	953.69
May	583.05	499.95	1120.45	570.15	499.65	204.08
June	589.90	511.00	1975.80	581.95	511.75	142.96
July	545.00	455.50	3136.72	535.95	450.00	440.07
August	482.00	412.70	683.16	485.00	414.00	132.75
September	549.45	407.95	5882.55	554.90	409.00	988.06
October	759.50	486.00	24097.60	759.55	482.00	2403.18
November	657.40	530.50	1697.47	688.00	530.90	327.93
December	592.40	472.50	795.84	579.80	472.00	188.80
January	564.00	434.35	1219.35	584.40	434.15	239.93
February	553.85	330.00	1115.46	551.45	306.60	89.89
March	398.00	293.30	1595.71	396.00	295.20	289.93

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

MARKET PRICE VARIATION IN RELATION TO NSE SENSEX DURING FINANCIAL 2024-2025:

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

Month	PIL High (Rs.)	PIL Low (Rs.)	NSE Nifty (High)	NSE Nifty (Low)
April	620.75	502	22,783	21,778
May	583.05	499.95	23,111	21,821
June	589.9	511	24,174	21,281
July	545	455.5	25,000	23,993
August	482	412.7	25,268	23,894
September	549.45	407.95	26,277	24,753
October	759.5	486	25,908	24,074
November	657.4	530.5	24,538	23,263
December	592.4	472.5	24,858	23,460
January	564	434.35	24,227	22,787
February	553.85	330	23,807	22,105
March	398	293.3	23,870	21,965

MARKET PRICE VARIATION IN RELATION TO BSE SENSEX DURING 2024-2025:

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

Month	PIL High (Rs.)	PIL Low (Rs.)	BSE Sensex (High)	BSE Sensex (Low)
April	618.9	500.35	75124.28	71816.46
May	570.15	499.65	76009.68	71866.01
June	581.95	511.75	79671.58	70234.43
July	535.95	450	81908.43	78971.79
August	485	414	82637.03	78295.86
September	554.9	409	85978.25	80895.05
October	759.55	482	84648.4	79137.98
November	688	530.9	80569.73	76802.73
December	579.8	472	82317.74	77560.79
January	584.4	434.15	80072.99	75267.59
February	551.45	306.6	78735.41	73141.27
March	396	295.2	78741.69	72633.54

(Source: www.bseindia.com)

39. DEMATERIALIZATION OF SHARES

As on March 31, 2025, all Equity Shares of the Company are held in dematerialized form. There are no equity shares in physical form as on March 31, 2025.

i. SHAREHOLDING PATTERN

The Shareholding Pattern of the Company as on 31st March, 2025 is as follows:

S.No	Category	No. of Equity Shares held	% of Shareholding
1	Promoter (Non-Corporate)	71,78,520	51.45
2	Promoter Group (Non-Corporate)	404,840	2.90
3	Promoter Group (Corporate)	997,040	7.15
4	Public	53,72,600	38.50
TOTAL		1,39,53,000	100.00

ii. FULLY COMPULSORY CONVERTIBLE WARRANTS

Following are the Number of Warrants (Fully Compulsory Convertible to Equity Shares) allotted to the Promoter & Promoter Category Shareholder:

S.No	Name	Category	Number of Warrants Allotted
1	Asha Jain	Promoter	12,00,000
2	Swapnil Jain	Promoter	6,00,000
3	Priya Jain	Promoter Group	6,00,000
TOTAL			24,00,000

Note- It will be converted into equity shares when the 75% remaining amount is paid by the Promoter & Promoter Group.

40. DIRECTOR REMUNERATION AND SITTING FEES

Member's attention is drawn to Financial Statements wherein the disclosure of remuneration paid to Directors is given during the year 2024-25. The remuneration and Sitting fees paid to Directors will be mentioned Annual return.

41. OTHER DISCLOSURES

A. 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 17 (1A) of the SEBI LODR Regulations	2023-24	0.56	November 21, 2023 (NSE)	Penalty paid
2.	Non-compliance of Regulation 17 (1A) of the SEBI LODR Regulations	2023-24	0.56	November 21, 2023 (BSE)	Penalty paid

B. PREVENTION OF SEXUAL HARASSMENT

The Company has complied with the provisions relating to the Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no case filed or registered with the Committee during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe environment for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the Financial Year 2024-25:

- a. number of complaints pending at the beginning of the financial year : Nil
- b. number of complaints received during the financial year : Nil
- c. number of complaints disposed of during the financial year : Not Applicable
- d. number of complaints pending as on end of the financial year : Not Applicable

C. 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") so, Mr. Dhruv Jain, the Independent Director of the Company, was appointed as additional Director of PAEPL and regularized in the Annual General meeting of PAEPL on September 30, 2024.

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 ww.pavna.in

D. COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including all applicable amendments and rules framed thereunder. The Company is committed to ensuring a safe, inclusive, and supportive workplace for women employees. All eligible women employees are provided with maternity benefits as prescribed under the Maternity Benefit Act, 1961, including paid maternity leave, nursing breaks, and protection from dismissal during maternity leave.

The Company also ensures that no discrimination is made in recruitment or service conditions on the grounds of maternity. Necessary internal systems and HR policies are in place to uphold the spirit and letter of the legislation.

E. GENDER-WISE COMPOSITION OF EMPLOYEES

In alignment with the principles of diversity, equity, and inclusion (DEI), the Company discloses below the gender composition of its workforce as on the March 31, 2025.

Male Employees: 565

Female Employees: 209

Transgender Employees: 0

This disclosure reinforces the Company's efforts to promote an inclusive workplace culture and equal opportunity for all individuals, regardless of gender.

F. INCIDENT OF FRAUD

No significant fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

G. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review and till date of this Report, the Company has neither made any application against

anyone nor any proceedings were pending against the Company under the Insolvency and Bankruptcy Code, 2016.

H. INVESTORS EDUCATION & PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer & Refund) Rules 2016 all unpaid or unclaimed dividend are required to be transferred by the Company to the IEPF established by Central Government after completion of seven years. During the year under review, there was no amount liable or due to be transferred to Investor Education and Protection Fund.

I. SECRETARIAL STANDARDS

During the year under review, your Company has complied with all applicable secretarial standards issued by The Institute of

Company Secretaries of India and approved by the Central Government pursuant to Section 118 (10) of the Companies Act, 2013.

J. CEO & CFO CERTIFICATION

Certificate from Mr. Ravindra Jagannathrao Pise (Chief Executive Officer) and Mrs. Palak Jain (Chief Financial Officer) was placed before the Board of Directors of the Company at its meeting held on May 26, 2025. A certificate is attached with this report.

K. DECLARATION BY CHIEF EXECUTIVE OFFICER

Declaration signed by Mr. Ravindra Jagannathrao Pise, the chief executive officer of the Company stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management attached with Annexure 7.

L. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE BY THE PRACTICING COMPANY SECRETARY

Compliance Certificate on Corporate Governance by M/s. D. Sagar & Associates, the Practicing Company Secretary under Regulation 34(5) read with Schedule V (Part E) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 has been attached with Annexure 7.

M. CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

A Certificate from M/s. D. Sagar & Associates, the Practicing Company Secretary in practice Regulation 34(3) read with Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been attached with Annexure 7.

42. 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 2024-25.

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, 2025, 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, 2025 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/-

Asha Jain

Chairperson & Executive Director

DIN: 00035024

Sd/-

Swapnil Jain

Managing Director

DIN:01542555

Date: August 30, 2025

Place: Aligarh

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**

The global economy is projected to grow at a slower pace in 2025, with the IMF forecasting a growth rate of 2.8%, down from 3.3% in 2024. This deceleration is primarily attributed to escalating trade tensions, notably the resurgence of protectionist policies and significant tariff increases by major economies, which have disrupted global trade flows and heightened economic uncertainty.

Inflationary pressures are expected to persist, albeit with some moderation. Global inflation is anticipated to decline from approximately 6.8% in 2023 to around 4.5% by 2025. However, the pace of this decline varies across regions, influenced by factors such as supply chain disruptions and differing monetary policy responses.

Advanced economies are experiencing varied growth trajectories. The United States is forecasted to grow at 1.8% in 2025, a significant slowdown from previous years, impacted by high tariffs and reduced consumer spending. The Euro Area's growth is also expected to decelerate, with particular weakness in Germany, while Spain remains a positive outlier. Emerging markets, including China, face challenges due to decreased export demand, with China's growth projected at 4% for 2025.

Overall, the global economic outlook for 2025 remains cautious. Key risks include ongoing geopolitical tensions, potential increases in inflation, and further disruptions in global supply chains. These factors contribute to an environment of uncertainty, necessitating vigilant monitoring and adaptive strategies by businesses worldwide.

Source: <https://www.imf.org/en/Publications/WEO/weo-database/2025/april>
<https://www.imf.org/en/Publications/WEO>
<https://www2.deloitte.com/us/en/insights/economy/global-economic-outlook/weekly-update.html>
https://www.ey.com/en_us/insights/strategy/global-economic-outlook

Indian Economic Scenario

India's economy is projected to grow at 6.2% in FY25, according to the International Monetary Fund's April 2025 World Economic Outlook. This marks a slight revision from the earlier forecast of 6.5%, primarily due to escalating global trade tensions and geopolitical uncertainties, notably the impact of increased U.S. tariffs.

Despite these external challenges, domestic demand remains robust, with private consumption, especially in rural areas, serving as a key growth driver. The government's emphasis on fiscal prudence and structural reforms aims to bolster economic resilience and attract private investment.

Inflation is expected to moderate, with the IMF projecting consumer prices to rise by 4.2% in 2025, aligning with the Reserve Bank of India's target range. This anticipated stability in inflation is likely to support consumer spending and investment activities.

However, the Ministry of Finance has highlighted potential risks to the growth outlook stemming from ongoing trade disputes and geopolitical tensions, which could disrupt supply chains and dampen investor sentiment. The government underscores the importance of proactive measures to mitigate these risks and sustain economic momentum.

Source: <https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html>
<https://india.un.org/en/287164-un-report-forecasts-robust-growth-indian-economy>
<https://pib.gov.in/PressReleasePage.aspx?PRID=2113316>
<https://www.businesstoday.in/india/story/indias-economic-outlook-for-2025-navigating-slowdown-structural-challenges-and-global-uncertainty-459352-2025-01-02>

INDUSTRY STRUCTURE AND DEVELOPMENT

Global Automobile Industry

In 2025, the global automotive industry is navigating a complex landscape marked by modest growth and significant challenges. Global vehicle sales are projected to increase by approximately 2.7%, reaching 98.7 million units, a deceleration influenced by high vehicle prices, consumer debt, and potential policy shifts.

Electric vehicles (EVs) continue to gain traction, with sales expected to reach 17 million units in 2025, driven by consumer interest in eco-friendly transportation and supportive government policies. However, affordability concerns and the need for expanded charging infrastructure remain significant hurdles.

Technological advancements are reshaping the industry, with investments in autonomous driving and connected car technologies enhancing safety and user experience. The global connected car market is projected to grow significantly, from \$56 billion in 2020 to \$121 billion in 2025.

Supply chain disruptions, exacerbated by geopolitical tensions and trade policy uncertainties, continue to challenge manufacturers. Companies are reevaluating their supply chains and production strategies to mitigate risks associated with tariffs and regional instabilities.

Looking ahead, the global automotive industry in 2025 is focused on recovery and innovation. With the stabilization of supply chains 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.forbes.com/sites/sarwantsingh/2025/01/13/global-automotive-outlook-predictions-for-2025/>

<https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154025&ModuleId=3®=3&lang=1>

India Auto Component Industry

In FY25, India's automotive sector continued its growth trajectory, albeit at a moderated pace compared to previous years. The industry witnessed a 7.3% increase in domestic sales and a remarkable 19.2% surge in exports, underscoring its resilience and adaptability in a dynamic global environment.

The passenger vehicle (PV) segment achieved a record high of 4.3 million units sold, marking a 2% year-on-year growth. This growth was predominantly driven by the Utility Vehicles (UVs), which now constitute 65% of total PV sales, up from 60% in the previous fiscal year.

The surge in UV sales reflects changing consumer preferences towards larger and more versatile vehicles.

The two-wheeler segment experienced a robust 9.1% growth, with 19.6 million units sold. This resurgence is attributed to improved rural demand and the introduction of new models catering to diverse consumer needs. Notably, electric two-wheelers have gained traction, now accounting for over 6% of total two-wheeler sales.

Three-wheelers also saw a positive trend, with sales reaching 741,420 units, registering a 6.7% growth. The demand was primarily driven by the passenger sub-segment and the increasing need for last-mile connectivity solutions.

India's auto component industry demonstrated significant growth in FY25. In the first half of the fiscal year, the industry recorded an 11.3% increase, achieving a turnover of ₹3.32 lakh crore (USD 39.6 billion). This growth was fueled by steady demand from Original Equipment Manufacturers (OEMs), exports, and the aftermarket segment.

The Automotive Component Manufacturers Association of India (ACMA) projects the industry to achieve a year-on-year growth of 8% to 11% for the entire FY25. This optimistic outlook is supported by higher value addition and increased export demand.

Despite global challenges, the Indian automotive industry is poised for continued growth, driven by strong domestic demand, supportive government policies, and a focus on innovation and sustainability.

Source: <https://www.ibef.org/industry/autocomponents-india>
<https://economictimes.indiatimes.com/industry/auto/auto-news/indias-automobile-industry-will-be-number-one-in-world-in-next-5-years-nitin-gadkari/articleshow/117353987.cms?from=mdr>
<https://www.insightsonindia.com/2025/04/12/automotive-industry-landscape-in-india/>

Government Initiative

The Government of India has launched the Production Linked Incentive (PLI) Scheme for the automobile and auto component industry with a budgetary outlay of ₹25,938 crore, spanning five years from FY2022-23 to FY2026-27. This scheme aims to boost domestic manufacturing of advanced automotive technology products, including electric vehicles (EVs) and hydrogen fuel cell vehicles, thereby enhancing the global competitiveness of the Indian automotive sector.

Complementing the PLI scheme, the National Programme on Advanced Chemistry Cell (ACC) Battery Storage has been introduced to promote the manufacturing of high-efficiency battery storage systems in India. This initiative is crucial for the development of EVs and renewable energy sectors, aiming to reduce dependency on imports and establish a robust domestic supply chain.

The Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) India Scheme continues to play a pivotal role in promoting electric mobility in the country. Under its second phase, the scheme focuses on supporting the electrification of public and shared

transportation, including subsidies for electric buses, three-wheelers, and two-wheelers, thereby accelerating the adoption of EVs across various segments.

The introduction of the Bharat New Car Assessment Program (BNCAP) is set to enhance vehicle safety standards in India. By providing star ratings for vehicles based on their performance in crash tests, BNCAP aims to encourage manufacturers to improve the safety features of their vehicles, thus fostering innovation and excellence in the auto component sector.

India's auto component industry has demonstrated significant growth, with revenues expected to cross USD 80.1 billion in FY2025, up from USD 49.3 billion in 2020, reflecting a compound annual growth rate (CAGR) of 8%. The sector contributes approximately 2.3% to India's GDP and directly employs over 1.5 million people.

Exports have also seen a substantial increase, reaching USD 21.2 billion in FY2024, with projections to hit USD 30 billion by 2026. This growth is supported by government initiatives like the PLI scheme, which incentivizes the production of advanced automotive technologies and components.

The Indian EV market is experiencing rapid expansion, with sales growing at a CAGR of over 76% from FY2020 to FY2024. The government's commitment to achieving 30% electric mobility by 2030 is reinforced by policies such as customs duty exemptions on the import of capital goods and machinery required for manufacturing lithium-ion batteries. These measures aim to reduce the cost of EVs and promote their adoption across the country.

With continued support from government policies and schemes, the Indian automotive and auto components industry is poised for sustained growth. The focus on electric mobility, safety standards, and domestic manufacturing is expected to enhance the sector's global competitiveness, attract investments, and generate employment opportunities, thereby contributing significantly to India's economic development.

Source: <https://heavyindustries.gov.in/pli-scheme-automobile-and-auto-component-industry>
<https://www.ibef.org/industry/autocomponents-india>
<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2114919>
<https://www.motorindiaonline.in/indian-auto-comp-industry-set-to-cross-80-bn-revenue-in-fy2025-up-from-49-3-bn-in-2020/>

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, 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, 2025, is as follows:

Total revenue from operations stood at Rs. 308.24 crore for the year ended March 31, 2025, as against Rs. 316.87 crore for the corresponding previous period, decrease of 2.73%

EBITDA (excluding other income) was at Rs. 33.05 crore as against Rs. 34.49 crore in FY24, decrease of 4.17%

EBITDA Margin for the year ended FY25 was 10.72% as against 10.88% in FY24.

The PAT (profit after tax) was Rs. 8.04 crore for the year ended March 31, 2025, as against Rs. 12 crore for the corresponding previous period, a decline of 33% it is due to the company's continued strategic transition towards the high-margin Proprietary segment, which involved a planned reduction in the lower-margin Casting segment. While this shift aligns with our long-term vision, the near-term impact on profitability was expected. Notably, the Proprietary business registered a robust growth of over 20%, and non-casting revenues rose from ₹220 crore in FY24

FY25 PAT Margin stood at 2.61% as against PAT Margin of 3.79% in FY24, decrease of 118 bps

RESOURCES AND LIQUIDITY

As on March 31, 2025, the consolidated net worth stood at Rs. XX crore and the consolidated debt was at Rs. XX crore

The cash & cash equivalents and bank balances at the end of March 31, 2025 were Rs. 1.15 crore and Rs. 0.31 crore respectively

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

- **Emerging as a Global Manufacturing Hub:** The shift of global manufacturing bases from traditional to emerging markets is positioning India as a preferred destination. This creates vast potential for Indian auto component manufacturers to cater to both domestic and international OEMs.
- **Growth in Electric and Hybrid Vehicle Segment:** The rising global focus on sustainable transportation is fueling demand for electric and hybrid vehicles. This offers a significant growth opportunity for Indian suppliers to develop batteries, EV powertrains, lightweight materials, and other green mobility components.
- **Rising Export Potential:** Indian auto component exports witnessed robust growth and are projected to reach USD 80 billion by 2026. Quality improvements, competitive costs, and expanding trade partnerships are further enhancing India's export attractiveness.
- **Favorable Government Policies and Incentives:** Policy frameworks like the PLI scheme, FAME-II, and ACC Battery Storage Program are driving domestic manufacturing, innovation, and EV ecosystem development—offering a conducive environment for expansion.
- **Technological Advancements and Smart Mobility:** Increasing adoption of connected, autonomous, shared, and electric (CASE) mobility opens avenues for developing components related to sensors, AI-based systems, ADAS, and advanced software integration.
- **Aftermarket Growth:** Rising vehicle ownership and increased lifespan of vehicles are fueling the domestic aftermarket segment, offering steady demand for replacement and value-added components.
- **Localisation and Import Substitution:** OEMs are focusing more on local sourcing to reduce dependency on imports, offering a massive opportunity for Indian players to scale production and become self-reliant.
- **Sustainability and Green Manufacturing:** As global automakers prioritize sustainable practices, suppliers offering environmentally friendly, recyclable, and energy-efficient components will see increased demand and collaboration opportunities.

Source: <https://www.ibef.org/industry/autocomponents-india>
<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2114919>
<https://heavyindustries.gov.in/pli-scheme-automobile-and-auto-component-industry>
<https://www.motorindiaonline.in/indian-auto-comp-industry-set-to-cross-80-bn-revenue-in-fy2025-up-from-49-3-bn-in-2020/>

THREATS

- **Intense Competition:** The auto component industry faces increased competition, especially from international suppliers, which can affect market share, profitability, and innovation. With global players entering the Indian market, local companies need to constantly innovate to stay competitive.
- **Weak Demand for Private Ownership of Cars Powered by Internal Combustion Engines (ICE):** The growing shift towards electric vehicles (EVs) and declining demand for traditional ICE-powered vehicles pose a threat to the auto component industry. This change in consumer preference affects demand for auto components specific to conventional vehicles.
- **Consumer Demand:** Rising vehicle prices and uncertain economic conditions could lead to reduced consumer spending on new cars. The impact of high costs and changing preferences toward shared mobility (such as ride-hailing services) can depress demand for vehicles, directly affecting the auto component sector.
- **Rising Inflation Rate:** As inflation increases, the cost of raw materials and labor also rises, affecting the overall cost of production. This could squeeze profit margins for auto component manufacturers, especially in a highly competitive environment.
- **Regulatory Challenges:** As government regulations on emissions and safety standards become stricter, manufacturers are required to invest heavily in upgrading technology, which can result in higher compliance costs. While this is necessary for long-term sustainability, it poses short-term financial challenges.
- **Supply Chain Disruptions:** Global supply chain disruptions, particularly in sourcing critical components like semiconductors and lithium-ion batteries, can slow production timelines and increase costs. The auto component industry is vulnerable to these global disruptions.

The auto component industry faces both significant opportunities and challenges. In order to stay competitive, businesses need to adapt to the ongoing shifts in consumer preferences, invest in new technologies, and navigate external threats such as economic uncertainties and rising production costs. The evolving market conditions will require continuous innovation and strategic adjustments to remain profitable.

Source: <https://www.ibef.org/industry/autocomponents-india>
<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2114919>
<https://heavyindustries.gov.in/pli-scheme-automobile-and-auto-component-industry>
<https://www.motorindiaonline.in/indian-auto-comp-industry-set-to-cross-80-bn-revenue-in-fy2025-up-from-49-3-bn-in-2020/>

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, 2025, the Company had 774 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 behavioural, 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 Pavna 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 Proprietary 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 and other OEMs. This expansion will not only enhance our operational capacity but also attract a broader range of OEMs in the region.

The Company has acquired land for the development of our first-ever manufacturing facility in South India in coming years — a state-of-the-art plant in Hosur, Tamil Nadu. It will be designed with the latest technology. It will enhance operational efficiency, improve profitability, and strengthen our presence in a region that is home to key clients like TVS Motor, Ola Electric and other OEMs based in South.

The Company has also acquired 11.49 acres (approx.) different parcels of land for future expansion. This move underlines our proactive approach in planning for the future and ensuring that we are well-positioned to meet the evolving needs of our customers and partners.

To strengthen our reach in the e-lock, EV segment, the Company has entered into a joint venture agreement with SmartChip Microelectronic Corporation (SMC), Taiwan based Company who will contribute its present and future technical skills, innovations, and R&D capabilities in automotive e-lock systems for both ICE & EV and EV components like Motor Controller, Throttle Body, Dashboard for 2W & 3W and EV charging piles.

Also, the Company planned reduction in the lower-margin Casting segment and continued strategic transition towards the high-margin Proprietary segment.

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:

S.No.	Ratio	Measurement Unit	As at 31 March 2025	As at 31 March 2024	% Change March 2025	Explanations
1	Current Ratio	Times	3.21	1.02	216.35%	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
2	Debt Equity Ratio	Times	0.15	1.70	-91.05%	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
3	Debt Service coverage Ratio	Times	0.75	1.53	-51.03%	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
4	Return on equity ratio	%	6.25%	11.82%	-47.08%	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
5	Inventory Turnover Ratio	Times	2.76	2.80	-1.12%	Not Applicable
6	Trade Receivables turnover Ratio	Times	5.61	5.53	1.60%	Not Applicable
7	Trade Payables turnover Ratio	Times	9.25	6.78	36.45%	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
8	Net Capital turnover ratio	Times	2.90	131.39	-97.80%	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
9	Net Profit ratio	%	3%	3%	-1.55%	Not Applicable
10	Return on Capital Employed	%	14.10%	16.06%	-12.17%	Not Applicable
11	Return on Investment	%	6.99%	29.71%	-76.46%	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.

**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 64,73,385 KVH 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 2024-25, 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.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

During the year the Company has imported raw material & Services of Rs 25.95 Lakh

Foreign Exchange Earnings and Outgo

Particulars	JPY	US \$
Import in Foreign currency	45,700.00	30119.25
Particulars	EURO	US \$
Export in Foreign currency	134,955.15	16,228.80



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

Sd/-

Asha Jain

Date: August 30, 2025

Place: Aligarh

Chairperson & Executive Director

DIN: 00035024

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 2024-25:**

Sl	Name of Directors	Designation	Ratio of	% increase in the Remuneration *
			remuneration to	
			median remuneration	
1	Mr. Swapnil Jain	Managing Director	0.14	-
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	Ms. Kanchan Gupta	Company Secretary & Compliance Officer	-	-

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.
- Mrs. Charu Singh resigned from the post of Company Secretary & Compliance Officer w.e.f 28.08.2024.
- 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, 2025: 774**
- 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. 2023-24	Remuneration of Director/KMP in F.Y. 2024-25	% increase in F.Y. 2024-25
Swapnil Jain	2,16,00,000	3,30,00,000	52.77
Asha Jain	-	-	-
Priya Jain	-	-	-
Ravindra Jagannathrao Pise	28,00,000	48,00,000	-
Arun Khanna	25,44,000	22,54,089	-
Alok Kumar Sharma	18,60,000	18,60,000	-
Dilip Bhalchandra Godse	7,50,000	18,00,000	-
Palak Jain	3,24,150	12,96,600	-
Kanchan Gupta	6,28,754	9,25,840	-

Notes:

1. Shareholders has provided approval for the remuneration upto Rs.5 crores by passing the Special Resolution.
2. Date of appointment of Mr. Ravindra Jagannathrao Pise is 01.09.2023.
3. Date of appointment of Mr.Dilip Bhalchandra Godse is 01.11.2023.
4. Date of appointment of Ms. Palak Jain is 20.01.2024.
5. 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, 2025

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	28,00,000	Permanent	MBA	21	1-Aug-2019	39	Pavna Industries Limited
2	Ravindra Jagannathrao Pise	CEO	4,00,000	Permanent	Be (Mechanical)	40	1-Sep-2023	63	Cooper Cooperation Satara & Bajaj
3	Dilip Kumar Naik	CTO	3,48,035	Permanent	B.Tech (Mechanical)	35	26-Jun-2024	59	Sandhar Technologies Ltd
4	Arun Khanna	AGM	212000	Permanent	Diploma In Mechanical Eng.	36	1-Apr-2015	63	HUF India Pvt Ltd
5	Jagadeesh Kumar Kantheti	DGM	1,86,392	Permanent	BE (Mechanical)	24	1-Jul-2024	44	Suja Shoei India Pvt Ltd
6	Himanshu Badoni	Manager	1,85,271	Permanent	B.Tech (E& C)	20	7-Dec-2024	45	Sandhar Automotive Ltd
7	Mr S.C Rajpoot	GM	1,85,000	Permanent	B.Tech	30	1-Jul-2002	53	Gulati Auto Pvt Ltd
8	Sukhvinder Singh	CORP IT HEAD	1,75,000	Permanent	M Com	25	3-Dec-2021	53	M Integraph Systms Pvt Ltd
9	Alok Kumar Sharma	AGM	1,55,000	Permanent	Me (Design)	25	1-Jun-2020	44	Anu Industries Ltd
10	Dilip Bhalchandra Godse	UNIT HEAD	1,50,000	Permanent	Me (Design)	40	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**

Sd/-
Asha Jain
Date: August 30, 2025
Place: Aligarh
Chairperson & Executive Director
DIN: 00035024

Sd/-
Swapnil Jain
Managing Director
DIN:01542555

AOC-1

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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 Lakh)

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 2024-25	FY 2024-25	FY 2024-25	FY 2024-25
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.)	60.90	60.90	100.00	10.00
5	Reserves & surplus	458.46	1822.52	(22.49)	414.93
6	Total assets	933.44	3115.65	342.62	1485.07
7	Total Liabilities	933.44	3115.65	342.62	1485.07
8	Investments	0	0	0	0
9	Turnover	201.03	1752.79	164.53	3920.69
10	Profit before taxation	(72.79)	(63.13)	8.31	157.33
11	Provision for taxation	(1.02)	(6.07)	-1.96	-36.73
12	Profit after taxation	(71.77)	(57.06)	6.34	120.60
13	Proposed Dividend	0	0	0	0
14	% of shareholding	50.74%	50.74%	71.50%	100%

The following information shall be furnished:-

- Names of subsidiaries which are yet to commence operations as on 31st March, 2025**
–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 - Loan Taken	- Building Rent - Trade Mark Royalty - Interest - Loan Taken
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-2024	30-May-2024
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-2024	30-May-2024	30-May-2024
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-2024	30-May-2024	30-May-2024
Amount paid as advances, if any:	NA	NA	NA

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

Sd/-

Asha Jain

Chairperson & Executive Director

DIN: 00035024

Sd/-

Swapnil Jain

Managing Director

DIN:01542555

Date: August 30, 2025

Place: Aligarh

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 as on Date:

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

Note- Mr. Naozer Firoze Aibara (DIN-08759817) who was member of the Corporate Social Responsibility Committee of the Company has completed his term on 24th June 2025. Accordingly, he has ceased to be member with effect from 25th June 2025. So, the CSR Committee has been reconstituted and Mr. Dhruv Jain, an Independent Director has been inducted as the member of the CSR Committee with effect from 8th August, 2025.

Average Net Profit of the Company for last three financial years: Rs.9,74,25,266

Prescribed CSR Expenditure (2% of Average Net Profit): Rs.19,48,505

Details of CSR Spend during the financial year:

- a. Total amount spent during the year- Rs.19,51,478
- b. Amount unspent, if any: 0.00

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

Total Amount Spent for the Financial Year	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)	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NOT APPLICABLE												

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	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration
1.	Promoting Education	Education	No	Uttar Pradesh	Aligarh	19,51,478	No	Shree Adinath Kund Kund Kahan Digamber Jain Trust	CSR00018062

(d) Amount spent in administrative Overheads : Nil

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

(f) Total amount spent for the Financial Year : Rs. 19,51,478

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**

Sd/-

Asha Jain

Chairperson & Executive Director

DIN: 00035024

Sd/-

Swapnil Jain

Managing Director

DIN:01542555

Date: August 30, 2025

Place: Aligarh

SECRETARIAL AUDIT REPORT

“Annexure-6”

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FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31st, 2025

[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, 2025 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, 2025 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) The company during the reporting period has filed a few e-forms including Form DIR-12, Form MGT-14, Form CHG-1, Form AOC-4 & Form MGT-7 with additional fees. Therefore, it has to be treated as compliance after the due date along with payment of additional fees.
- 2) 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 31.03.2025.

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 decisions are 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 company has entered into the following events having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc;

1. Preferential issuance of upto 23,77,000 (Twenty three lakhs seventy seven thousand Only) equity shares to the persons belonging to "Non Promoter, Public category." Out of which only 17,72,200 Equity Shares were subscribed.
2. Preferential issuance of up to 40,00,000 (Forty lakhs only) fully convertible warrants on preferential basis to the person belonging to "Promoter/Promoter group". Out of proposed 40,00,000 Warrants, only 24,00,000 Warrants were subscribed by the Promoter/Promoter Group.

FOR D. SAGAR & ASSOCIATES

Sd/-
CS SAGAR RAMRAO DEO
(Practicing Company Secretary)
CP No: 11547
Peer Review NO.: 1192/2021
UDIN: F009518G000803487

Place: Chhatrapati Sambhajnagar
(Aurangabad)
Date: 15/07/2025

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. Wherever 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)
CP No: 11547
Peer Review NO.: 1192/2021
UDIN: F009518G000803487

Place: Chhatrapati Sambhajanagar
(Aurangabad)
Date: 15/07/2025

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31.03.2025

[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, (Subsidiary Company of Pavna Industries Ltd) having **CIN: U50300UP1994PTC016358** for the Financial Year ended **31st March 2025**. 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, 2025** (“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, 2025** 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 received confirmation from the charge holder regarding full and final repayment of the loan and satisfaction of charge, and the necessary E- Form CHG-4 has been filed with the Registrar of Companies in this regard."

2. The Company held its Annual General Meeting dated 30/09/2024

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: 23/08/2025

Sd/-

(Company Secretaries)

Fcs Ankur Verma

(verma ankur & co.)

Proprietor

M. No.: 11072

C.P. No.: 15924

Peer Review Certificate No.: 5392/2023

UDIN: F011072G001066973



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

Sd/-

Date: 23/08/2025

(Company Secretaries)

Fcs Ankur Verma

(verma ankur & co.)

Proprietor

M. No.: 11072

C.P. No.: 15924

Peer Review Certificate No.: 5392/2023

UDIN: [F011072G001066973](#)

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 9 Directors, out of which 5 Directors are Non-Executive 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	09835701	Mr. Dhruv Jain	Non -Executive Independent Director
05	09811030	Ms. Himani Bhootra	Non-Executive Independent Director
06	09485101	Ms. Priyanka Moondra Rathi	Non-Executive Independent Director
07	03008142	Mr. Sanjay Kumar Jain	Non- Executive Non-Independent Director
08	08940098	Mr. Achyutanand Ramchandra Mishra	Non-Executive Independent Director
09	10277614	Mr. Paras Shrikant Parekh	Non-Executive Independent Director (w.e.f 14.08.2024)

Mr, Paras Shrikant Parekh (DIN-10277614) who was appointed an Additional Non-Executive Independent Director on dated 14.08.2024 has been regularized as Non-Executive Independent Director in the 30th Annual General Meeting of the Company has been held on September 30, 2024 by passing special resolution.

Mr. Naozer Firoze Aibara (DIN 08759817) who was Non-Executive Independent Director of the Company has completed his term on 24th June 2025. Accordingly, he has ceased to be an Independent Director with effect from 25th June 2025. The Company places on record its appreciation for the significant contributions made by Mr. Naozer Firoze Aibara during his tenure with the Company.

Mr. Swapnil Jain (DIN-01542555) has completed his tenure as Managing Director on 31st March, 2025. The Company has re-appointed Mr. Swapnil Jain as Managing Director of the company further for a term of five years starting from 1st April 2025 to 31st March 2030 by passing Special Resolution through Postal Ballot via remote e-voting on 30th March, 2025.

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 Directors on 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-executive Directors ('NINEDs') are liable to retire by rotation

Note- For the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered.

MEETINGS OF THE BOARD

During the financial year under review, 15 Board Meetings were held on dates as per table-

01	Saturday, May 11, 2024	02	Monday, May 13, 2024	03	Thursday, May 30, 2024
04	Monday, July 15, 2024	05	Wednesday, August 14, 2024	06	Wednesday, September 04, 2024
07	Thursday, September 26, 2024	08	Wednesday, October 16, 2024	09	Saturday, October 19, 2024
10	Monday, October 28, 2024	11	Friday, November 29, 2024	12	Wednesday, December 18, 2024
13	Wednesday, January 29, 2025	14	Friday, February 14, 2025	15	Saturday, February 22, 2025

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 Listed companies, their shareholding in the Company's shares as at March 31, 2025:

Name of Director	No. of Board Meetings attended in the financial year (Out of 15)	Attendance at the last AGM	Holding in Company's Shares	Directorships in other Listed Entities
Mrs. Asha Jain	15	Yes	58,21,960	-
Mr. Swapnil Jain	14	Yes	13,56,560	-
Mr. Naozer Firoze Aibara (Cessation w.e.f June 25, 2025)	10	No	-	-
Mr. Achyutanand Ram Chandra Mishra	12	No	-	-
Mrs. Priya Jain	15	Yes	4,04,000	-
Mr. Sanjay Kumar Jain	15	Yes	-	-
Mr. Dhruv Jain	14	Yes	10,000	-
Mr. Paras Shrikant Parekh (Appointed w.e.f 14.08.2024)	10	No	-	-
Ms. Himani Bhootra	10	No	-	2
Ms. Priyanka Moondra Rathi	9	No	-	2

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

The Audit Committee of the Company has been constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 as well as in terms of Regulation 18 of the SEBI Listing Regulations comprising of requisite number of Independent Directors.

Date of Meeting	Name of Director and Designation in Committee				
	**Mr. Dhruv Jain Independent Non-Executive Director Chairman	*Mr. Naozer Firoze Aibara Non- Executive Independent Director Member	Mr. Swapnil Jain Managing Director Member	Mr. Paras Shrikant Parekh Non-Executive Independent Director Member	Mr. Achyutanand Ram Chandra Mishra Non-Executive Independent Director Member
May 13, 2024	Yes	Yes	Yes	NA	NA
May 30, 2024	Yes	Yes	Yes	NA	NA
August 14, 2024	Yes	Yes	Yes	NA	NA
September 04, 2024	Yes	No	Yes	Yes	Yes
September 26, 2024	Yes	No	Yes	Yes	Yes
October 28, 2024	Yes	Yes	Yes	Yes	Yes
February 14, 2025	Yes	Yes	Yes	Yes	Yes

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. Naozer Firoze Aibara was the Chairman of the Audit Committee till 30th May, 2024 and re-designated as Member of the Audit Committee onwards from 30th May, 2024. Mr. Naozer Firoze Aibara (DIN 08759817) who was member of the Audit Committee of the Company has ended his term on 24th June 2025. Accordingly, he has ceased to be member with effect from 25th June 2025.

** Mr. Dhruv Jain was the member of the Audit Committee till 30th May, 2024 and re-designated as Chairman of the Audit Committee onwards from 30th May, 2024.

Mr. Achyutanand Ramchandra Mishra and Mr. Paras Shrikant Parekh (Non-Executive 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				
	Mr. Dhruv Jain Non-Executive Independent Director	Mr. Naozer Firoze Aibara Non- Executive Independent Director	Mr. Sanjay Kumar Jain Non-Executive Non-Independent	Mr. Paras Shrikant Parekh Non-Executive	Mr. Achyutanand Ramchandra Mishra

	Chairman	Member	Director Member	Independent Director Member	Non-Executive Independent Director Member
May 30, 2024	NO	Yes	Yes	NA	NA
August 14, 2024	Yes	Yes	Yes	NA	NA
September 04, 2024	Yes	No	Yes	Yes	Yes
September 26, 2024	Yes	No	Yes	Yes	Yes
December 17, 2024	Yes	No	Yes	Yes	No
February 22, 2025	Yes	Yes	Yes	Yes	No

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

Mr. Naozer Firoze Aibara (DIN-08759817) who was member of the Nomination and Remuneration Committee of the Company has completed his term on 24th June 2025. Accordingly, he has ceased to be member with effect from 25th June 2025 on completion of his term.

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 trusts are pursuing various activities namely upliftment of socio-economic backward society by providing health, education and self-employment. 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		
	Mr. Swapnil Jain (Managing Director) Chairman	Mr. Naozer Firoze Aibara (Non-Executive Independent Director) Member	Mr. Priya Jain (Executive Director) Member
May 30, 2024	Y	Y	Y
March 28, 2025	Y	Y	Y

Mr. Naozer Firoze Aibara (DIN-08759817) who was member of the Corporate Social Responsibility Committee of the Company has completed his term on 24th June 2025. Accordingly, he has ceased to be member with effect from 25th June 2025. So, the CSR Committee has been reconstituted and Mr. Dhruv Jain, an Independent Director has been inducted as the member of the CSR Committee with effect from 8th August, 2025.

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 Relationship Committee of the Board of Directors to look into the redressal of investors' grievances as per Section 178(5) of the companies Act, 2013 as well as in terms of Regulation 20 of the SEBI Listing Regulations comprising of requisite number of Independent Directors.

Date of Meeting	Name of Director and Designation in Committee			
	Mr. Sanjay Kumar Jain (Non- Executive Non-Independent Director) Chairman	Mr. Swapnil Jain (Managing Director) Member	Mrs. Priya Jain (Executive Director) Member	Mr. Dhruv Jain (Non-Executive Independent Director) Member
May 30, 2024	Yes	Yes	Yes	No
August 14, 2024	Yes	Yes	Yes	Yes
September 04, 2024	Yes	Yes	Yes	Yes
September 26, 2024	Yes	Yes	Yes	Yes
October 28, 2024	Yes	Yes	Yes	Yes
February 14, 2025	Yes	Yes	Yes	Yes

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 financial year, without the attendance of Non-Independent Directors and Members of the Management which was held on February 14, 2025. 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 2024-25, 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.pavna.in.

STATUS OF INVESTORS' GRIEVANCES:

During the year 2024-25 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. No grievance was outstanding as on 31st March, 2025.

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 financial years are as under:

Type of Meeting	Date of Meeting	Place of Meeting
Extra Ordinary General Meeting	Wednesday, October 23, 2024	Pavna International School, Agra-Aligarh
Extra Ordinary General Meeting	Saturday, November 09, 2024	Pavna International School, Agra-Aligarh
Annual General Meeting	Monday, 30 th September, 2024	Pavna International School, Agra-Aligarh
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

Two Extra-Ordinary General Meetings were held on October 23, 2024 and November 09, 2024.

DETAILS OF SR PASSED IN THE LAST 3 YEARS IN AGM/EGM.

S.No.	Particulars	Date
1	FOR INCREASE IN THE TOTAL SHAREHOLDING LIMITS FOR ALL FOREIGN INSTITUTIONAL INVESTORS ('FIIS') INCLUDING THEIR SUB-ACCOUNTS UPTO 49% OF THE PAID-UP VOTING EQUITY CAPITAL OF THE COMPANY.	9 th November, 2024
2	FOR PREFERENTIAL ISSUANCE OF UP TO 80,55,000 (EIGHTY LAKHS FIFTY-FIVE THOUSAND ONLY) FULLY CONVERTIBLE WARRANTS ("WARRANTS") ON PREFERENTIAL BASIS TO THE PERSONS BELONGING TO "NON-PROMOTER, PUBLIC CATEGORY"	9 th November, 2024
3	FOR RAISING OF FUNDS AND ISSUANCE OF SECURITIES	23 rd October, 2024
4	PREFERENTIAL ISSUANCE OF UP TO 40,00,000 (FORTY LAKHS ONLY) FULLY CONVERTIBLE WARRANTS ("WARRANTS") ON PREFERENTIAL BASIS TO THE PERSON BELONGING TO "PROMOTER/PROMOTER GROUP	23 rd October, 2024
5	PREFERENTIAL ISSUANCE OF UPTO 23,77,000 (TWENTY THREE LAKHS SEVENTY SEVEN THOUSAND ONLY) EQUITY SHARES TO THE PERSONS BELONGING TO "NON-PROMOTER, PUBLIC CATEGORY".	23 rd October, 2024
6	ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY	23 rd October, 2024
7	AMENDMENT IN OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY	23 rd October, 2024
8	APPROVAL TO MAKE LOAN(S) AND GIVE GUARANTEE(S), PROVIDE SECURITY(IES) OR MAKE INVESTMENTS IN EXCESS OF THE	30 th September, 2024

	PREScribed LIMIT AS MENTIONED UNDER SECTION 186 OF COMPANIES ACT, 2013	
9	APPROVAL TO SELL, LEASE OR OTHERWISE DISPOSE UNDERTAKING OF COMPANY PURSUANT TO SECTION 180(1)(A):	30 th September, 2024
10	APPROVAL FOR INCREASE IN OVERALL BORROWING LIMITS OF THE COMPANY AS PER SECTION 180 (1) (C) OF THE COMPANIES ACT, 2013	30 th September, 2024
11	APPROVE THE RELATED PARTY TRANSACTIONS	30 th September, 2024
12	RE-CONFIRM THE APPOINTMENT OF MRS. HIMANI BHOTRA (DIN: 09811030) AS AN INDEPENDENT DIRECTOR OF THE COMPANY	30 th September, 2024
13	RE-CONFIRM THE APPOINTMENT OF MRS. PRIYANKA MOONDRA RATHI (DIN: 09485101) AS AN INDEPENDENT DIRECTOR OF THE COMPANY	30 th September, 2024
14	RE-CONFIRM THE APPOINTMENT OF MR. DHURV JAIN (DIN: 09835701) AS AN INDEPENDENT DIRECTOR OF THE COMPANY	30 th September, 2024
15	RE-CONFIRM THE APPOINTMENT OF MR. NAOZER FIROZE AIBARA (DIN: 08759817) AS AN INDEPENDENT DIRECTOR OF THE COMPANY	30 th September, 2024
16	APPOINTMENT OF MR. PARAS SHRIKANT PAREKH (DIN:10277614) AS AN INDEPENDENT DIRECTOR OF THE COMPANY	30 th September, 2024
17	RE-APPOINTMENT OF MR. ACHYUTANAND RAMCHANDRA MISHRA (DIN: 08940098) AS AN INDEPENDENT DIRECTOR OF THE COMPANY	29 th September, 2023
18	DISINVESTMENT IN SUBSIDIARY (PAVNA GOYAM AUTO PRIVATE LIMITED) UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013	29 th September, 2023
19	REVIEW AND APPROVE THE RELATED PARTY TRANSACTIONS	29 th September, 2023
20	REGULARIZATION OF ADDITIONAL NON-EXECUTIVE DIRECTOR, MR. SANJAY JAIN (DIN: 03008142) AS NON-EXECUTIVE DIRECTOR OF THE COMPANY	27 th September, 2022
21	APPROVAL OF MANAGERIAL REMUNERATION OF MR. SWAPNIL JAIN (MANAGING DIRECTOR)	27 th September, 2022
22	TO REVIEW AND APPROVE THE RELATED PARTY TRANSACTION	27 th September, 2022
23	APPOINTMENT OF STATUTORY AUDITOR M/S. RAJEEV KUMAR & CO., CHARTERED ACCOUNTANTS	27 th September, 2022

DETAILS OF RESOLUTION PASSED IN THE LAST 3 YEARS THROUGH POSTAL BALLOT.

S.No.	Particulars	Result Date
1	RE-APPOINTMENT OF MR. SWAPNIL JAIN AS MANAGING DIRECTOR FURTHER FOR FIVE YEARS STARTING FROM 1 ST APRIL 2025 TO 31 ST MARCH, 2030.	30 th March, 2025
2	INCREASE AUTHORISED SHARE CAPITAL OF THE COMPANY TO RS.18 CRORES	15 th November, 2023
3	ALTERATION OF THE CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION	15 th November, 2023
4	RAISING OF CAPITAL THROUGH A FURTHER PUBLIC OFFERING	15 th November, 2023
5	MIGRATION FROM SME TO MAIN BOARD OF NSE LIMITED AND BSE LIMITED	26 th August, 2022
6	INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY	26 th August, 2022
7	ALTERATION OF THE CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION	26 th August, 2022
8	ISSUE OF BONUS SHARES	26 th August, 2022

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

Sd/-

Asha Jain

**Chairperson & Executive
Director**

DIN: 00035024

Date: August 30, 2025

Place: Aligarh

Sd/-

Swapnil Jain

Managing Director

DIN:01542555

CEO/CFO COMPLIANCE CERTIFICATE
[Regulation 17(8) read with Schedule II (Part B) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015)]

We, the undersigned, in our respective capacities as Chief Executive officer and Chief Financial Officer of Pavna Industries Limited (“the Company”) to the best of our knowledge and belief, certify that:

A. We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2025 and that to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

D. We have indicated to the auditors and the Audit Committee:

- a. there are no significant changes in internal control over financial reporting during the year;
- b. there are no significant changes in accounting policies during the year; and
- c. there are no instances of significant fraud of which we have become aware.

For Pavna Industries Limited

Place-Aligarh
Date-May 26,2025

Sd/-
Palak Jain
Chief Financial Officer

Sd/-
Ravindra Jagannathrao Pise
Chief Executive officer

CONFIRMATION ON CODE OF CONDUCT
[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015)]

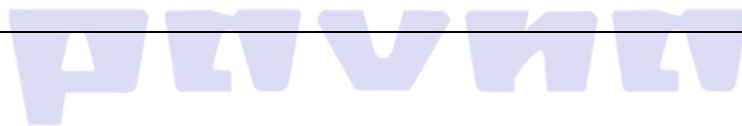
To,
The Members,
Pavna Industries Limited

This is to confirm that the board has laid down a code of conduct for Board of Directors and senior management of the Company. It is further confirmed that all the Directors and senior management of the Company have affirmed compliance with the Code of Conduct of the Company as at March 31, 2025, as envisaged in Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Place-Aligarh
Date-August 30, 2025

Ravindra Jagannathrao Pise
Chief Executive officer



CERTIFICATE ON CORPORATE GOVERNANCE
[Regulation 34(5) read with Schedule V (Part E) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015)]

To,
The Members,
Pavna Industries Limited

We have examined the compliance of conditions of Corporate Governance of Pavna Industries Limited ('the Company'), for the financial year ended on 31st March, 2025 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance as stipulated in Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations. The Board of Directors of the Company is in compliance with Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For D. SAGAR & ASSOCIATES
Practicing Company Secretary
Sd/-
CS SAGAR RAMRAO DEO
CP NO. 11547
Peer Review No. 1192/2021
UDIN: F009518G001095790

Place- Chhatrapati Sambhajinagar
Date-August 28, 2025

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS
[Regulation 34(3) read with Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015)]

To,
The Members,
Pavna Industries Limited
Vimlanchal Hari Nagar,
Aligarh, Uttar Pradesh-202001 IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Pavna Industries Limited [CIN: L34109UP1994PLC016359] having Registered Office at Vimlanchal Hari Nagar, Aligarh, UP-202001 IN (hereinafter referred to as 'the Company'), produced before us by the Company, whether electronically or otherwise, for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

SL.	DIN	NAME OF DIRECTOR	DATE OF ORIGINAL APPOINTMENT
01	00035024	Mrs. Asha Jain	19-04-1994
02	01542555	Mr. Swapnil Jain	02-07-2012
03	03355623	Mrs. Priya Jain	01-04-2020
04	09835701	Mr. Dhruv Jain	14-02-2023
05	09811030	Ms. Himani Bhootra	17-04-2023
06	09485101	Ms. Priyanka Moondra Rathi	14-08-2023
07	03008142	Mr. Sanjay Kumar Jain	31-12-2021
08	08940098	Mr. Achyutanand Ramchandra Mishra	01-09-2023
09	10277614	Mr. Paras Shrikant Parekh	14-08-2024
10.	08759817	Mr. Naozer Firoze Aibara	25-06-2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place- Chhatrapati Sambhajanagar
Date-August 28, 2025

For D. SAGAR & ASSOCIATES
Practicing Company Secretary
Sd/-
CS SAGAR RAMRAO DEO
CP NO. 11547
Peer Review No. 1192/2021
UDIN: F009518G001095889



FINANCIAL STATEMENTS

FINANCIAL YEAR 2024-25

рпвнн



ARUN VARSHNEY & ASSOCIATES

CHARTERED ACCOUNTANTS

Off No. 12-13, 1st Floor, Vikram Arcade, Railway

Road, Aligarh-202001

Email id-ca.arun@gmail.com

Mobile-9412175533, 7017611301

Independent Auditor's ReportTo the Members of **PAVNA INDUSTRIES LIMITED****Report on the Audit of the Standalone IND AS Financial Statements****Opinion**

We have audited the accompanying Standalone Ind AS Financial statements of **PAVNA INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2025, and 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 on 31st March 2025, 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 31st March, 25, its profit including Other Comprehensive Income, its cash flows and 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) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on 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'2025. These matters were addressed in the context of our audit of the standalone IND AS financial statements as a whole, and in forming our opinion thereon, and

we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Other Information

The Company's board of directors is responsible for the preparation of 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 during the course of our 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 Companies Act, 2013 ("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 the accounting principles generally accepted in India, including the Indian accounting Standards (IND AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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.

Other Matter

The financial information of the company for the year ended 31 March, 2024 included in these standalone IND AS financial statements have been audited by predecessor auditor M/S Rajeev Kumar & Company who have expressed an unmodified opinion on the same, vide report dated 30th May, 2024.

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 Companies Act, 2013, 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.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Statement of other comprehensive income) and 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 Accounting Standards specified under Section 133 of the Act and rules 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to 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) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the act, as amended in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 Financial Statements.
 - 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. (a) 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 person(s) or entity(ies), 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;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), 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

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. No dividend have been declared or paid during the year by the company.

- vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account for the year ended 31st March, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 0005560C

Place:-ALIGARH
Date: 26/05/2025
UDIN: 25073299BMNXAG3144

Sd/-
CA. ARUN KUMAR
(PARTNER)
Membership No. 073299

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Responsibilities for Audit of Standalone Ind AS Financial Statements

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

1. 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.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. 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 where applicable, related safeguards.

For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 0005560C

SD/-

Place:-ALIGARH
Date: 26/05/2025
UDIN: 25073299BMNXAG3144

CA. ARUN KUMAR
(PARTNER)
Membership No. 073299

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1, under 'Report on other Legal and Regulatory Requirements' section of our report of even date.

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 all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) 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'2025.
- (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 during the year or are pending against the company as 31st March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 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 physical verification of stocks by the management as compared to book records.

- (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 or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company read with 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, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- (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 non charging of 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, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (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, 2025 for a period of more than six months from the date they became payable read with as disclosed in note no. 43 of notes to accounts.
- (b) According to the information and explanations given to us and on the

basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except as disclosed in note no. 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 other lender;
 - (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) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) is not applicable.
 - (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix)(f) is not applicable.
- (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) The Company has complied with provisions of Section 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of

shares during the year. The funds raised, have been used for the purposes for which the funds were raised. According to the information and explanations given to us, the Company has not made any private placement of shares/ fully or partially or optionally convertible debentures during the year under audit.

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud 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 sub-section (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 had been received by the company.
- (xii) 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 have been disclosed in the financial statements, as required by the applicable accounting standards;
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, the company has an internal audit system commensurate with the size and nature of its business;
 - (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.
 - (b) In our Opinion and based on our examination, 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 does not have any 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 resignation of the statutory auditors M/S Rajeev Kumar & Company during the year and we have taken into consideration the issues ,objections or concern raised by the outgoing auditors.
- (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.
- (xx) (a) In respect of other than 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.

(xxi) The requirement of clause 3(xxi) is not applicable in respect of Standalone Ind AS Financial Statements.

For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 0005560C

Place:-ALIGARH
Date: 26/05/2025
UDIN: 25073299BMNXAG3144

SD/-
CA. ARUN KUMAR
(PARTNER)
Membership No. 073299

ANNEXURE C TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) of the Independent Auditor's Report of even date to the members of PAVNA INDUSTRIES LIMITED on the standalone financial statements as of and for the year ended March 31, 2025

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 March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 0005560C

Sd/-

Place:-ALIGARH
Date: 26/05/2025
UDIN: 25073299BMNXAG3144

CA. ARUN KUMAR
(PARTNER)
Membership No. 073299

Pavna Industries Limited
Balance Sheet as at 31 March 2025

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

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3A	8,263.95	6,641.34
Intangible Work in Progress	3A	-	-
Right of Use assets	3B	27.65	33.18
Financial assets			
Investments	4	964.03	964.03
Others	5	672.15	313.17
Other Non Current assets	6	51.57	102.66
		9,979.35	8,054.38
Current assets			
Inventories	7	8,477.60	7,082.85
Financial assets			
Trade Receivable	8	5,317.92	5,290.06
Cash and cash equivalents	9	84.33	13.37
Other Bank Balances	10	5.79	4.44
Others	11	-	(1.50)
Income tax assets (net)	12	59.60	20.67
Other current assets	13	982.14	1,438.99
Total current assets		14,927.39	13,848.88
Total assets		24,906.72	21,903.26
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	1,395.30	1,218.08
Other equity	15	17,869.98	5,298.89
Total equity		19,265.28	6,516.97
Non current liabilities			
Financial liabilities			
Long term Borrowing	16A	710.85	1,431.25
Lease liabilities	3B	32.94	35.39
Other Non current financial liabilities		-	-
Provisions	17	207.95	242.44
Deferred tax liabilities (net)	18	44.35	43.50
		996.08	1,752.58
Current liabilities			
Financial liabilities			
Borrowings	16B	2,210.64	9,616.77
Lease Liabilities	3B	0.87	3.47
Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		836.24	506.53
Total outstanding dues of creditors other than micro and small enterprises		1,203.39	2,967.29
Other financial liabilities	20	277.57	278.64
Other current liabilities	21	13.32	173.91
Short term provisions	22	103.34	87.09
Total current liabilities		4,645.36	13,633.69
Total equity and liabilities		24,906.72	21,903.26

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 Arun Varshney & Associates

Chartered Accountants

Firm's Registration No.: 005560C

For and on behalf of the Board of Directors of

Pavna Industries Limited

Sd/-

Arun Kumar

Partner

Membership No.: 073299

Sd/-

Asha Jain

Director

DIN: 00035024

Sd/

Swapnil Jain

Director

DIN: 01542555

Place: Aligarh

Date: 26/05/2025

Sd/

Ravindra Jagannath Pise

Chief Executive officer

Sd/

Palak Jain

Chief Financial officer

Sd/

Kanchan Gupta

Company Secretary

Pavna Industries Limited
Statement of Profit and Loss for the year ended 31 March 2025

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

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue:			
Revenue from operations	23	29,779.60	28,273.49
Other income	24	149.57	33.99
Total income		29,929.16	28,307.48
Expenses:			
Cost of materials consumed	25	21,508.59	19,939.45
Change in Inventory of finished goods	26	(931.11)	(703.73)
Employee benefits expense	27	2,489.93	2,281.61
Finance costs	28	935.20	931.08
Depreciation and Amortisation Expenses	29	1,151.35	897.34
Other expenses	30	3,689.33	3,914.33
Total expenses		28,843.29	27,260.09
Profit/(Loss) before tax		1,085.87	1,047.38
Tax expense:	31		
Current tax		278.84	264.43
Deferred tax credit		0.85	5.46
Total tax expense		279.69	269.89
Profit/(Loss) for the year		806.18	777.49
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		0.92	8.49
Income tax relating to above item		(0.23)	(2.14)
Other comprehensive income / (loss)		0.69	6.35
Total comprehensive Profit /(loss) for the year		806.87	783.84
Earnings per equity share (₹ 10 per share)			
Basic EPS on actual outstanding	32	6.46	6.38
Diluted EPS		6.41	6.38

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 Arun Varshney & Associates
Chartered Accountants
Firm's Registration No.: 005560C

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

Sd/-
Arun Kumar
Partner
Membership No.: 073299

Sd/
Asha Jain
Director
DIN: 00035024

Sd/
Swapnil Jain
Director
DIN: 01542555

Sd/
Ravindra Jagannath Pise
Chief Executive officer

Sd/
Palak Jain
Chief Financial officer

Sd/
Kanchan Gupta
Company Secretary

Place: Aligarh
Date: 26/05/2025

Pavna Industries Limited**Cash flow statement for the year ended 31 March 2025**

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

	For the year ended 31 March 2025	For the year ended 31 March 2024
A Cash flow from operating activities		
Profit/(Loss) before tax	1,085.87	1,047.38
Adjustments for:		
Depreciation and amortisation expense	1,151.36	897.35
Interest income on bank deposits	(40.31)	(0.08)
Re-measurements of the defined benefit plans	0.92	8.49
Interest expense on lease liability	3.47	3.93
Loss/(Profit) on sale of PPE	(73.06)	(3.76)
Interest expense on borrowings	931.73	927.15
Operating profit before working capital changes	3,059.98	2,880.46
Movement in working capital		
Inventories	(1,394.75)	(400.85)
Trade Receivables	(27.86)	(914.84)
Other non current financial assets	(358.98)	(58.36)
Other current financial assets	(2.84)	17.56
Other current assets	456.60	(385.25)
Other Non current assets	51.09	(43.89)
Other current financial liabilities	(1.07)	(68.79)
Other current liabilities	(160.59)	47.62
Provision Short term	16.25	16.96
Provision Long term	(34.49)	87.45
Trade payables	(1,434.18)	(883.33)
Cash used in operating activities post working capital changes	169.13	294.75
Income tax paid (net)	(317.76)	(268.27)
Net cash used in operating activities (A)	(148.63)	26.48
B Cash flows from investing activities		
Purchase of property, plant and equipment	(3,023.67)	(1,888.62)
Sale of property, plant and equipment	328.29	66.65
Loans	-	250.00
Investment made in subsidiaries	-	255.00
Interest received	40.31	0.08
Net cash used in investing activities (B)	(2,655.06)	(1,316.89)
C Cash flows from financing activities		
Proceeds from issue of share capital	11,941.44	-
Payment of Lease liability	(8.52)	(8.52)
Finance cost paid	(931.73)	(927.15)
Repayment of borrowings	(8,126.55)	-
Proceeds from borrowings	-	2,222.50
Net cash flows from financing activities (C)	2,874.65	1,286.83
Net increase in cash and cash equivalents (A+B+C)	70.96	(3.58)
Cash and cash equivalents at the beginning of the year	13.37	16.94
Cash and cash equivalents at the end of the year	84.33	13.36

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 Arun Varshney & Associates

Chartered Accountants

Firm's Registration No.: 005560C

Sd/-

Arun Kumar

Partner

Membership No.: 073299

For and on behalf of the Board of Directors of

Pavna Industries Limited

Sd/

Asha Jain

Director

DIN: 00035024

Sd/

Swapnil Jain

Director

DIN: 01542555

Sd/

Ravindra Jagannath Pise

Chief Executive officer

Sd/

Palak Jain

Chief Financial officer

Sd/

Kanchan Gupta

Company Secretary

Place: Aligarh

Date: 26/05/2025

Pavna Industries Limited**Notes to financial statements for the year ended 31st March 2025**

(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:**Basis 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: Material accounting policies**a) Material 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:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- b) Held primarily for the purpose of trading
- c) Expected to be realised 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.

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.

Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2025

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 judgement 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 2025

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 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 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.

Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2025

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.

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 2025

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 (or 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 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.

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 (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 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.

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 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 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 2025

s) **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.

t) **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 Arun Varshney & Associates
Chartered Accountants
Firm's Registration No.: 005560C
Sd/-

Arun Kumar
Partner
Membership No.: 073299

Place: Aligarh

Date: 26/05/2025

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

Sd/-
Swapnil Jain
Director
DIN: 01542555

Sd/-
Asha Jain
Director
DIN:
00035024

Sd/-
Kanchan Gupta
Company Secretary

Sd/-
Palak Jain
Chief Financial
officer

Sd/-
Ravindra Jagannath
Pise
Chief Executive
officer

Pavna Industries Limited
Summary of material accounting policies and other explanatory information for the year ended 31 March 2025
(All amounts are in lacs(₹), 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
Gross block									
Balance as at 31 March 2023	296.50	1,149.78	7,677.80	75.51	135.39	210.71	277.54	9,823.22	81.40
Additions	-	11.59	1,767.38	5.61	8.44	121.88	8.82	1,923.73	
Disposals	-	-	(25.45)	-	-	(0.40)	(4.80)	(30.65)	(81.40)
Balance as at 31 March 2024	296.50	1,161.37	9,419.73	81.12	143.83	332.18	281.56	11,716.31	-
Additions	1,051.49	-	790.30	7.99	0.14	80.52	1,093.22	3,023.67	
Disposals	-	-	(253.67)	-	-	(1.56)	-	(255.23)	
Balance as at 31 March 2025	1,347.99	1,161.37	9,956.36	89.11	143.98	411.14	1,374.78	14,484.74	-
Accumulated depreciation									
Balance as at 31 March 2023	-	312.77	3,486.56	34.10	60.82	152.23	150.35	4,196.83	
Charge for the year	-	31.50	766.07	5.19	9.56	49.74	29.76	891.81	
Disposals	-	-	(10.21)			(0.83)	(2.64)	(13.68)	
Balance as at 31 March 2024	-	344.27	4,242.42	39.29	70.39	201.14	177.47	5,074.96	
Charge for the year	-	31.53	907.82	5.95	10.16	61.81	128.56	1,145.82	
Disposals	-							-	
Balance as at 31 March 2025	-	375.79	5,150.24	45.24	80.54	262.95	306.02	6,220.79	
Net block as at 31 March 2024	296.50	817.11	5,177.31	41.84	73.45	131.05	104.09	6,641.34	-
Net block as at 31 March 2025	1,347.99	785.58	4,806.12	43.88	63.43	148.19	1,068.76	8,263.95	-

Pavna Industries Limited**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025***(All amounts are in lacs(₹), unless otherwise specified)***3B Leases****(i) Right of Use Assets**

Particulars	Buildings	Total
As at 31 December 2023	81.88	81.88
Additions		
Deletions		
As at 31 March 2024	81.88	81.88
Additions		
Deletions		
As at 31 March 2025	81.88	81.88
Accumulated Depreciation		
As at 31 March 2024	48.69	48.69
Charges during the year	5.53	5.53
Deletions		
As at 31 March 2025	54.22	54.22
Net Carrying Value		
As at 31 March 2024	33.18	33.18
As at 31 March 2025	27.65	27.65

(ii) Lease Liabilities

Particulars	Current	Non Current	Total
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
Additions			-
Accretions of interest		3.47	3.47
Payments of lease liabilities	(2.60)	(5.92)	(8.52)
Deletions			-
Re-classification from non current to current		(0.01)	(0.01)
As at 31 March 2025	0.87	32.94	33.81

Pavna Industries Limited
Statement of Changes in Equity for the year ended 31 March 2025
(All amounts are in lacs(₹), unless otherwise specified)

A. Equity share capital*

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

Particulars	Opening balance as at 31 March 2024	Changes in equity share capital during the year	Balance as at 31 March 2025
Equity share capital	1,218.08	177.22	1,395.30

B. Other equity**

Particulars	Reserves and Surplus				OCI	Total
	Security Premium	Retained Earnings	General Reserve	Share Warrant	Remeasurement of defined benefit	
Balance as at 31 March 2023	1,398.72	3,082.70	1.12	-	32.51	4,515.05
Profit/ (Loss) for the period	-	777.49	-		-	777.49
Other comprehensive income for the year (net of tax impact)	-	-			6.35	6.35
Balance as at 31 March 2024	1,398.72	3,860.19	1.12	-	38.86	5,298.89
Profit/ (Loss) for the period	8,772.39	806.18	-			9,578.57
Expense on issue of Preferential Shares	(38.17)					(38.17)
Money received against Share Warrant				3,030.00		3,030.00
Other comprehensive income for the year (net of tax impact)	-	-			0.69	0.69
Balance as at 31 March 2025	10,132.94	4,666.37	1.12	3,030.00	39.55	17,869.98

*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 Arun Varshney & Associates
Chartered Accountants
Firm's Registration No.: 005560C

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

SD/-
Arun Kumar
Partner
Membership No.: 073299

Sd/- Sd/-
Swapnil Jain **Asha Jain**
Director Director
DIN: 01542555 DIN: 00035024

Place: Aligarh
Date: 26/05/2025

Sd/-
Ravindra Jagannath Pise
Chief Executive officer

Sd/-
Palak Jain
Chief Financial officer

Sd/-
Kanchan Gupta
Company Secretary

Pavna Industries Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

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

4 Non Current Investments

Investment at cost in subsidiaries

	As at 31 March 2025	As at 31 March 2024
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
	964.03	964.03

Details of number of shares held in Equity investments in subsidiaries

	As at 31 March 2025	As at 31 March 2024
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

5 Other non current financial assets

	As at 31 March 2025	As at 31 March 2024
a) Security deposits	73.61	
b) Interest accrued on fixed deposits - held as margin money		
- Unsecured considered good	598.54	283.83
Trade Recievable considered	-	29.34
	672.15	313.17

a) The Company has deposited a security amount with SIPCOT in accordance with the terms of the land allotment/lease agreement. The deposit is refundable upon completion or termination of the lease/licensing terms. This deposit is non-interest bearing and is not held for any financial return. Accordingly, it does not meet the definition of a financial asset under Ind AS 109 and has not been fair valued.

(b) Includes Margin Deposit with Government authorities

6 Other non current assets

	As at 31 March 2025	As at 31 March 2024
Prepaid expense	41.57	58.76
Capital advances-Unsecured, considered good	10.00	43.90
	51.57	102.66

7 Inventories

(Valued at lower of cost or net realisable value, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Raw Materials	2,101.61	1,791.68
Work in Progress	5,978.14	5,047.03
Store and Spares	397.85	218.41
Stock-in Transit	-	25.74
	8,477.60	7,082.85

8 Trade Receivable

	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good	5,317.92	5,290.06
Unsecured, considered doubtful	-	-
	5,317.92	5,290.06

Trade receivable aging schedule as at 31st March 2025

Outstanding for the following periods from due date of payments							
Particulars	Unbilled Receivables	Less than 6 months	6 months - 1 year	1-2 year	2-3 Years	More than 3 years	Total
i) Undisputed Trade receivables-considered good	0	5,154.00	31.37	87.49	41.91	3.16	5,317.92
ii) Undisputed Trade receivables-which have significant increase in credit risk	0	0	0	0	0	0	0
iii) Undisputed Trade Receivables-credit Impaired	0	0	0	0	0	0	0
iv) Disputed Trade Receivables-considered good	0	0	0	0	0	0	0
vi) Disputed Trade receivables-which have significant increase in credit risk	0	0	0	0	0	0	0
vii) Disputed Trade Receivables-credit Impaired	0	0	0	0	0	0	0

Trade receivable aging schedule as at 31st March 2024

Outstanding for the following periods from due date of payments							
Particulars	Unbilled Receivables	Less than 6 months	6 months - 1 year	1-2 year	2-3 Years	More than 3 years	Total
i) Undisputed Trade receivables-considered good	0	4,705.17	394.78	143.91	20.29	25.90	5,290.06
ii) Undisputed Trade receivables-which have significant increase in credit risk	0	0	0	0	0	0	0
iii) Undisputed Trade Receivables-credit Impaired	0	0	0	0	0	0	0
iv) Disputed Trade Receivables-considered good	0	0	0	0	0	0	0
vi) Disputed Trade receivables-which have significant increase in credit risk	0	0	0	0	0	0	0
vii) Disputed Trade Receivables-credit Impaired	0	0	0	0	0	0	0

9 Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Cash on hand	7.78	6.97
Balances with banks	76.56	6.40
	84.33	13.37

10 Other Bank Balances

	As at 31 March 2025	As at 31 March 2024
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)	5.79	4.44
	5.79	4.44

11 Other Financial Current assets

	As at 31 March 2025	As at 31 March 2024
Security deposit to others	-	(1.50)
	-	(1.50)

12 Current tax assets

	As at 31 March 2025	As at 31 March 2024
Income Tax paid (net of provision for taxation)	59.60	20.67
	59.60	20.67

13 Other current assets

	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	223.24	128.34
Advances to contractors and material suppliers	-	-
Unsecured, Consider Good	698.41	932.76
Unsecured, Considered Doubtful	-	-
Balances with government authorities	49.70	352.28
	971.35	1,413.37
Amount recoverable - Other	10.79	25.61
Less : Allowance for Impairment (net)	-	-
	982.14	1,438.99

14 Equity Share capital	As at 31 March 2025		As at 31 March 2024	
	Number*	Amount	Number*	Amount
Authorized shares				
Equity shares of ₹ 10 each with voting rights	3,00,00,000	3,000.00	1,80,00,000	1,800.00
	3,00,00,000	3,000.00	1,80,00,000	1,800
Issued, subscribed and fully paid up				
Equity share capital of face value of ₹ 10 each	1,39,53,000	1,395.30	1,21,80,800	1,218.08
	1,39,53,000	1,395.30	1,21,80,800	1,218

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

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the period	121.81	1,218.08	121.80	1,218
Shares Issued during the period	17.72	177.22	-	-
Bonus Issued during the period				
Balance at the end of the year	139.53	1,395.30	121.80	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 agreements entered/to be entered into with the investors/shareholders from time to time.

The Shareholders of the Company at their Extra-ordinary General Meeting held on October 23, 2024 passed Special Resolutions for the preferential issue of 23,77,000 Equity shares and 40,00,000 Fully Convertible Warrants ("Warrants") at an issue price of Rs. 505/- per security, for an aggregate amount of up to Rs. 322,03,85,000/-, in accordance with Sections 23, 42, 62(1)(c) and other applicable provisions of the Companies Act, 2013, Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

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 2025		As at 31 March 2024	
	Number	%	Number	%
Smt. Asha Jain	58,21,960	41.73%	58,21,960	47.80%
Shri Swapnil Jain	13,56,560	9.72%	13,56,560	11.14%
P.J. Wealth Management and Consultant Private Limited	9,97,040	7.15%	9,97,040	8.19%
	85,80,400	58.88%	95,17,129	75.10%

e. Shareholding of Promoters

As at 31st March 2025

Shares held by Promoters and Promoter Group at end of the year			
S.no.		No. of shares	% of total shares
1	Smt. Asha Jain	58,21,960	41.73%
2	Shri Swapnil Jain	13,56,560	9.72%
3	Smt. Priya Jain	4,04,000	2.90%
4	P.J. Wealth Management and Consultant Private Limited	9,97,040	7.15%
5	Pawan Jain HUF	840	0.01%

As at 31st March 2024

Shares held by Promoters and Promoter Group at end of the year			
S.no.		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 2025	As at 31 March 2024
General Reserve and Share Warrant		
Opening balance	1.12	1.12
Money received against Share Warrant	3,030.00	
Closing balance (A)	3,031.12	1.12
Securities premium		
Opening balance	1,398.72	1,398.72
Add: Addition during the year	8,772.39	
Expense on issue of Preferential Shares	(38.17)	
Closing balance (B)	10,132.94	1,398.72
Profit/ (Deficit) in the statement of profit and loss		
Opening balance	3,899.05	3,082.70
Less: Issue of Bonus Shares	-	-
Add: Profit / (Loss) for the year	806.18	777.49
Add: Other comprehensive income for the year (net of tax impact)	0.69	38.86
Closing balance (A)	4,705.91	3,899.05
Total (A)	17,869.97	5,298.89
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.

16A Long term borrowing	As at 31 March 2025	As at 31 March 2024
Secured		
Indian rupee term loan from Bank	-	1,431.03
Indian rupee vehicle loan from Bank	710.85	0.22
	710.85	1,431.25
16B Short term Borrowings		
	As at 31 March 2025	As at 31 March 2024
Cash credit facilities from Bank / financial institutions - Secured	34.06	7,003.19
Cash credit facilities from financial institutions - Unsecured	2,000.00	2,000.00
Current maturities of long term borrowings - Secured	176.57	613.59
	2,210.64	9,616.77
Total	2,921.48	11,048.02

16A. Long-Term Borrowings

The Company has availed vehicle loans of ₹997 lakhs from HDFC Bank ,which are repayable over a period of 5 years in monthly installments commencing from August 2024 to July 2029. Term loans amounting to ₹2,044.61 lakhs, which were outstanding, have been fully repaid by the Company during the financial year 2024–25.

As on the Balance Sheet date, total secured borrowings amount to ₹921.48 lakhs (Previous Year: ₹9,048.02 lakhs).

16B. Short-Term Borrowings

Unsecured loans include borrowings from directors, related parties, and other financial institutions, which are repayable on demand or as per agreed terms.

The total amount of unsecured loans is ₹2,000 lakhs.

17 Provisions	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity	207.95	184.63
Trade payable Long outstanding	-	57.82
	207.95	242.44
18 Deferred tax liabilities (net)		
	As at 31 March 2025	As at 31 March 2024
Deferred tax assets/liabilities on account of :-		
Property, plant and equipment	125.31	118.59
Origination and reversal of temporary difference	(78.35)	(72.60)
Others	(2.61)	(2.48)
	44.35	43.50

Movement in deferred tax liabilities (net)

Particulars	31 March 2024	Recognised/ reversed through profit and loss	Recognised in other comprehensive income	31 March 2025
Assets/ (Liabilities)				
Property, plant and equipment	118.59	6.72	-	125.31
Origination and reversal of temporary difference	(72.60)	(5.97)	0.23	(78.35)
Others	(2.48)	(0.13)	-	(2.61)
Total	43.50	0.62	0.23	44.35

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
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	5.45	2.14	43.50

19 Trade payables	As at 31 March 2025	As at 31 March 2024
Due to micro and small enterprises	836.24	506.55
Due to others (a)	1,203.39	2,967.29
	2,039.63	3,473.83

Trade Payables ageing schedule as on Mar 31, 2025							
Particulars	Not due	Unbilled dues	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) MSME	-	-	836.24	-	-	-	836.24
(ii) Others	-	-	1,188.24	-	-	-	1,188.24
(iii) Disputed dues — MSME	-	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	0.21	3.80	11.17	15.18
Total	-	-	2,024.48	0.21	3.80	11.17	2,039.66

Trade Payables ageing schedule as on Mar 31, 2024							
Particulars	Not due	Unbilled dues	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) MSME	-	-	506.55	-	-	-	506.55
(ii) Others	-	-	2,873.09	88.93	5.27	-	2,967.29
(iii) Disputed dues — MSME	-	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-	-
Total	-	-	3,379.64	88.93	5.27	-	3,473.84

20 Other Financial liabilities	As at 31 March 2025	As at 31 March 2024
Interest accrued but not due on borrowings	-	-
Payable to employees	277.57	278.64
	277.57	278.64

21 Other current liabilities	As at 31 March 2025	As at 31 March 2024
Advance received from customers	6.39	21.16
Statutory dues payable	6.94	152.75
	13.32	173.91

22 Short term provisions	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits	-	-
Gratuity	103.34	87.09
	103.34	87.09

Pavna Industries Limited**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025***(All amounts are in lacs(₹), unless otherwise specified)*

23 Revenue from operations	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products	29,779.60	28,273.49
	29,779.60	28,273.49
24 Other income	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on:		
Bank deposits	40.31	0.08
Security deposits measured at amortised cost	9.48	10.58
Profit on sale of Property, Plant and Equipment	73.06	3.76
Income from export incentive	13.87	23.17
Rent received	0.60	0.60
Foreign Exchange fluctuation gain (Net)	(0.68)	(4.21)
Miscellaneous income	12.91	-
	149.57	33.99
25 Cost of raw material & components consumed	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year	1,791.68	1,937.78
Add: Purchase during the year	21,818.52	19,793.34
	23,610.19	21,731.12
Less: Inventory at the end of the year	2,101.61	1,791.68
	21,508.59	19,939.45
26 Changes in inventories of finished goods and work-in-progress		
Closing Inventories		
Finished goods		
Work in Progress	5,978.14	5,047.03
Opening Inventories		
Finished goods		
Work in Progress	5,047.03	4,343.30
	(931.11)	(703.73)
27 Employee benefits expense	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	2,311.25	2,014.14
Contribution to provident and other funds	171.75	158.36
Gratuity expense	59.63	55.64
Staff welfare expenses	408.54	392.98
	2,951.17	2,621.12
Less : Personnel Cost capitlized during the year #	(461.24)	(339.51)
Net Employee benefits expense	2,489.93	2,281.61

28 Finance costs	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense	905.39	903.69
Other borrowing costs	26.34	23.46
Interest on lease obligation	3.47	3.93
	935.20	931.08

29 Depreciation and Amortisation	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation and amortization expense	1,145.82	891.81
Depreciation on right of use assets	5.53	5.53
	1,151.35	897.34

30 Other expenses	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares#	768.03	440.06
Diecasting/ Job work charges	784.88	1,377.20
Power & Fuel	555.03	729.54
Advertisement and publicity	5.22	11.72
Bank charges	32.69	22.34
Communication & Postage Expense	26.49	21.94
Donation	19.49	16.62
Electricity expenses	24.56	0.21
House keeping expenses	30.48	34.35
Insurance Expenses	37.65	24.03
Legal and professional fees	129.43	125.78
Payments to auditors##	2.00	2.00
Printing and stationery	11.64	7.71
Rates and taxes	5.99	39.79
Rent	101.89	69.16
Repair and maintenance - Machinery	37.57	14.94
Repair and maintenance - office	50.86	36.81
Vehicle running and maintainance expense	122.40	109.64
Research and development expense###	0.93	0.92
Sales promotion expenses	92.80	71.96
Software expenses	16.75	9.23
Trade mark royalty	74.45	70.77
Travelling and conveyance-Local	132.62	65.95
Bad debts	-	70.69
ISO TS certification expense	-	5.00
Warranty claim/ Line rejection expense	67.01	129.66
Office expense	22.56	27.27
Prior Period expense	3.63	3.45
Freight & forwarding expense	519.90	375.06
Miscellaneous expenses	12.38	0.56
	3,689.33	3,914.33

# Consumption of Stores, spares, packing and tools	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening stock	218.41	400.92
Add:		
Consumption of stores, tools and spares parts	564.81	59.06

Consumption of Packing materials	382.66	198.49
Less: Closing stock	397.85	218.41
Net Consumption of stores ,spares, Packing & tools	<u>768.03</u>	<u>440.06</u>

Payment to auditors

As auditors

-Audit fees	2.00	2.00
	<u>2.00</u>	<u>2.00</u>

31 Income tax

Tax expense comprises of:

Current tax	278.84	264.44
Deferred tax credit	0.85	5.46
Income tax expense reported in the statement of profit and loss	<u>279.69</u>	<u>269.89</u>

Deferred tax credit	(0.23)	(2.14)
Income tax expense reported in the statement of Other comprehensive income	<u>(0.23)</u>	<u>(2.14)</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	1,085.87	1,047.38
At India's statutory income tax rate	273.29	263.61

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Item on which deferred tax has not been created

Impact of change in tax rate	0.85	-
Others	5.55	-
Income tax expense	279.69	264.43

32 Earnings per share

	For the year ended 31 March 2025	For the year ended 31 March 2024
Net Profit/(loss) attributable to equity shareholders	806.18	777.50
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	1,21,80,800
Total number of equity shares outstanding at the end of the year*	1,39,53,000	1,21,80,800
Weighted average number of equity shares*	1,24,81,831	1,21,80,800
Basic Earning per Share on actual outstanding at year end	6.46	6.38
Diluted Earnings per Share	6.41	6.38

* These are in absolute numbers.

Pavna Industries Limited
Notes to the financial statements for the year ended 31 March 2025

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

33 Financial instruments
i) Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	As at 31 March 2025			As at 31 March 2024		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial assets*						
Investments	964.03	-	-	964.03	-	-
Trade Receivables	5,317.92	-	-	5,290.06	-	-
Cash and cash equivalents	84.33	-	-	13.37	-	-
Other Bank Balances	5.79	-	-	4.44	-	-
Other financial assets	672.15	-	-	311.67	-	-
Total financial assets	7,044.23	-	-	6,583.57	-	-
Financial liabilities*						
Borrowings	2,921.48			11,048.02	-	-
Lease liabilities	33.81			38.86	-	-
Trade payables	2,039.63			3,473.81	-	-
Other financial liabilities	277.57			278.64	-	-
Total financial liabilities	5,272.48	-	-	14,839.33	-	-

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 2025		As at 31 March 2024	
	Carrying value	Fair value*	Carrying value	Fair value*
Financial assets				
Investments	964.03	964.03	964.03	964.03
Trade Receivables	5,317.92	5,317.92	5,290.06	5,290.06
Cash and cash equivalents	84.33	84.33	13.37	13.37
Other Bank Balances	5.79	5.79	4.44	4.44
Other financial assets	672.15	672.15	311.67	311.67
Total financial assets	7,044.22	7,044.22	6,583.57	6,583.57
Financial liabilities				
Borrowings	2,921.48	2,921.48	11,048.02	11,048.02
Lease liabilities	33.81	33.81	38.86	38.86
Trade payables	2,039.63	2,039.63	3,473.81	3,473.81
Other financial liabilities	277.57	277.57	278.64	278.64
Total financial liabilit	5,272.48	5,272.48	14,839.33	14,839.33

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 these 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 analyze 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 decided 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 2025	As at 31 March 2024
Low credit risk	Cash and cash equivalents, loans and other financial assets	6,080.20	5,619.54

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, the Company does not expect these banks to fail in meeting their obligations.

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 2025

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash	84.33	-	84.33
Other bank balances	5.79	-	5.79
Trade receivables	5,317.92	-	5,317.92
Other financial assets	672.15	-	672.15

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	5,290.06	-	5,290.06
Other financial assets	311.67	-	311.67

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 2025	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Non-derivatives					
Borrowings	2,210.64	192.38	209.57	308.89	2,921.48
Trade payable	2,039.63	-	-	-	2,039.63
Lease liabilities	33.81	8.52	8.52	7.01	57.86
Other financial liabilities	277.57	-	-	-	277.57
Total	4,561.64	200.90	218.09	315.90	5,296.53

As at 31 March 2024	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Non-derivatives					
Borrowings	9,105.16	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	14,329.99

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 31 March 2025	As at 31 March 2024
Secured Variable rate borrowings	921.48	9,048.02
UnSecured Variable rate borrowings	2,000.00	2,000.00
Total borrowings	2,921.48	11,048.02

*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 31 March 2025	As at 31 March 2024
Increase in borrowing rate by 1%	29.21	110.48
Decrease in borrowing rate by 1%	(29.21)	(110.48)

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

Value of Exports calculated on FOB Basis

Description of Transactions	As at 31 March 2025	As at 31 March 2024
Export of Material and services	835.28	789.03

Value of Imports calculated on FOB Basis

Description of Transactions	As at 31 March 2025	As at 31 March 2024
Import of Material and services	25.95	34.64

Foreign Currency risk Exposures

Financial Assets	As at 31 March 2025		As at 31 March 2024	
	USD \$	EUR	USD \$	EUR
Trade Receivable In Foreign currency	16,228.80	1,34,955.15	12,700	2,28,178.63
Trade Receivable In INR	13,86,912.81	1,24,72,689.92	10,57,005	2,05,46,197.31

Sensitivity Analysis of 1% change in exchange rate at the end of reporting period

Financial Assets	As at 31 March 2024		As at 31 March 2024	
	USD \$	EUR	USD \$	EUR
1% Depreciation in INR				
Impact on Profit and Loss Account - Income/ (Expense)	(13,869)	(1,24,727)	(10,570)	(2,05,462)
1% Appreciation in INR				
Impact on Profit and Loss Account - Income/ (Expense)	13,869	1,24,727	10,570	2,05,462

Pavna Industries Limited**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025***(All amounts are in lacs(₹), unless otherwise specified)***34 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
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 (DOJ -01/09/23)
CFO	Ms. Palak Jain (DOJ -20/01/24)
CFO	Markand hari babu Mahajan (Cessation wef 31/07/23)
CFO	Shri. Ravindra Madan Mohan Agrawal (Cessation wef 28/12/24)
CS	Ms. Charu Singh (Cessation wef 28/08/24)
CS	Ms. Kanchan Gupta
KMP	Mr. Vijay Sharma (Cessation wef 31/01/25)
KMP	Mr. Ram Karan Malik (Cessation wef 12/12/24)
KMP	Mr. Arun Khanna
KMP	Mr. Alok Sharma
KMP	Mr. Rachakonda Murthy (Cessation wef 12/08/24)
Independent Director	Shri Naozer Firoze Aibara
Independent Director	Ms. Priyanka Moondra Rath
Independent Director	Ms.Himani Bhootra
Independent Director	Shri. Paras Shrikant Parekh
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.
Ascus Cricket Private Limited
Pavna Electric Systems Private Limited
Pavna International Schools Private Limited

Pavna Industries Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2025

(All amounts are in lacs(₹), 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:

Nature of Transactions	Name of Related Party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
	Loan taken during the year			
Loan taken	Smt. Asha Jain	Director	150.00	-
Loan taken	Shri Swapnil Jain	Managing Director	300.00	-
Loan taken	PJ Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	250.00	414.50
	Loan Repaid during the year			
Repayment of Loan taken	Smt. Asha Jain	Director	150.00	95.00
Repayment of Loan taken	Shri Swapnil Jain	Managing Director	300.00	269.00
Repayment of Loan taken	PJ Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	250.00	1,204.50
	Interest on Loans (Net of TDS)			
Interest(Net)	Smt. Asha Jain	Director	9.56	0.70
Interest(Net)	Shri Swapnil Jain	Managing Director	10.18	1.99
Interest(Net)	PJ Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	11.39	54.10
	Remuneration, Salary & Other Expense			
Remuneration	Shri Swapnil Jain	Managing Director	330.00	216.00
Remuneration	Shri. Ravindra J Pise	CEO	48.00	28.00
Remuneration	Shri. Makarand Mahajan	CFO	-	5.00
Remuneration	Shri. Ravindra Madan Mohan Agrawal	CFO	-	10.61
Remuneration	Ms. Palak Jain	CFO	12.97	3.24
Remuneration	Ms. Charu Singh	CS	3.68	7.90
Remuneration	Kanchan Gupta	CS	9.26	6.23
Remuneration	Vijay Sharma	KMP	22.40	24.00
Remuneration	Ram Karan Malik	KMP	12.89	26.28
Remuneration	Arun Khanna	KMP	22.54	25.44
Remuneration	Pankaj Agarwal	KMP	8.18	25.16
Remuneration	Alok Sharma	KMP	18.60	18.60
Remuneration	Rachakonda Murthy	KMP	-	7.29
Building Rent	Smt. Asha Jain	Director	6.00	8.52
Lease Rent	Smt. Asha Jain	Director	12.00	0.10
Trade Mark Royalty	Smt. Asha Jain	Director	74.45	70.77
	Sales & Purchase			
Purchase	Swapnil Switches Pvt. Ltd.	Subsidiary Company	0.43	159.31
Purchase	Pavna Auto Engineering Pvt. Ltd.	Subsidiary Company	45.04	66.27
Sale	Swapnil Switches Pvt. Ltd.	Subsidiary Company	146.76	317.68
Sale	Pavna Auto Engineering Pvt. Ltd.	Subsidiary Company	1,253.18	2,040.06
Sale	Pavna Sun World Autotech Pvt Ltd	Subsidiary Company	10.26	5.43
Purchase	Pavna Sun World Autotech Pvt Ltd	Subsidiary Company	116.73	0.10
Sale	Pavna Marketing Pvt Ltd	Subsidiary Company	3,033.40	3,044.69
Purchase	Pavna Marketing Pvt Ltd	Subsidiary Company	338.23	303.64
Building Rent	Swapnil Switches Pvt. Ltd.	Subsidiary Company	19.44	
	Investment of Shares- Sales/ Purchase			
Advances	Pavna Goyam Auto Pvt. Ltd.	Subsidiary Company		250.00

Pavna Industries Limited**Summary of material accounting policies and other explanatory information for the year ended 31 March 2025***(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 2025	As at 31 March 2024
Loan Taken	Smt. Asha Jain	Whole time director	21.01	-
Trade Receivables	Swapnil Switches Pvt. Ltd.	Subsidiary company	235.82	114.40
Trade Receivables	Pavna Marketing Pvt Ltd	Subsidiary company	732.88	755.91
Trade Receivables	Pavna Sun World Autotech Pvt Ltd	Subsidiary company	298.95	107.95
Trade Receivables	Pavna Auto Engineering Pvt. Ltd.	Subsidiary company	628.25	255.26
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
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 2025***(All amounts are in lacs(₹), unless otherwise specified)***35 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 2025	As at 31 March 2024
Debt*	2,837.15	11,034.65
Equity	19,265.28	6,516.97
Debt to equity ratio	0.15	1.69

* Debt includes short term borrowings + interest accrued - cash and cash equivalents

36 Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

Defined contribution plans	For the year ended 31 March 2025	For the year ended 31 March 2024
The company makes contribution towards employee's provident fund and employee's state insurance. The company has recognised following as contribution towards these schemes.	171.75	158.36

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 assumption in future
Discount rate	Reduction in discount rate in subsequent valuations can
Mortality & disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at

Amounts recognised in the balance sheet:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Present value of the obligation	311.29	272.27
Current liability (amount due within one year)	103.34	87.09
Non-current liability (amount due over one year)	207.96	185.18

Loss recognised in other comprehensive income:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial loss recognised during the year	0.92	8.49

Expenses recognised in statement of profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	42.38	39.98
Interest cost	14.37	16.21
Cost recognised during the year	56.75	56.19

Movement in the liability recognised in the balance sheet is as under:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Present value of defined benefit obligation at the beginning of the year	272.27	225.12
Current service cost	42.38	39.98
Interest cost	14.37	16.21
Actuarial (gain)/loss net		-
Actuarial loss on arising from change in demographic assumption		-
Actuarial loss on arising from change in financial assumption	9.09	2.66
Actuarial loss on arising from experience adjustment	(8.17)	(11.15)
Benefits paid	(18.65)	(0.55)
Present value of defined benefit obligation at the end of the year	311.29	272.27

For determination of the liability of the Company the following actuarial assumptions were used:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate	6.40%	7.00%
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	6.5 Years	7 Years

Mortality rates inclusive of provision for disability -100% of IALM (2012 – 14)

Sensitivity analysis for gratuity liability:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a) Impact of the change in discount rate		
Present value of obligation at the end of the year		
Impact due to increase of 1 %	15.91	13.57
Impact due to decrease of 1 %	14.08	12.04
b) Impact of the change in salary increase		
Present value of obligation at the end of the year		
Impact due to increase of 1 %	15.97	13.71
Impact due to decrease of 1 %	14.38	12.37

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

37 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.

38 Contingent Liabilities and Commitments (As represented & certified by the management)

	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Contingent Liabilities		
Service Tax/Indirect Tax Matters (Note A)	-	-
Income Tax Matters (Note B)	-	-
Corporate Guarantees Given on behalf of related parties**	-	-
Disputed Legal cases - Accidental Claim - WCC	17.00	17.00
	17.00	17.00
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
	-	-

39 Disclosure under Ind AS 115 - Revenue from Contracts with Customer

I. Disaggregation of revenue

Description	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products	29,779.60	28,273.49
Sale of services	-	-
Scrap sales	-	-

(II) Contract Assets and Contract Liabilities

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Trade receivable	5,317.92	5,290.06
Contract Assets - Accrued revenue	-	-
Contract Liabilities - Advance from customer	6.39	21.16

40 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 geneally 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 2025	As at 31 March 2024
Current	0.87	3.47
Non-Current	32.94	35.39

Additions to the right of use assets during the year were Nil

(ii) Amount recognised in Profit or loss

Particulars	As at 31 March 2025	For the year ended 31 March 2024
Depreciation on right of use assets	5.53	5.53
Interest on lease liabilities (included in interest expense)	3.47	3.93
Expense relating to short term leases	101.89	69.16
Net Impact on Statement of Profit or loss	110.90	78.62

(iii) Amount recognised in the cash flow statement

Particulars	As at 31 March 2025	For the year ended 31 March 2024
Payment of lease liabilities- interest and principal	3.93	8.52

(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 2025	As at 31 March 2024
Less than 1 year	-	-
1-2 Years	8.52	8.52
2-3 Years	8.52	8.52
More then 3 Years	25.56	34.08
Total	42.60	51.12

Pavna Industries Limited

Notes to the financial statements for the year ended 31 March 2025

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

41 Financial Ratios

Ratio	Measurnment Unit	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	% Change March 2025	% Change March 2024
Current Ratio	Times	Current assets	Current liabilities	3.21	1.02	216.35%	-5.85%
Debt Equity Ratio	Times	Total debt (Non-current borrowings + Current borrowings)	Total equity	0.15	1.70	-91.05%	10.13%
Debt Service coverage Ratio	Times	Earnings before depreciation and amortisation and interest (Profit & loss after tax + depreciation & amortisation expense+ Finance costs (excluding interest on lease liabilities))	Interest expenses (Including capitalised)+ Principal repayments (including prepayments)	0.75	1.53	-51.03%	-21.00%
Return on equity ratio	%	Profit after tax	Average of total equity	6.25%	11.82%	-47.08%	-5.55%
Inventory Turnover Ratio	Times	Cost of material consumed	Average Inventories	2.76	2.80	-1.12%	-3.43%
Trade Receivables turnover Ratio	Times	Revenue from Operations	Average trade receivables	5.61	5.53	1.60%	-6.02%
Trade Payables turnover Ratio	Times	Purchase + other expenses	Average trade payables	9.25	6.78	36.45%	8.26%
Net Capital turnover ratio	Times	Revenue from Operations	Working capital (Current assets-current liabilities)	2.90	131.39	-97.80%	274.88%
Net Profit ratio	%	Profit after tax	Revenue from operatio	3%	3%	-1.55%	-0.64%
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)	14.10%	16.06%	-12.17%	-10.73%
Return on Investment	%	Profit after tax	Equity share capital + securities premium	6.99%	29.71%	-76.46%	6.72%

Reasons for Changes in ratio above 25%:

Ratio	Reason
Current Ratio	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
Debt Equity Ratio	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
Debt Service coverage Ratio	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
Return on equity ratio	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
Inventory Turnover Ratio	Not Applicable
Trade Receivables turnover Ratio	Not Applicable
Trade Payables turnover Ratio	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
Net Capital turnover ratio	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.
Net Profit ratio	Not Applicable
Return on Capital Employed	Not Applicable
Return on Investment	Due to issuance of Preferential shares in current year, equity was increased and outstanding debt and payables was repaid.

42 Corporate Social Responsibility

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Nature of CSR activities</i>		
Promotion of education	974.25	850.00
Eradicating extreme hunger and poverty		
Combating other diseases		
Others		
<i>Contribution to a trust controlled by the company in relation to CSR expenditure</i>		
Average net profit for last 3 years		
CSR liability (2% of average) for the year	19.49	17.00
Amount spent during the year	19.49	17.00
Balance amount unspent		-

43 Other information

(i) Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 01-April-19 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 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

(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 to 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.

ARUN VARSHNEY & ASSOCIATES

CHARTERED ACCOUNTANTS

Off No. 12-13, 1st Floor, Vikram Arcade, Railway

Road, Aligarh-202001

Email id-ca.arun@gmail.com

Mobile-9412175533, 7017611301

Independent Auditor's Report**To the Members of M/S PAVNA INDUSTRIES LTD.****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying Consolidated IND AS Financial Statements of M/S PAVNA INDUSTRIES LTD. ("the Parent"), its subsidiaries **(the Parent and its subsidiaries together referred to as "the Group")**, comprising of the consolidated Balance Sheet as at 31st March 2025, and the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and Notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information. (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, referred to in the Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('IND AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Financial Statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries, audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates subsidiaries, is traced from their financial statements audited by the other auditors.

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 Financial Statements

The Parent'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 Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India including IND AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal financial controls 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 Parent has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by the other auditors,

such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls with reference to financial statements 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.

Other Matters

We did not audit the financial statements / financial information of three subsidiaries, namely, (a) Pavna Marketing Private Limited (PMPL); (b) Pavna Sunworld Autotech Private Limited (PSAPL); (c) Swapnil Switches Private Limited (SSPL); whose financial statements / financial information reflect total assets of Rs.2761.13 lakhs as at 31st March 2025, total revenues of Rs.4296.46 lakhs and net cash flows amounting to Rs.9.02 lakhs for the year ended on that date, as considered in the consolidated financial statements, whose financial statements / financial information **have not been audited by us**. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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

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 A 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 of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act and rules made thereunder.
 - e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2025 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies none of the directors of the Group companies in India is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure B.
 - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
- (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 44 to the consolidated financial statements.
 - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by parent, and its subsidiary companies incorporated in India.
 - d. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) 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, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) 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 that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

- e. No dividend have been declared or paid during the year by the company.
- f. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries whose financial statements have been audited under the Act, the parent and its subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, did not come across any instance of audit trail feature being tampered with.

For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 0005560C

Place:-ALIGARH
Date: 26/05/2025
UDIN: 25073299BMNXAH6172

Sd/-
CA. ARUN KUMAR
(PARTNER)
Membership 073299
No.

Annexure 'A'

To the Independent Auditors Report on the Consolidated Financial Statements of M/S PAVNA INDUSTRIES LIMITED for the year ended 31 March 2025.

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

With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements, to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that in respect of those companies where audits have been completed under Section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements.

**For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 0005560C**

Sd/-

**Place:-ALIGARH
Date: 26/05/2025
UDIN: 25073299BMNXAH6172**

**CA. ARUN KUMAR
(PARTNER)
Membership No. 073299**

Annexure 'B'

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 M/S PAVNA INDUSTRIES LTD. ("The parent") as of March 31, 2025 in conjunction with our audit of the consolidated financial statements of the Company, its subsidiary companies, which are companies incorporated in India, as of that date for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 and the audit evidence obtained by auditors of the subsidiary companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient

and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary companies is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

**For ARUN VARSHNEY AND ASSOCIATES
Chartered Accountants
FRN: 0005560C**

Sd/-

**Place:-ALIGARH
Date: 26/05/2025
UDIN: 25073299BMNXAH6172**

**CA. ARUN KUMAR
(PARTNER)
Membership No. 073299**

Pavna Industries Limited
Consolidated Balance Sheet as at 31 March 2025
(All amounts are in lacs(₹), unless otherwise specified)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3A	8,968.68	7,350.77
Intangible Asset Under Development	3A	43.81	34.61
Right of Use assets	3B	117.90	151.66
Financial assets			
Investments			
Others	4	1,302.10	916.76
Deferred tax Assets(net)		40.93	-
Other Non Current assets	5	215.66	233.18
		10,689.07	8,686.98
Current assets			
Inventories	6	11,447.17	9,779.98
Financial assets			
Trade Receivable	7	4,326.58	5,569.67
Cash and cash equivalents	8	114.90	30.58
Other Bank Balances	9	5.91	4.56
Loans	10	-	-
Others	11	0.50	(1.00)
Income tax assets (net)	12	86.45	16.47
Other current assets	13	1,206.43	1,683.23
Total current assets		17,187.94	17,083.49
Total assets		27,877.02	25,770.47
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	1,395.30	1,218.08
Other equity	15	18,576.34	6,081.57
Non Controlling Interest	16A	1,231.74	1,168.28
Total equity		21,203.37	8,467.93
Non current liabilities			
Financial liabilities			
Long term Borrowing	17A	710.85	1,443.63
Lease liabilities	3B	133.01	153.26
Other Non current financial liabilities	18	3.00	70.32
Provisions	19	308.05	262.61
Deferred tax liabilities (net)	20	37.06	4.24
		1,191.99	1,934.05
Current liabilities			
Financial liabilities			
Borrowings	17B	2,792.49	10,651.75
Lease Liabilities	3B	10.93	22.35
Trade payables	18A	-	-
Total outstanding dues of micro enterprises and small enterprises		854.90	681.83
Total outstanding dues of creditors other than micro and small enterprises		1,223.85	3,212.10
Other financial liabilities	19A	317.53	319.07
Other current liabilities	20	84.23	265.74
Income Tax liabilities	21	(2.38)	31.53
Short term provisions	22	200.61	184.13
Total current liabilities		5,481.65	15,368.50
Total equity and liabilities		27,877.02	25,770.48

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 Arun Varshney & Associates
Chartered Accountants
Firm's Registration No.: 005560C

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

Sd/-
Arun Kumar
Partner
Membership No.: 073299

Sd/-
Swapnil Jain
Director
DIN: 01542555

Sd/-
Asha Jain
Director
DIN: 00035024

Sd/-
Ravindra Jagannath Pise
Chief Executive officer

Sd/-
Palak Jain
Chief Financial officer

Sd/-
Kanchan Gupta
Company Secretary

Place: Aligarh
Date: 26/05/2025

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue:			
Revenue from operations	23	30,823.69	31,687.49
Other income	24	178.37	299.83
Total income		31,002.06	31,987.32
Expenses:			
Cost of materials consumed	25	18,004.87	17,160.21
Purchase of Stock-in-Trade	26	3,195.19	4,047.09
Change in Inventory of finished goods	27	(1,109.10)	(960.24)
Employee benefits expense	28	3,234.59	3,151.13
Finance costs	29	1,063.50	1,107.73
Depreciation and Amortisation Expenses	30	1,304.54	1,070.25
Other expenses	31	4,192.90	4,840.17
Total expenses		29,886.49	30,416.34
Profit/(Loss) before tax		1,115.57	1,570.98
Tax expense:	32		
Current tax		319.37	383.69
Deferred tax credit		(8.09)	(13.12)
Earlier years tax adjustments (net)		-	-
Mat Credit adjustments		-	-
Total tax expense		311.29	370.57
Profit/(Loss) for the year		804.28	1,200.41
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(13.73)	18.78
Income tax relating to above item		3.46	(4.73)
Other comprehensive income / (loss)		(10.27)	14.05
Total comprehensive Profit /(loss) for the year		794.01	1,214.46
Profit/ (Loss) for the year attributable to			
- Owners of the company		737.10	1,056.06
- Non- Controlling interest		67.18	144.35
Other comprehensive income / (loss) for the year attributable to			
- Owners of the company		(6.56)	10.26
- Non- Controlling interest		(3.72)	3.79
Total comprehensive Profit /(loss) for the year attributable to			
- Owners of the company		730.54	1,066.32
- Non- Controlling interest		63.46	148.14
Earnings per equity share (₹ 10 per share)			
Basic EPS on actual outstanding	33	5.91	8.67
Basic & Diluted EPS weighted average		5.91	8.67

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 Arun Varshney & Associates
Chartered Accountants
Firm's Registration No.: 005560C

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

Sd/-
Arun Kumar
Partner
Membership No.: 073299

Sd/-
Swapnil Jain
Director
DIN: 01542555

Sd/-
Asha Jain
Director
DIN: 00035024

Place: Aligarh
Date: 26/05/2025

Sd/-
Ravindra Jagannath Pise
Chief Executive officer

Sd/-
Palak Jain
Chief Financial officer

Sd/-
Kanchan gupta
Company Secretary

Pavna Industries Limited
Consolidated Cash flow statement for the year ended 31 March 2025

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

	For the year ended 31 March 2025	For the year ended 31 March 2024
A Cash flow from operating activities		
Profit/(Loss) before tax	1,115.57	1,570.98
Adjustments for:		
Depreciation and amortisation expense	1,304.54	1,070.25
Interest income on bank deposits	(40.33)	(0.86)
Interest income on loan	-	-
Interest expense on lease liability	15.34	18.17
Loss/(Profit) on sale of PPE	(73.06)	(3.76)
Provision for impairment on advances/ balance written off	-	-
Interest expense on borrowings	1,063.50	1,107.73
Operating profit before working capital changes	3,385.55	3,762.51
Movement in working capital		
Inventories	(1,667.19)	(530.26)
Trade Receivables	1,243.09	(931.43)
Other non current financial assets	(385.45)	(34.95)
Other current financial assets	(2.85)	17.55
Other current assets	476.79	9.59
Other Non current assets	17.52	(17.58)
Other financial current liabilities	(1.54)	(163.01)
Other financial non current liabilities	(67.32)	55.32
Other current liabilities	(181.52)	82.25
Provision Long Term	45.44	31.30
Provision Short Term	16.48	31.08
Trade payables	(1,815.18)	(1,415.50)
Cash used in operating activities post working capital changes	1,063.82	896.88
Income tax paid (net)	(434.03)	(347.30)
Net cash used in operating activities (A)	629.79	549.58
B Cash flows from investing activities		
Purchase of property, plant and equipment	(3,110.39)	(2,064.32)
Sale of property, plant and equipment	285.59	23.28
Sale of Investment in subsidiaries	-	255.00
Interest received	40.33	0.86
Net cash used in investing activities (B)	(2,784.47)	(1,785.18)
C Cash flows from financing activities		
Proceeds from issue of share capital	11,941.44	-
Payment of Lease liability	(46.91)	(46.68)
Finance cost paid	(1,063.50)	(1,107.73)
Bonus / Dividend Paid	-	-
Proceeds from borrowings	(8,592.04)	2,377.49
Net cash flows from financing activities (C)	2,238.99	1,223.08
Net increase in cash and cash equivalents (A+B+C)	84.32	(12.52)
Cash and cash equivalents at the beginning of the year	30.58	43.09
Cash and cash equivalents at the end of the year	114.90	30.57

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 Arun Varshney & Associates
Chartered Accountants
Firm's Registration No.: 005560C

Sd/-
Arun Kumar
Partner
Membership No.: 073299

Place: Aligarh
Date: 26/05/2025

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

Sd/-
Swapnil Jain
Director
DIN: 01542555

Sd/-
Asha Jain
Director
DIN: 00035024

Sd/-
Ravindra Jagannath Pise
Chief Executive officer

Sd/-
Palak Jain
Chief Financial officer

Sd/-
Kanchan gupta
Company Secretary

Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025

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

4 Other non current financial assets

Margin money deposits (including interest accrued) (a)
Margin money deposits
Advance From Supplier
Security deposits
- Unsecured considered good
Trade Recievable considered doubtful

As at 31 March 2025	As at 31 March 2024
0.12	0.12
-	-
-	478.19
1,301.98	409.11
-	29.34
1,302.10	916.76

(a) Includes Margin Deposit with Government authorities

5 Other non current assets

Prepaid expense
Capital advances-Unsecured, considered good

As at 31 March 2025	As at 31 March 2024
205.66	189.29
10.00	43.89
215.66	233.18

6 Inventories

(Valued at lower of cost or net realisable value, unless otherwise stated)

Finished Goods
Goods in Transit
Raw Materials
Work in Progress
Store and Spares
Trading Material

As at 31 March 2025	As at 31 March 2024
-	-
-	25.74
3,071.35	2,660.70
6,899.35	5,833.73
596.32	411.14
880.15	848.67
11,447.17	9,779.98
11,447.17	9,779.98

Impairment provision on Project in progress

7 Trade Receivable

Unsecured, considered good
Unsecured, considered doubtful

As at 31 March 2025	As at 31 March 2024
4,326.58	5,569.67
-	-
4,326.58	5,569.67

Trade receivable aging schedule as at 31 March 2024

8 Cash and cash equivalents

Cash on hand
Balances with banks

As at 31 March 2025	As at 31 March 2024
24.83	18.57
90.07	12.01
114.90	30.58

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)

As at 31 March 2025	As at 31 March 2024
5.91	4.56
5.91	4.56

(a) Includes Margin Deposit with Government authorities

11 Other Current assets

Security deposit to others

As at 31 March 2025	As at 31 March 2024
0.50	(1.00)
0.50	(1.00)

12 Income tax assets

Income Tax paid (net of provision for taxation)

As at 31 March 2025	As at 31 March 2024
86.45	16.47
86.45	16.47



	As at 31 March 2025	As at 31 March 2024
13 Other current assets		
Prepaid expenses	322.39	214.98
Advances to contractors and material suppliers	-	-
Unsecured, Consider Good	757.35	1,002.63
Unsecured, Considered Doubtful	52.38	71.01
Other advances	(0.27)	1.36
Balances with government authorities	50.91	353.68
	15.98	13.95
	1,198.75	1,657.61
Amount receivable - Others	10.79	25.61
Less : Allowance for Impairment (net)	-	-
	1,209.54	1,683.23

	As at 31 March 2025		As at 31 March 2024	
14 Equity Share capital				
Authorized shares	Number*	Amount	Number*	Amount
Equity shares of ₹ 10 each with voting rights	3,00,00,000	3,000.00	1,80,00,000	1,800.00
	3,00,00,000	3,000.00	1,80,00,000	1,800.00
Issued, subscribed and fully paid up				
Equity share capital of face value of ₹ 10 each	1,39,53,000	1,395.30	1,21,80,800	1,218.08
	1,39,53,000	1,395.30	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 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the period	121.81	1,218.08	121.80	1,218
Shares Issued during the period	17.72	177.22	-	-
Bonus Issued during the period	-	-	-	-
Balance at the end of the year	139.53	1,395.30	121.80	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 agreements entered/to be entered into with the investors/shareholders from time to time.

The Shareholders of the Company at their Extra-ordinary General Meeting held on October 23, 2024 passed Special Resolutions for the preferential issue of 23,77,000 Equity shares and 40,00,000 Fully Convertible Warrants ("Warrants") at an issue price of Rs. 505/- per security, for an aggregate amount of up to Rs. 322,03,85,000/-, in accordance with Sections 23, 42, 62(1)(c) and other applicable provisions of the Companies Act, 2013, Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

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

	As at 31 March 2025		As at 31 March 2024	
Name of the equity shareholder (Promotor)	Number	%	Number	%
Smt. Asha Jain	58,21,960	41.73%	58,21,960	47.80%
Shri Swapnil Jain	13,56,560	9.72%	13,56,560	11.14%
P.J. Wealth Management and Consultant	9,97,040	7.15%	9,97,040	8.19%
	81,75,560	58.59%	95,32,120	78.26%



15 Other Equity**General Reserve**

Opening balance

Add: Transfer from Profit/(loss)

Closing balance (A)**Capital Reserve**

Opening balance

Add : Sale of Subsidiary

Closing balance (B)**Securities premium**

Opening balance

Add: Addition during the year

Expense on issue of Preferential Shares 1

Closing balance (C)**Profit/ (Deficit) in the statement of profit and loss**

Opening balance

Less: Issue of Bonus Shares

Less : Dividend

Add: Profit / (Loss) for the year

Add: Other comprehensive income for the year (net of tax impact)

Less: Transfer to general Reserve

Closing balance (D)**Total (A+B+C+D)****16A Non Controlling Interest**

Non Controlling Interest

Opening Balance

Entity sold during the year

NCI share in current year Profit

Closing Balance**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

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

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

Security deposit from customer

Trade payable Long outstanding

As at 31 March 2025	As at 31 March 2024
1.62	1.62
-	-
1.62	1.62
111.30	19.46
-	91.84
111.30	111.30
1,398.72	1,398.72
8,772.39	-
(38.17)	-
10,132.94	1,398.72
4,569.93	3,528.64
-	-
-	-
737.10	1,056.06
(6.56)	10.26
(25.02)	(25.02)
5,275.46	4,569.93
15,521.32	6,081.57
As at 31 March 2025	As at 31 March 2024
1,168.28	1,244.52
-	224.39
63.46	148.14
1,231.74	1,168.28
As at 31 March 2025	As at 31 March 2024
-	1,431.03
-	-
710.85	12.60
-	-
-	-
710.85	1,443.63
As at 31 March 2025	As at 31 March 2024
210.60	7,537.34
2,391.19	2,479.00
190.71	635.40
2,792.49	10,651.75
3,503.34	12,095.37
As at 31 March 2025	As at 31 March 2024
3.00	12.50
-	57.82
3.00	70.32



19A Provisions**Provision for employee benefits (a)**

Gratuity

(a) Refer Note 36

As at 31 March 2025	As at 31 March 2024
308.05	262.61
308.05	262.61

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 2025	As at 31 March 2024
122.38	116.60
-	-
(78.35)	(72.60)
-	-
(6.95)	(3.96)
37.08	40.04

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 2025	As at 31 March 2024
-	-
(8.74)	(7.90)
(3.88)	(3.88)
46.95	41.41
2.33	2.16
4.27	4.00
40.93	35.80

18 Trade payables #

Due to micro and small enterprises

Due to others (a)

As at 31 March 2025	As at 31 March 2024
854.90	681.83
1,223.85	3,212.10
2,078.75	3,893.93

19 Other Financial liabilities

Interest accrued but not due on borrowings

Payable to employees

As at 31 March 2025	As at 31 March 2024
-	0.04
317.53	319.03
-	-
317.53	319.07

20 Other current liabilities

Advance received from customers

Statutory dues payable

As at 31 March 2025	As at 31 March 2024
59.32	34.20
24.91	231.54
84.23	265.74

21 Income tax liabilities

Income Tax Payable (Net of advance tax)

As at 31 March 2025	As at 31 March 2024
(2.88)	31.53
(2.88)	31.53

22 Short term provisions

Provision for employee benefits

Gratuity

As at 31 March 2025	As at 31 March 2024
200.61	184.13
200.61	184.13



Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025

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

Furniture

	For the year ended 31 March 2025	For the year ended 31 March 2024
23 Revenue from operations		
Sale of products	30,823.69	31,687.49
Other operating revenue		-
	30,823.69	31,687.49

24 Other income

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on:		
Bank deposits	40.33	0.86
Loan Given	-	-
Security deposits measured at amortised cost	35.06	35.24
Income tax refunds	-	-
Profit on sale of Property, Plant and Equipment	73.06	3.76
Income from export incentive	13.87	23.17
Rent received	0.60	0.60
Foreign Exchange fluctuation gain (Net)	(0.68)	(4.21)
Gain on investments carried at fair value through profit or loss	-	(1.74)
Excess liability/provision written back	-	0.02
Miscellaneous income	16.12	242.13
	178.37	299.83

25 Cost of raw material & components consumed

	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year	2,660.70	4,306.73
Add: Purchase during the year	18,415.52	16,899.86
	21,076.22	21,206.59
Less: Inventory at the end of the year	3,071.35	4,046.38
	18,004.87	17,160.21

26 Purchase of Stock-in-Trade

	For the year ended 31 March 2025	For the year ended 31 March 2024
Purchases of material	3,157.07	3,892.06
Packing expense	37.81	153.90
Freight & Cartage Inward	0.31	1.13
	3,195.19	4,047.09

27 Changes in inventories of finished goods and work-in-progress

Closing Inventories		
Trading Material	1,311.65	1,247.44
Work in Progress	6,611.43	5,566.54
Opening Inventories		
Trading Material	980.25	765.00
Work in Progress	5,833.73	5,088.74
	(1,109.10)	(960.24)

28 Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	2,610.99	2,738.99
Contribution to provident and other funds	223.36	203.69
Gratuity expense	78.71	84.91
Staff welfare expenses	439.68	463.05
	3,352.73	3,490.64
Less : Personnel Cost capitalized during the year #	(118.14)	(339.51)
Net Employee benefits expense	3,234.59	3,151.13



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

29 Finance costs

Interest expense
Interest expense on Term loan
Interest expense on Security deposit
Other borrowing costs
Interest on lease obligation

For the year ended 31 March 2025	For the year ended 31 March 2024
75.36	96.88
-	-
931.62	930.00
41.18	62.67
15.34	18.17
1,063.50	1,107.73

30 Depreciation and Amortisation

Depreciation and amortization expense
Depreciation on right of use assets

For the year ended 31 March 2025	For the year ended 31 March 2024
1,270.77	1,036.49
33.77	33.77
1,304.54	1,070.25

31 Other expenses

Factory expenses
Consumption of stores and spares#
Diecasting/ Job work charges
Material Testing Exp
Packing material
Gas Expenses
Power & Fuel
Advertisement and publicity
Bank charges
Communication & Postage Expense
Donation
Electricity expenses
House keeping expenses
Insurance Expenses
Legal and professional fees
Loss on sale of Property, Plant and equipment
Non competitive fees
Payments to auditors##
Printing and stationery
Rates and taxes
Rent
Building Rent
Machine Rent
Repair and maintenance - Machinery
Repair and maintenance - office
Repair and maintenance - Computer
Vehicle running and maintainance expense
Research and development expense###
Sales promotion expenses
Security charges
Software expenses
Trade mark royalty
Travelling and conveyance-Foreign
Travelling and conveyance-Local
Provision for impairment on advances/ balance written off
Bad debts
ISO TS certification expense
Export Expenses
Warranty claim/ Line rejection expense
Office expense
Rebate & Discount
Prior Period expense
IPO Exp
Pollution Control Expenses
Foreign Currency Fluctuation
Freight & forwarding expense
Miscellaneous expenses

For the year ended 31 March 2025	For the year ended 31 March 2024
-	-
784.90	756.28
894.17	1,344.44
-	-
-	4.87
-	-
556.53	684.98
13.71	30.67
32.69	22.49
27.87	23.06
19.46	16.62
36.13	27.87
31.31	36.66
64.60	96.29
158.06	170.78
-	-
-	-
3.44	3.20
11.87	10.86
7.32	54.56
104.32	87.01
5.76	4.25
-	-
37.77	25.86
55.48	40.82
-	-
148.64	141.01
0.97	1.19
91.82	110.32
6.01	9.89
17.55	11.91
78.86	83.65
-	1.61
145.93	80.13
-	-
-	70.69
0.33	5.33
-	-
72.24	128.04
23.13	33.05
194.96	262.57
3.63	3.45
-	-
-	-
-	-
550.96	454.56
12.49	1.18
4,192.90	4,840.17



Consumption of Stores, spares, packing and tools

	For the year ended	For the year ended
Opening stock	279.56	474.94
Add:	-	-
Consumption of stores, tools and spares parts	571.23	348.26
Consumption of Packing materials	386.85	212.42
Consumption of polishing and plating material	-	0.23
Less: Closing stock	452.74	279.56
Net Consumption of stores ,spares, Packing & tools	784.90	756.28

Payment to auditors**As auditors**

	For the year ended 31 March 2025	For the year ended 31 March 2024
-Audit fees	3.34	3.20
	3.34	3.20

32 Income tax**Tax expense comprises of:**

	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax	319.37	383.69
Deferred tax credit	(8.09)	(14.10)
Earlier years tax adjustments (net)	-	-
Minimum Alternative Tax	-	-
Income tax expense reported in the statement of profit and loss	311.29	369.60

Deferred tax credit

	For the year ended 31 March 2025	For the year ended 31 March 2024
Income tax expense reported in the statement of Other comprehensive income	5.13	(0.98)

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:

	25.168%	25.168%
--	---------	---------

Accounting profit before income tax

	1,115.57	1,570.98
--	----------	----------

At India's statutory income tax rate**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	280.77	395.38

33 Earnings per share

	For the year ended 31 March 2025	For the year ended 31 March 2024
Net Profit/(loss) attributable to equity shareholders	737.10	1,056.06
Nominal value of equity share in ₹	-	-
Total number of equity shares outstanding at the beginning of the year*	1,21,80,800	1,21,80,800
Total number of equity shares outstanding at the end of the year*	1,39,53,000	1,21,80,800
Weighted average number of equity shares*	1,24,81,831	1,21,80,800
Basic Earning per Share on actual outstanding at year end	5.91	8.67

* These are in absolute numbers



Pavna Industries Limited
Summary of significant accounting policies and other explanatory information for the year ended 2025
(All amounts are in lac₹, unless otherwise specified)

3A Property, plant and equipment

Particulars	Land	Building	Plant and Machinery	Office Equipment	Furniture and fixtures	Computer	Vehicle	Total
Gross block								
Balance as at 31 March 2023	366.82	1,552.50	10,646.53	249.11	163.21	261.26	823.28	14,062.72
Additions	-	-	817.85	1.93	0.73	117.89	9.47	947.87
Disposals	-	-	(25.45)	-	-	(0.40)	(5.54)	(31.39)
Entity disposed during the year	(70.32)	(352.39)	(2,592.34)	(143.56)	(4.59)	(13.73)	(45.23)	(3,222.16)
Balance as at 30 September 2023	296.50	1,200.11	8,846.59	107.48	159.35	365.03	781.98	11,757.04
Additions	-	11.59	1,962.55	6.84	8.76	121.88	8.82	2,120.44
Disposals	-	-	(27.96)	-	-	(0.44)	(4.80)	(33.20)
Entity disposed during the year	(70.32)	(352.39)	(2,592.34)	(143.56)	(4.59)	(13.73)	(45.23)	(3,222.16)
Balance as at 31 March 2024	296.50	1,211.70	9,988.78	112.40	167.38	368.97	782.07	12,927.80
Additions	1,051.49	-	919.83	7.99	11.10	15.05	1,093.22	3,098.69
Disposals	-	-	(253.67)	-	-	(1.56)	-	(255.23)
Balance as at 30 September 2024	1,347.99	1,211.70	10,654.94	120.38	178.48	382.46	1,875.30	15,771.25

Accumulated depreciation

Balance as at 31 March 2023	-	412.24	4,371.48	97.52	82.02	194.04	311.26	5,468.56
Charge for the year	-	18.73	419.29	4.50	4.97	14.83	41.95	504.27
Disposals	-	-	(7.29)	-	-	(0.52)	(2.20)	(10.02)
Entity disposed during the year	-	(90.61)	(753.80)	(48.78)	(2.52)	(10.00)	(6.02)	(911.83)
Balance as at 30 September 2023	-	340.36	4,029.68	53.24	84.36	198.34	344.99	5,050.97
Charge for the year	-	37.55	842.01	9.11	9.92	51.08	84.30	1,033.98
Disposals	-	-	(10.21)	-	-	(0.83)	(2.64)	(13.68)
Entity disposed during the year	-	(90.61)	(753.80)	(48.78)	(2.52)	(10.00)	(6.02)	(911.83)
Balance as at 31 March 2024	-	359.18	4,449.48	57.85	89.31	234.30	386.90	5,577.02
Charge for the year	-	37.43	964.89	9.82	10.51	62.68	182.93	1,268.26
Disposals	-	-	(42.65)	-	-	(0.06)	-	(42.71)
Balance as at 30 September 2024	-	396.61	5,371.72	67.67	99.82	296.92	569.83	6,802.58

Net block as at 31 March 2024	296.50	852.52	5,539.30	54.55	78.06	134.67	395.17	7,350.77
Net block as at 31 March 2025	1,347.99	815.09	5,283.22	52.71	78.66	85.54	1,305.46	8,969.68

Intangible Asset Under Development

Particulars	Knowhow	Software	Total
Balance as at 31 March 2023	25.00	81.40	106.40
Additions	14.61	-	14.61
Disposals	-	81.40	81.40
Balance as at 31 March 2024	39.61	-	39.61
Additions	11.70	-	11.70
Disposals	-	-	-
Balance as at 31 March 2025	51.31	-	51.31
Net block as at 31 March 2024	-	-	34.61
Net block as at 31 March 2025	-	-	43.81

Balance as at 31 March 2023	2.50	2.50
Charge for the year	2.50	2.50
Disposals	-	-
Balance as at 31 March 2024	5.00	5.00
Charge for the year	2.50	2.50
Disposals	-	-
Balance as at 31 March 2025	7.50	7.50



Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended , 2025

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

3B Leases**(i) Right of Use Assets**

Particulars	Buildings	Total
As at 31 March 2023	283.81	283.81
Additions	-	-
Deletions	-	-
As at 31 March 2024	283.81	283.81
Additions	-	-
Deletions	-	-
As at 31 March 2025	283.81	283.81
Accumulated Depreciation		
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
Charges during the year	33.77	33.77
Deletions	-	-
As at 31 March 2025	165.92	165.92
Net Carrying Value		
As at 31 March 2024	151.66	151.66
As at 31 March 2025	117.90	117.90

(ii) Lease Liabilities

Particulars	Current	Non Current	Total
As at 31 March 2023	29.54	172.33	201.87
Additions	-	-	-
Accretions of interest	-	18.17	18.17
Payments of lease liabilities	-26.24	-20.44	(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
Additions	-	-	-
Accretions of interest	-	15.34	15.34
Payments of lease liabilities	-16.89	-30.02	-46.91
Deletions	-	-	-
Re-classification from non current to current	5.47	-5.57	-0.10
As at 31 March 2025	10.93	133.01	143.94



Pavna Industries Limited
Statement of Changes in Equity for the year ended 31 March 2025
(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 2024
Equity share capital	1,218.08	-	1,218.08

Particulars	Opening balance as at 31 March 2024	Changes in equity share capital during the year	Balance as at 31 March 2025
Equity share capital	1,218.08	177.22	1,395.30

B. Other equity**

Particulars	Reserves and Surplus				OCI	Total
	Security Premium	Retained Earnings	Capital Reserve	General Reserve / Share Warrant	Remeasurement of defined benefit plans	
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)	-	-		-	10.26	10.26
Change Due to sale of subsidiary		(25.02)	91.84			66.81
Balance as at 31 March 2024	1,398.72	4,517.16	111.30	1.62	52.77	6,081.57
Profit/ (Loss) for the period	8,772.39	737.10		-	-	9,509.49
Other comprehensive income for the year (net of Expense on issue of Preferential Shares 1	(38.17)	-		-	(6.56)	(6.56)
Money received against Share Warrant				3,030.00		3,030.00
Balance as at 31 March 2025	10,132.94	5,254.26	111.30	3,031.62	46.22	18,576.34

*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 Arun Varshney & Associates
Chartered Accountants
Firm's Registration No.: 005560C

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

Sd/-
Arun Kumar
Partner
Membership No.: 073299

Sd/- Sd/
Swapnil Jain **Asha Jain**
Director Director
DIN: 01542555 DIN: 00035024

Sd/-
Ravindra Jagannath Pise
Chief Executive officer

Sd/- Sd/-
Palak Jain **Kanchan gupta**
Chief Financial officer Company Secretary

Place: Aligarh
Date: 26/05/2025

Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2025
(All amounts are in lacs(₹), unless otherwise specified)

Note 1: Corporate Information

The Consolidated Financial Information comprise the restated financial information of Pavna Industries Limited hereinafter referred to as the ("Pavna 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 Restated Consolidated Financial Statement for the year ended March 31, 2025. Pavna 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.

Note 2:

Basis 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.

These Consolidated Financial Information comprise the financial information of Pavna Industries Limited hereinafter referred to as the ("Pavna 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, 2025. Pavna 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 5 units i.e. Pavna Industries Limited (Holding Company) and its 4 (four) subsidiaries Companies namely

- (1) Pavna Marketing Private Limited (PMPL)
- (2) Pavna Sunworld Autotech Private Limited (PSAPL)
- (3) Swapnil Switches Private Limited (SSPL)
- (4) Pavna Auto Engineers Private Limited (PAEPL)

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, 2025
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%

Basis of preparation of Consolidation Financial Statemnets

The Consolidation Financial Statements of Company for the year ended have been prepared using the historical audited general purpose finanacial statemnets of the Copmany as at respective Financial year ended which was prepared under generally accepted accounting principles in Indai(IND-As) and originally approved by the Board of Directors of the Company at that relevent time.

Accounting Policies adopted in the preparation of Consolidation Accounts :

The cosolidated accounts related to Pavna Industries(Holding Company) ans its subsidiaries namely

1. Pavna Marketing Private Limited (PMPL)
2. Pavna Sunword Autotech Private Limited (PSAPL)
3. Swpnil Swiches Private Limited (SSPL)
4. Pavna Auto Engineers Private Limited (PAePL)

(hereinafter collectively referred as "Subsidiary Companies"), have been prepared in accordance with IND-AS 110: "Consolidated Financial Statemnets" issued by the Institute of India.

The Consolidated Finanacial Information:

Note 2.1: Significant accounting policies



Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2025

a) Significant accounting judgements, estimates and assumptions

Historical Cost Convention

The Restated 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.

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 judgement 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

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



Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2025

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.

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 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.



Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2025

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 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.



Payna Industries Limited

Notes to financial statements for the year ended 31st March 2025

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.

1) 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.

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



Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2025

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 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.

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 (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 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.

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 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 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.

s) 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.

t) 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.

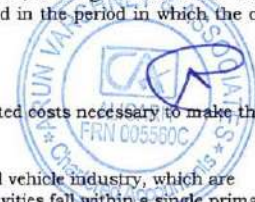
r) Stores and spares used for operation & maintenance are valued at lower of cost and net realizable value.

Cost is determined on weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

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.



Pavna Industries Limited

Notes to financial statements for the year ended 31st March 2025

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.

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 disclosures, if any in relation to amount unpaid as at the year ended together with interest payables 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, which has been considered above. The interest payables 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 the 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 amount reasonably required.

- f. Payment to Auditors

Particulars	Year Ended March, 2025	31st
Audit Fees	3.44	
Total	3.44	

- g. Related party Disclosures:

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. there is dispute regarding accidental claim by worker which amount to to approximately Rs.17 Lakhs.

2. 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 from filing with MCA is under process.

3. 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 Arun Varshney & Associates
Chartered Accountants
Firm's Registration No.005560C

Sd/-
Arun Kumar
Partner
Membership No.: 073299

Place: Aligarh
Date: 26/05/2025

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

Sd/-
Swapnil Jain
Director
DIN: 01542555

Sd/-
Ravindra Jagannath Pise
Chief Executive officer

Sd/-
Asha Jain
Director
DIN: 00035024

Sd/-
Palak Jain
Chief Financial officer

Sd/-
Kanchan gupta
Company Secretary

Pavna Industries Limited
Notes to the financial statements for the year ended 31 March 2025
(All amounts are in lacs ₹, 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 2025			As at 31 March 2024		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial assets*						
Investments	-	-	-	-	-	-
Trade Receivables	4,326.58	-	-	5,569.67	-	-
Loans	-	-	-	-	-	-
Cash and cash equivalents	114.90	-	-	30.58	-	-
Other Bank Balances	5.91	-	-	4.56	-	-
Other financial assets	1,302.60	-	-	915.76	-	-
Total financial assets	5,749.99	-	-	6,520.56	-	-
Financial liabilities*						
Borrowings	2,792.49	-	-	10,651.75	-	-
Lease liabilities	143.94	-	-	175.61	-	-
Trade payables	2,078.75	-	-	3,893.93	-	-
Other financial liabilities	320.53	-	-	389.39	-	-
Total financial liabilities	5,335.70	-	-	15,110.68	-	-

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 2025		As at 31 March 2024	
	Carrying value	Fair value*	Carrying value	Fair value*
Financial assets				
Investments	-	-	-	-
Trade Receivables	4,326.58	4,326.58	5,569.67	5,569.67
Loans	-	-	-	-
Cash and cash equivalents	114.90	114.90	30.58	30.58
Other Bank Balances	5.91	5.91	4.56	4.56
Other financial assets	1,302.60	1,302.60	915.76	915.76
Total financial assets	5,749.99	5,749.99	6,520.56	6,520.56
Financial liabilities				
Borrowings	2,792.49	2,792.49	10,651.75	10,651.75
Lease liabilities	143.94	143.94	175.61	175.61
Trade payables	2,078.75	2,078.75	3,893.93	3,893.93
Other financial liabilities	320.53	320.53	389.39	389.39
Total financial liabilities	5,335.70	5,335.70	15,110.68	15,110.68

*Carrying value of these financial assets and financial liabilities represents the best estimated values.

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.



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 specific to the class of financial assets.

- A: Low credit risk
B: Moderate credit risk
C: High credit risk

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 decided 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 statement of profit and loss.

Credit rating	Particulars	As at 31 March 2025	As at 31 March 2024
Low credit risk	Cash and cash equivalents, loans and other financial assets	5,749.99	6,520.56

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, the Company does not expect these banks to fail in meeting their obligations.

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 2025

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash	114.90	-	114.90
Other bank balances	5.91	-	5.91
Trade receivables	4,326.58	-	4,326.58
Loans	-	-	-
Other financial assets	1,302.60	-	1,302.60

As at 31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash	30.58	-	30.58
Other bank balances	4.56	-	4.56
Trade receivables	5,569.67	-	5,569.67
Loans	-	-	-
Other financial assets	915.76	-	915.76

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.

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 2025	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Non-derivatives					
Borrowings	1,560.48	1,066.92	851.16	24.78	3,503.34
Trade payable	2,078.75	-	-	-	2,078.75
Lease liabilities	10.93	8.52	8.52	15.53	43.50
Other financial liabilities	317.53	-	-	-	317.53
Total	3,967.68	1,075.44	859.68	40.31	5,943

As at 31 March 2024	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Non-derivatives					
Borrowings	10,152.52	1,066.92	851.16	24.78	12,095.37
Trade payable	3,893.93	-	-	-	3,893.93
Lease liabilities	43.12	8.52	8.52	15.53	75.69
Other financial liabilities	319.07	-	-	-	319.07
Total	14,408.63	1,075.44	859.68	40.31	16,384.06



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 31 March 2025	As at 31 March 2024
Secured Variable rate borrowings	1,112.15	9,616.38
UnSecured Variable rate borrowings	2,391.19	2,479.00
Total borrowings	3,503.34	12,095.37

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 31 March 2025	As at 31 March 2024
Increase in borrowing rate by 1%	35.03	120.95
Decrease in borrowing rate by 1%	(35.03)	(120.95)

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 ca

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 31 March 2025	As at 31 March 2024
Export of Material and services	835.28	789.03

Expenditure in Foreign currency

Description of Transactions	As at 31 March 2025	As at 31 March 2024
Import of Material and services	25.95	34.64

Foreign Currency risk Exposures

Financial Assets	As at 31 March 2024		As at 31 March 2022	
	USD \$	EUR	USD \$	EUR
Trade Receivables In Foreign currency	16,228.80	1,34,955.15	12,700.00	2,28,178.63
Trade Receivables In INR	13,86,912.81	1,24,72,689.92	10,57,005.26	2,05,46,197.31

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)	(13,869)	(1,24,727)	(10,570)	(2,05,462)
1% Appreciation in INR				
Impact on Profit and Loss Account - Income/ (Expense)	(13,869)	(1,24,727)	(10,570)	(2,05,462)



Pavna Industries Limited
Notes to the financial statements for the year ended 31 March 2025
(All amounts are in lacs(₹), unless otherwise specified)

44 Information relating to Litigations

Company has received following GST orders and Notices-Order for Aligarh Unit is Rs. 1489753 and for Aurangabad Unit Rs 131123. 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.

45 Other information

(i) (i) Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 01-April-19 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) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(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 to 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 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, some amount remain undisclosed in stock statement submitted to bank



Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025

(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

b) Entity having substantial interest in the Company

PJ Wealth Management & Consultants P. Ltd.

c) Key Managerial Personnel (KMP)

Managing Director
Director
Director
Director
CEO
CFO
CFO
CFO
CS
CS
KMP
KMP
KMP
KMP
KMP
Independent Director
Independent Director
Independent Director
Independent Director
Independent Director

Shri Swapnil Jain
Smt. Asha Jain
Smt. Priya Jain
Shri Sanjay Kumar Jain
Shri. Ravindra J Pise (DOJ -01/09/23)
Ms. Palak Jain (DOJ -20/01/24)
Markand hari babu Mahajan (Cessation wef 31/07/23)
Shri. Ravindra Madan Mohan Agrawal (Cessation wef 28/12/24)
Ms. Charu Singh (Cessation wef 28/08/24)
Ms. Kanchan Gupta
Mr. Vijay Sharma (Cessation wef 31/01/25)
Mr. Ram Karan Malik (Cessation wef 12/12/24)
Mr. Arun Khanna
Mr. Alok Sharma
Mr. Rachakonda Murthy (Cessation wef 12/08/24)
Shri Naozer Firoze Aibara
Ms. Priyanka Moondra Rathi
Ms.Himani Bhootra
Shri. Paras Shrikant Parekh
Shri Dhruv Jain
Shri Achyutanand Ramchandra Mishra

f) Enterprise over which KMP exercise control or significant influence

Pavna Sports Venture Private Limited
Ascus 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 financial year:

Nature of Transactions	Name of Related Party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
Loan taken	Loan taken during the year			
Loan taken	Smt. Asha Jain	KMP	150.00	-
Loan taken	Smt. Priya Jain	KMP		-
Loan taken	Shri Swapnil Jain	KMP	300.00	-
Loan taken	PJ Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	250.00	414.50
	Loan Repaid during the year			-
Repayment of Loan taken	Smt. Asha Jain	KMP	150.00	95.00
Repayment of Loan taken	Smt. Priya Jain	KMP		-
Repayment of Loan taken	Shri Swapnil Jain	KMP	300.00	269.00
Repayment of Loan taken	PJ Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	250.00	1,204.50
	Interest on Loans (Net of TDS)			-
Interest(Net)	Smt. Asha Jain	KMP	9.56	0.70
Interest(Net)	Shri Swapnil Jain	KMP	10.18	1.99
Interest(Net)	Smt. Priya Jain	KMP		-
Interest(Net)	PJ Wealth Management & Consultants P. Ltd.	Entity having substantial interest in the Company	11.39	54.10
	Remuneration, Salary & Other Expense			-
Remuneration	Smt. Asha Jain	KMP	100.00	96.00
Remuneration	Shri Swapnil Jain	KMP	350.00	216.00
Remuneration	Smt. Priya Jain	KMP	210.00	180.00
Remuneration	Mr. Ajay Maheshwari	KMP		10.80
Remuneration	Shri. Ravindra J Pise	CEO	48.00	28.00
Remuneration	Shri. Makarand Mahajan	CFO	-	5.00
Remuneration	Shri. Ravindra Madan Mohan Agrawal	CFO	-	10.61
Remuneration	Ms. Palak Jain	CFO	12.97	3.24
Remuneration	Ms. Charu Singh	CS	3.68	7.90
Remuneration	Kanchan Gupta	CS	9.26	6.23
Remuneration	Vijay Sharma	KMP	22.40	24.00
Remuneration	Ram Karan Malik	KMP	12.89	26.28
Remuneration	Arun Khanna	KMP	22.54	25.44
Remuneration	Pankaj Agarwal	KMP	8.18	25.16
Remuneration	Alok Sharma	KMP	18.60	18.60
Remuneration	Rachakonda Murthy	KMP	-	7.29
Building Rent	Smt. Asha Jain	KMP	17.04	31.08
Building Rent	SSPL & PIL	Fellow Subsidiary	19.44	-
Lease Rent	Smt. Asha Jain	KMP	12.00	0.10
Rent	Pavna Goyam Auto Pvt Ltd	Fellow Subsidiary	-	-
Trade Mark Royalty	Smt. Asha Jain	KMP	78.86	81.64
	Purchase & Sales			-
	SSPL & PIL		146.76	317.68
	PAEPL & PIL		1,253.18	2,040.06
	PIL & SSPL		0.43	159.31
	PIL & PAEPL		45.04	66.27
	PIL & PSAPL		116.73	0.10
	PSAPL & PIL		10.26	5.43
	PIL & PMPL		338.23	303.64
	PMPL & PIL		3,033.40	3,044.69
	SSPL & PMPL		36.95	0.18
	PSAPL & PMPL		-	0.03
	PMPL & PAEPL		-	35.36
	PMPL & SSPL		-	334.74
	PMPL VS PSPL		13.98	9.38
Sale / Purchase of Fixed Assets	SSPL & PIL			-
	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		-



Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025

(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 2025	As at 31st March 2024
	Debtors & Creditors			-
	PIL & SSPL		235.82	114.40
	PIL & PMPL		732.88	755.91
	PIL & PSAPL		298.95	107.95
	PIL & PAEPL		628.25	255.26
	SSPL & PMPL		33.20	12.40
	PSAPL & PMPL			1.58
	Smt. Asha Jain	Whole time director	21.01	-
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
Security Deposit	Shri Pawan Jain & Smt. Asha Jain	Managing director	300.00	300.00
				-
				-
				-



Pavna Industries Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2025

(All amounts are in lacs(₹), 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:

Nature of Transactions	Name of Related Party	Relationship	For the year ended 31 March 2025	For the year ended 31 March 2024
	Loan taken during the year			
Loan taken	Smt. Asha Jain	KMP	150.00	-
Loan taken	Smt. Priya Jain	KMP	-	-
Loan taken	Shri Swapnil Jain	KMP	300.00	-
Loan taken	PJ Wealth Management & Consultants P. Lt	Entity having substantial	250.00	414.50
	Loan Repaid during the year			
Repayment of Loan taken	Smt. Asha Jain	KMP	150.00	95.00
Repayment of Loan taken	Smt. Priya Jain	KMP	-	-
Repayment of Loan taken	Shri Swapnil Jain	KMP	300.00	269.00
Repayment of Loan taken	PJ Wealth Management & Consultants P. Lt	Entity having substantial	250.00	1,204.50
	Interest on Loans (Net of TDS)			
Interest(Net)	Smt. Asha Jain	KMP	9.56	0.70
Interest(Net)	Shri Swapnil Jain	KMP	10.18	1.99
Interest(Net)	Smt. Priya Jain	KMP	-	-
Interest(Net)	PJ Wealth Management & Consultants P. Lt	Entity having substantial	11.39	54.10
	Remuneration, Salary & Other Expense			
Remuneration	Smt. Asha Jain	KMP	100.00	96.00
Remuneration	Shri Swapnil Jain	KMP	350.00	216.00
Remuneration	Smt. Priya Jain	KMP	210.00	180.00
Remuneration	Mr. Ajay Maheshwari	KMP	-	10.80
Remuneration	Shri. Ravindra J Pise	CEO	48.00	28.00
Remuneration	Shri. Makarand Mahajan	CFO	-	5.00
Remuneration	Shri. Ravindra Madan Mohan Agrawal	CFO	-	10.61
Remuneration	Ms. Palak Jain	CFO	12.97	3.24
Remuneration	Ms. Charu Singh	CS	3.68	7.90
Remuneration	Kanchan Gupta	CS	9.26	6.23
Remuneration	Vijay Sharma	KMP	22.40	24.00
Remuneration	Ram Karan Malik	KMP	12.89	26.28
Remuneration	Arun Khanna	KMP	22.54	25.44
Remuneration	Pankaj Agarwal	KMP	8.18	25.16
Remuneration	Alok Sharma	KMP	18.60	18.60
Remuneration	Rachakonda Murthy	KMP	-	7.29
Building Rent	Smt. Asha Jain	KMP	17.04	31.08
Building Rent	SSPL & PIL	Fellow Subsidiary	19.44	-
Lease Rent	Smt. Asha Jain	KMP	12.00	0.10
Rent	Pavna Goyam Auto PvtLtd	Fellow Subsidiary	-	-
Trade Mark Royalty	Smt. Asha Jain	KMP	78.86	81.64
	Purchase & Sales			
	SSPL & PIL		146.76	317.68
	PAEPL & PIL		1,253.18	2,040.06
	PIL & SSPL		0.43	159.31
	PIL & PAEPL		45.04	66.27
	PIL & PSAPL		116.73	0.10
	PSAPL & PIL		10.26	5.43
	PIL & PMPL		338.23	303.64
	PMPL & PIL		3,033.40	3,044.69
	SSPL & PMPL		36.95	0.18
	PSAPL & PMPL		-	0.03
	PMPL & PAEPL		-	35.36
	PMPL & SSPL		-	334.74
	PMPL VS PSPL		13.98	9.38
Sale / Purchase of Fixed A	SSPL & PIL		-	-
	Investment of Shares- Sales/ Purchase			
Advances	Pavna Goyam Auto Pvt. Ltd.	Subsidiary Company	-	250.00



NOTICE OF 31ST ANNUAL GENERAL MEETING

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NOTICE

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF PAVNA INDUSTRIES LIMITED TO BE HELD AT PAVNA INTERNATIONAL SCHOOL, ALIGARH—AGRA HIGHWAY, NEAR MANGALAYATAN MANDIR, ALIGARH-204216, UTTAR PRADESH INDIA ON SEPTEMBER 24, 2025 WEDNESDAY AT 09:00 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, 2025 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, 2025, the statement of profit and loss, cash flow statement and statement of equity, for the financial year ended on March 31, 2025, 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 re-appoint Mr. Sanjay Kumar Jain (DIN: 03008142), who retires by rotation at this Annual General Meeting and being eligible, offers himself 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, Mr. Sanjay Kumar Jain (DIN: 03008142) who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a director of the company.

SPECIAL BUSINESS:

- 3. To re-appoint M/s D Sagar & Associates, Practising Company Secretary (COP No.: 11547) as Secretarial Auditor of the Company**

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

“RESOLVED THAT pursuant to Regulation 24A (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, if any, the relevant circulars issued by SEBI (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) approval of the members of the Company be and is hereby accorded to the Board of the Company and pursuant to the recommendation of the Audit Committee and Board for re-appointment of M/s D Sagar & Associates, Practising Company Secretary (Certificate of Practice number: 11547) as Secretarial Auditor of the Company for an Audit period of 5 (five) consecutive years commencing from April 01, 2025 to March 31, 2030 at a remuneration and as per the terms and conditions as may be and out of pocket expenses incurred in connection with the aforesaid audit and other applicable taxes, as may be mutually agreed upon by them and Audit Committee/ Board of Directors.

RESOLVED FURTHER THAT approval of the Members of the Company be and is hereby accorded to the Board to delegate all or any of its powers herein conferred to any Committee of the Board and / or Director(s) and / or officer(s) / employee(s) of the Company to give effect to the aforesaid resolution and to sign and execute all such documents, contracts, agreements, deeds and writings and to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental to give effect to the aforesaid resolution.”

4. 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 the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, and pursuant to the consent of the Audit Committee and Board vide resolutions passed in their respective meetings,, approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) as entered by the company with the related parties within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations during Financial Year 2025-26 as per details set out under item no. 4 of the Explanatory Statement annexed to this Notice provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

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”.

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

Sd/-
Swapnil Jain
Managing Director
DIN:01542555

Date: August 30, 2025

Place: Aligarh

Registered Office: Vimlanchal, Hari nagar Aligarh, Uttar Pradesh-202001,India

Corporate Office: Sushayat Khurd Aligarh-Agra Road, Near Mangalayatan Mandir,
Sasni, Hathras, Aligarh, Uttar Pradesh, India, 204216

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

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

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 whose Email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical 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.:

MUFG INTIME INDIA PRIVATE LIMITED,
 (Formerly 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 6270 / 810 811 6767
 Fax No.: +91 22 4918 6767
 Email: rnt.helpdesk@linkintime.co.in
 Website: www.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 2024-25 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

18. VOTING SYSTEM:

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

The remote e-voting period begins on Sunday, September 21, 2025 at 09:00 A.M. and ends on Tuesday, September 23, 2025 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 17, 2025, 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 17, 2025.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing 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 - 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. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store   Google Play 
Individual Shareholders holding securities in demat mode with CDSL	- 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. - 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.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to 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.

Statement Provided Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 And Para 1.25 Of Secretarial Standard on General Meetings (SS-2) Issued by the Institute of Company Secretaries of India:

Name of Director	Mr. Sanjay Kumar Jain
DIN	03008142
Date of Birth & Age	24/12/1964
Date of Appointment	31/12/2021
Qualifications	He holds a master's degree in commerce from Rani Durgavati Vishwavidyalaya, Jabalpur.
Expertise in specific Functional Areas	He has more than three (3) decades of work experience.
Terms and Conditions of Appointment/Re-appointment	In terms of Sec 152(6) of the Companies Act, 2013 she is liable to retire by rotation and being eligible offer herself for re-appointment.
List of outside Directorship held excluding Alternate Directorship and Private Companies.	Nil
Chairman/ Member of the Committee of the Board of Directors of the Company	Refer to Director's Report
Last drawn remuneration details along with Remuneration sought to be paid	Entitled for sitting fees
Relationship with other Directors and KMP	Father of Mrs. Priya Jain (Executive Director)
Shares in the Company as at 31st march, 2025	Nil

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

ITEM NO.3

In terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) ('LODR') Regulations, 2015, the Secretarial Auditor shall be appointed on the recommendation of the Board with the approval of shareholders of the Company.

Accordingly, the Board has recommended the re-appointment of M/s D Sagar & Associates, Practising Company Secretary (Certificate of Practice number: 11547), a peer reviewed firm as Secretarial Auditor of the Company for Audit period of 5 (five) consecutive years commencing from Financial year 2025-26 till Financial Year 2029-30 at a fee as mutually agreed between the parties, for the approval of shareholders. M/s D Sagar & Associates is a firm of Practising Company Secretaries are Maharashtra based Indian professionally managed and innovative corporate law service provider Peer reviewed firm, with a multi-disciplinary focus providing top quality professional Consultancy Services keeping in mind the client service mentality and the rapidly changing Indian business environment with strictest and highest quality of independence and ethical standards to our various clients. The firm provides professional services in the field of Corporate Laws, SEBI Regulations, FEMA Regulations including carrying out Secretarial Audit, Due Diligence Audits and Compliance Audits. The firm is Peer Reviewed by the Institute of Company Secretaries of India. M/s D Sagar & Associates confirmed that the firm has not incurred any disqualification and eligible to be appointed as Secretarial Auditor of the Company in terms of Regulation 24 (1A) of SEBI (LODR) Regulations, 2015. The services to be rendered by M/s D Sagar & Associates as Secretarial Auditor are within the purview of Regulation 24 (1B) of SEBI (LODR) Regulations, 2015 read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024

None of the Directors and/ or Key Managerial Personnel of the Company and/ or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 3 of the notice as an ordinary resolution.

ITEM NO.4

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

The value of proposed aggregate transactions with following related parties are likely to exceed the said threshold limit, as specified for the F.Y 2025-26.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) to be entered into by your Company with following related parties in the financial year 2025-26.

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.

S.No.	Particulars	A	B	C	D	E	F	G	H
1	Name of the Related Party	Swapnil Switches Private Limited (SSPL)	Pavna Auto Engineering Private Limited (PAEPL)	Pavna Sunworld Autotech Private Limited (PSAPL)	Pavna Marketing Private Limited (PMPL)	PJ Wealth Management & Consultant Private Limited (PWCPL)	Mr. Swapnil Jain	Mrs. Priya Jain	Mrs. Asha Jain
2	Name of the Director or KMP who is related	Mrs. Asha Jain & Mrs. Priya Jain	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain	Mr. Swapnil Jain	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain	Mr. Swapnil Jain, Mrs. Asha Jain and Mrs. Priya Jain
3	Nature of Relationship	SSPL is a subsidiary of PIL. It holds 50.74% shares in SSPL. SSPL and PIL have the common Promoter and Director	PAEPL is a subsidiary. PIL holds 50.74% shares in PAEPL. PAEPL and PIL have the common Promoter and Director	PSAPL is a subsidiary. PIL holds 71.50% shares in PSAPL. PSAPL and PIL have the common Promoter and Director	PMPL is a wholly-owned subsidiary of PIL. PMPL and PIL have the common Promoter and Director	PWCPL is a Group Company of PIL. PWCPL and PIL have the common Promoter and Director	Mr. Swapnil Jain is the Managing Director of PIL.	Mr. Priya Jain is the Managing Director of PIL.	Mr. Priya Jain is the Managing Director of PIL.
4	Nature, material terms, monetary value and particulars of the contract or arrangement	1. Contract for purchase of Switch parts from SSPL is on continuous basis. Monetary value of proposed	1. Contract for purchase of Motor Vehicles parts from PAEPL is on continuous basis. Monetary value of proposed	1. Contract for sale of Casting and Plastic parts from PAEPL is on continuous basis. Monetary value of proposed	1. Contract for purchase of Finished Goods from PMPL is on continuous basis. Monetary	Loan is taken by PIL from PWCPL of Rs.20 Crores. Interest rate-As charged in compliance with the provisions of	Loan is taken by PIL from Mr. Swapnil Jain of Rs.10 Crores. Interest rate-As charged in compliance	Loan is taken by PIL from Mr. Priya Jain of Rs.10 Crores. Interest rate-As charged in compliance with the	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-

	and maximum permissible Limit per annum	value of proposed aggregate transactions during financial year 2025-26 is expected to be Rs. 15(fifteen) Crores. 2.Contract for sale of Lock parts from SSPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2025-26 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.	aggregate transactions during financial year 2025-26 is expected to be Rs. 25(Twenty-five) Crores. 2.Contract for sale of Lock parts from PAEPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2025-26 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.	aggregate transactions during financial year 2025-26 is expected to be Rs. 8 (Eight) Crores. 2. Purchase of Rs.8 (Eight) Crores.The above transactions will be at arm's length price and in the ordinary course of business.	value of proposed aggregate transactions during financial year 2025-26 is expected to be Rs. 20 (Twenty) Crores.The above transactions will be at arm's length price and in the ordinary course of business. 2. Contract for sale of Finished Goods from PMPL is on continuous basis. Monetary value of proposed aggregate transactions during financial year 2025-26 is expected to be Rs. 40 (Forty) Crores.	Companies Act, 2013.Nature- Unsecured. Tenure- Five Years.	with the provisions of Companies Act, 2013.Nature- Unsecured. Tenure- Five Years.	provisions of Companies Act, 2013.Nature- Unsecured. Tenure- Five Years.	Unsecured. Tenure- Five Years. 2. Building Rent- Rs.0.20 Crores per annum. 3.Trademark Royalty- Upto Rs.1.20 Crores per annum. 4.Lease Rent-Upto Rs.1.50 Crores per annum.
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.	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.	PIL will leverage PSAPL's strength in selling Casting and Plastic Parts at competitive prices.	PIL will leverage PMPL's strengths in selling Finished goods under Pavna Brand to distributors at competitive prices.	Loan is taken to cater to the Working Capital requirements of the Company	Loan is taken to cater to the Working Capital requirements of the Company	Loan is taken to cater to the Working Capital requirements of the Company	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	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025
7	Date of Approval by the Audit Committee	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025	26 th May, 2025

The Board has recommended the resolution specified in Item No. 4 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.4 of this Notice.

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

Sd/-

Swapnil Jain

Managing Director

DIN:01542555

Date: August 30, 2025

Place: Aligarh

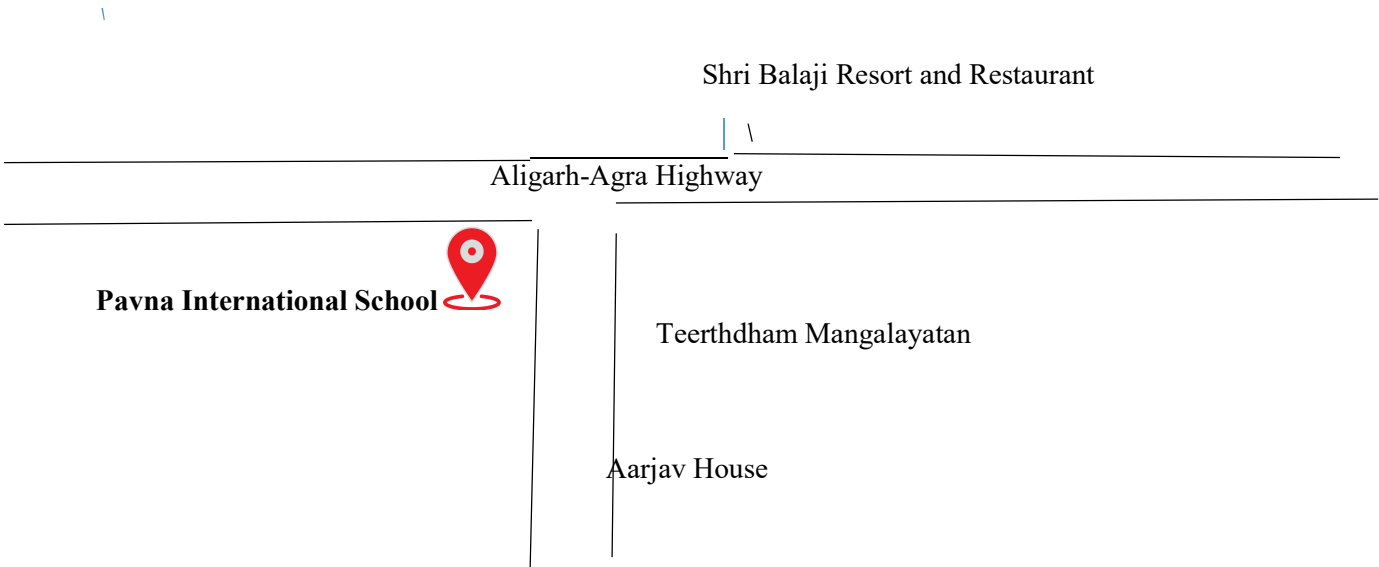
Registered Office: Vimlanchal, Hari nagar Aligarh, Uttar Pradesh-202001,India

Corporate Office: Sushayat Khurd Aligarh-Agra Road, Near Mangalayatan Mandir, Sasni, Hathras, Aligarh, Uttar Pradesh, India, 204216

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

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

ROUTE MAP OF PAVNA INTERNATIONAL SCHOOL



ATTENDANCE SLIP

31ST ANNUAL GENERAL MEETING ON WEDNESDAY, 24TH SEPTEMBER, 2025

Client ID	
Name of Shareholder	
Address	
No. of Shares	

I hereby record my presence at the 31st Annual General Meeting of the Company at Pavna International School, Agra-Aligarh Highway near Mangalayatan Mandir, Aligarh-204216, Uttar Pradesh on Wednesday, 24th September, 2025 at 9.00 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 31st Annual general meeting of the company, to be held on the Wednesday, 24th September, 2025 at 9.00 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, 2025 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 re-appoint Mr. Sanjay Kumar Jain (DIN: 03008142), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment			
3	To re-appoint M/s D Sagar & Associates, Practising Company Secretary (COP No.: 11547) as Secretarial Auditor of the Company			
4	Approve the Related Party Transactions			

Signed this day of..... 2025

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.



THANK YOU

PAVNA INDUSTRIES LIMITED

Registered Office: Vimlanchal, Hari nagar Aligarh, Uttar Pradesh-202001, India
Corporate Office: Sushayat Khurd Aligarh-Agra Road, Near Mangalayatan Mandir,
Sasni, Hathras, Aligarh, Uttar Pradesh, India, 204216
Tel:-+91-0571-2410010
Website: www.pavna.in, Email: info@pavnagroup.com

