

Date: 25<sup>th</sup> May, 2019

To,  
General Manager-Listing  
BSE Limited,  
P. J. Towers, Dalal Street,  
Mumbai- (M.H.) -400 001

**Sub: Disclosure under Regulation 30 & 33 of Securities and Exchange Board of India (listing Obligations Disclosure Requirements) Regulation, 2015**

Dear Sir/Madam,

With reference to the Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the above mentioned subject, we wish to inform you that the Board of Directors in its Meeting held on Saturday, 25<sup>th</sup> May, 2019 has approved the Audited Financial Results of the Company for the Quarter/Financial Year ended 31st March, 2019. In this regard, please find enclosed herewith the following:

1. Audited Financial Results for the Quarter/Financial year ended 31st March, 2019.
2. Auditor's Report on the Audited Financial results for the Quarter/Financial Year ended 31<sup>st</sup> March, 2019

You are requested to please take the same on record.

Thanking You  
Yours faithfully

**For PORWAL AUTO COMPONENTS LIMITED**

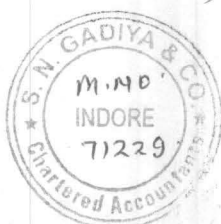


**MUKESH JAIN**  
**WHOLETIME DIRECTOR**  
**(DIN: 00245111)**

**PORWAL AUTO COMPONENTS LTD.**  
**Regd. Office : 209 Sector I Pithampur 454775 Dhar Madhya Pradesh**  
**Statement of the Audited Financial Results For The Quarter & Year Ended 31st March 2019**

₹ In Lacs

Sn.	Particulars	Quarter ended			Year Ended	Year Ended
		31.03.2019 (Audited)	31.12.2018 (Unaudited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)
PART I						
1	Income from Operations					
	Revenue from operations	2751.88	3034.94	3255.80	12062.69	11014.30
	Other Income	-0.05	0.35	0.07	0.87	121.35
	Total Income	2751.83	3035.29	3255.86	12063.56	11135.64
2	Expenses					
a	Cost of Material Consumed	1307.37	1651.01	1738.01	6395.15	5725.36
b	Purchase of Stock in Trade	13.47	9.11	12.11	60.56	62.38
c	Changes in Inventory of Finished goodsWIP and Stock in trade	74.64	(53.58)	(33.64)	-54.93	-100.86
d	Employee benefit expense	243.60	236.87	237.18	944.57	878.58
e	Financial costs	65.09	64.14	77.96	256.21	210.70
f	Depreciation and amortization expense	152.26	145.92	131.02	587.56	479.21
g	Other Expense	729.96	858.17	956.86	3355.14	3242.84
	Total Expenses	2586.39	2911.64	3119.51	11544.26	10498.22
3	Profit before exceptional and extraordinary items and tax	165.44	123.65	136.36	519.30	637.43
4	Exceptional Items	0.00	0.00	0.00	0.00	0.00
5	Profit before extraordinary items and tax	165.44	123.65	136.36	519.30	637.43
6	Extraordinary Items (Prior Period Items)	0.00	0.00	0.00	0.00	0.00
7	Profit before tax (VII - VIII)	165.44	123.65	136.36	519.30	637.43
8	Tax Expense					
	(1) Current tax	0.00	0.00	0.00	106.91	129.97
	(2) Deferred tax	0.00	0.00	0.00	70.46	2.23
9	Profit (Loss) for the period from continuing operations	165.44	123.65	136.36	341.93	505.22
10	Profit/(Loss) from discontinuing operations	0.00	0.00	0.00	0.00	0.00
11	Tax expense of discounting operations	0.00	0.00	0.00	0.00	0.00
12	Profit/(Loss) after tax from Discontinuing operations	0.00	0.00	0.00	0.00	0.00
13	Profit/(Loss) for the period	165.44	123.65	136.36	341.93	505.22
	Other Comprehensive Income					
a	(i) Item that will not be reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
b	(i) Item that will be reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
14	Total Comprehensive Income for the period (Comprising Profit(Loss) and other comprehensive income for the period)	165.44	123.65	136.36	341.93	505.22
15	Earning per equity share (for continuing operations)					
	(1) Basic	1.10	0.82	0.90	2.26	3.35
	(2) Diluted	1.10	0.82	0.90	2.26	3.35
16	Earning per equity share (for discontinued operations)					
	(1) Basic					
	(2) Diluted					
17	Earning per equity share (for discontinued and continuing operations)					
	(1) Basic	1.10	0.82	0.90	2.26	3.35
	(2) Diluted	1.10	0.82	0.90	2.26	3.35



PART II						
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>					
<b>1</b>	<b>Public Shareholding</b>					
a	Number of Shares	9499276.00	9499276.00	9540558.00	9499276.00	9540558.00
b	Percentage of Shareholding	62.91%	62.91%	63.18%	62.91%	63.18%
<b>2</b>	<b>Promoters &amp; Promoter Group Shareholding</b>					
a	Pledged/Encumbered	Nil	Nil	Nil	Nil	Nil
i	Number of shares					
ii	Percentage of Shares(as a % of total shareholding of promoter & promoter group)					
iii	Percentage of Shares(as a % of total share capital of the Company)					
b	Non-Encumbered					
i	Number of shares	5600724.00	5600724.00	5559442.00	5600724.00	5559442.00
ii	Percentage of Shares(as a % of total shareholding of promoter & promoter group)	100	100	100	100.00	100.00
iii	Percentage of Shares(as a % of total share capital of the Company)	37.09%	37.09%	36.82%	37.09%	36.82%
<b>B</b>	<b>INVESTORS COMPLAINTS</b>					
a	Pending at the beginning of the quarter	NILL	NILL	NILL	....	....
b	Received during the quarter	NILL	NILL	NILL	....	....
c	Disposed off during the quarter	NILL	NILL	NILL	....	....
d	Remaining Unresolved at the end of the quarter	NILL	NILL	NILL	....	....

**NOTES :**

- The above results were reviewed by the Audit Committee and were approved & taken on record by the Board of Directors at their meeting held on 25th May 2019.
- Segment reporting as required Ind As-108 is not applicable as 100% revenue comes from a single segment of manufacturing
- This statement has been prepared in accordance with the companies ( Indian Accounting prescribed. under standards) Rule 2015 ( Ind AS) section 133 of the companies Act 2013 and other recognised accounting practices and policies to the extent applicable.
- A dividend for the year ended 31st March, 2019, of ~~7.5~~ 5% (i.e. Rs. 0.75 per equity shares of Rs. 10/- each is recommended by the Board subject to the approval of the share holders at the ensuing Annual General Meeting.
- Figures for the previous period has been regrouped/reclassified to confirm to the figures of the current period presentations.

For Porwal Auto Components Limited

Place : Pithampur  
Date: 25.05.2019

Mukesh Jain  
Whole Time Director  
DIN : 00245111



**PORWAL AUTO COMPONENTS LTD.**  
Regd. Office 209 Sector I Pithampur 454775 Dhar Madhya Pradesh

**STATEMENT OF ASSETS AND LIABILITIES**

₹ In Lacs

Particulars	As At	
	31/03/2019 (Audited)	31/03/2018 (Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
(a) Property Plant and Equipment	5060.20	4869.17
(b) Capital Work-in-progress	0.00	215.47
(c) Investment Properties	0.00	0.00
(d) Goodwill	0.00	0.00
(e) Other Intangible Assets	7.44	7.59
(f) Intangible assets under development	0.00	0.00
(g) Biological Assets other than bearer plants	0.00	0.00
(h) Financial assets	0.00	0.00
(i) Investments	820.73	634.36
(ii) Trade receivables	0.00	0.00
(iii) Loans	504.29	572.50
(i) Deferred Tax Asset (net)	0.00	0.00
(j) Other non-current Assets	153.64	356.62
<b>Current Assets</b>		
(a) Inventories	1018.53	1091.91
(b) Financial assets		
(i) Investments.	0.00	0.00
(ii) Trade receivables	880.56	1339.69
(iii) Cash and cash equivalents	1.79	1.74
(iv) Bank balance other than (iii) above	11.04	10.39
(v) Loans	13.21	12.37
(vi) Other Receivables	40.53	57.81
(c) Current Tax Assets (Net)	0.00	0.00
(d) Other current assets	111.31	130.67
<b>Total assets</b>	<b>8,623.27</b>	<b>9,300.28</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share Capital	1510.00	1510.00
(b) Other Equity	4352.29	4156.29
<b>Liabilities</b>		
<b>Non Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	599.82	934.76
(ii) Trade Payables	0.00	0.00
(iii) Other financial liabilities	0.00	0.00
(b) Provisions	0.00	0.00
(c) Deferred tax liabilities (Net)	388.98	318.52
(d) Other non-current liabilities	0.00	0.00
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	640.91	785.96
(ii) Trade Payables	389.62	755.50
(iii) Other financial liabilities	0.00	0.00
(b) Other Current Liabilities	175.50	298.95
(c) Provisions	566.15	540.29
(d) Current Tax Liabilities (Net)	0.00	0.00
<b>Total Equity and Liabilities</b>	<b>8,623.27</b>	<b>9,300.28</b>

Place : Pithampur  
Date: 25.05.2019



For Porwal Auto Components Limited

  
Mukesh Jain  
Whole Time Director  
DIN : 00245111

## **INDEPENDENT AUDITORS' REPORT**

**To the Members of PORWAL AUTO COMPONENTS LIMITED**

Report on the Audit of the Standalone Financial Statements

### **Opinion**

We have audited the accompanying standalone financial statements of Porwal Auto Components Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

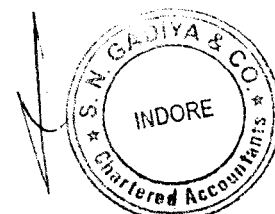
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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 state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis For Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis,



Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 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 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.

#### **Management's Responsibility for the Standalone Financial Statements**


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

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

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

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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



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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) 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 financial statements.





We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

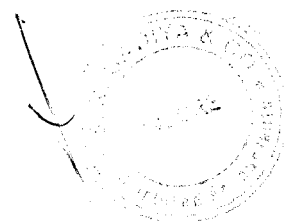
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by Section 143(3) of the Act, based on our audit 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.





- 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 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

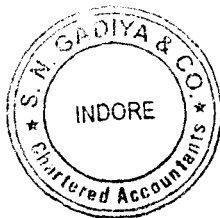

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement of the matters specified in paragraph 3 and 4 of the order.

For S N Gadiya & Co.  
Chartered Accountants  
Firm Reg. No.002052 C



(CA Satyanarayan Gadiya)  
Proprietor  
M.No.071229  
Place: Indore  
Date 25/05/2019

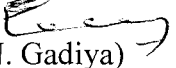
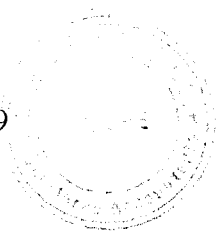
## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(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 given to us and the books 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)	The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
	(b)	Major items of fixed assets have been physically verified by the management during the year in accordance with a programmed of verification, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
	(c)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
(ii)		The management, during the year under review, has conducted physical verification of inventory and no material discrepancies were noticed on such verification.
(iii)		The company has granted loan to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013. The said loan was squared off during the year.
	(a)	The rate of interest and other terms and conditions on which the loans had been granted to the body corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the company.
	(b)	In the case of loans granted to the body corporate listed in the register maintained under section 189 of the Act, the borrower has been regular in payment of the principal and interest as stipulated.
	(c)	There are no overdue amount in respect of the loans granted to a body corporate listed in the register maintained under section 189 of the Act.
(iv)		In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
(v)		The Company has not accepted any deposits from public within the meaning of Section 73 and 74 of the Act and the rules framed there under to the extent notified.
(vi)		The Central Government has not prescribed maintenance of cost records under of sub-section (1) of Section 148 of the Act, for the nature of industry in which the Company

		is doing business.				
(vii)	(a)	Undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess (as applicable) have generally been regularly deposited with the appropriate authorities.				
	(b)	No disputed amounts payable in respect of Wealth Tax, Income Tax, Service Tax, Custom Duty, Excise Duty and Cess were in arrears as at 31 <sup>st</sup> March 2019 except the following.				
		<b>Name of the Statue</b>	<b>Nature of Dues</b>	<b>Amount Disputed</b>	<b>Period to which amount relates</b>	<b>Forum where dispute is pending</b>
		Employee Provident Fund & Mis. Provisions Act 1952	Provident Fund	Rs. 8.05 lacs	F.Y. 2005-06	Employee Provident Fund Appellate Tribunal
		MP VAT Tax	Vat Tax	Rs. 1.38 lacs	F.Y. 2010-11	M.P. Commercial Tax Appellate Board, Bhopal
		MP VAT Tax	Vat Tax	Rs. 2.56 lacs	F.Y. 2011-12	M.P. Commercial Tax Appellate Board, Bhopal
		MP VAT Tax	Vat Tax	Rs.2.48 lacs	F.Y. 2013-14	Appellate Authority Additional Commissioner of Commercial Tax, Indore
		MP VAT Tax	Vat Tax	Rs.0.74 lacs	F.Y. 2015-16	Appellate Authority Additional Commissioner of Commercial Tax, Indore
		MP VAT Tax	Vat Tax	Rs.2.67 lacs	F.Y. 2016-17	Appellate Authority Additional Commissioner of Commercial Tax, Indore
		Excise Duty Act, 1944	Excise Duty	Rs. 64.43 lacs	March 2005-Oct. 2011	CESTAT Delhi

(viii)		The company has not defaulted in repayment of dues to financial institutions or banks as at the balance sheet date.
(ix)		The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), Company has availed term loan facility during the year and the term loan has been utilized for the purpose for which it was availed.
(x)		No instance of material fraud on or by the Company, notice or reported during the year, nor have we been informed of any such case by the Management.
(xi)		The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
(xii)		The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
(xiii)		The transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
(xiv)		The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
(xv)		The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
(xvi)		The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.
		<p>For S N Gadiya &amp; Co. Chartered Accountants Firm Reg. No.00205 2C</p> <p>(CA S. N. Gadiya)  Proprietor M.No.071229</p> <p>Date : 25/05/2019 Place : Indore</p> 

## **Annexure - B to the Auditors' Report**

### **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 PORWAL AUTO COMPONENTS LIMITED ("the Company") as of 31 March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

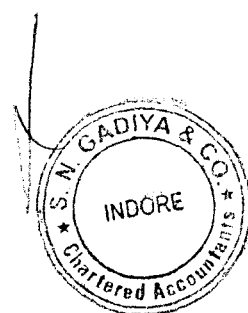
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

#### **Auditors' Responsibility**

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

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

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



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

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company 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 S N Gadiya & Co.  
Chartered Accountants  
Firm Reg. No.00205 /2C



(CA S. N. Gadiya)  
Proprietor  
M.No.071229

Date : 25/05/2019  
Place : Indore

**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

To  
Board of Directors of  
Porwal Auto Components Limited

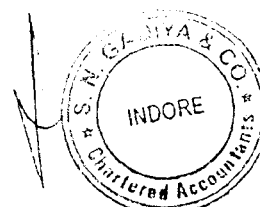
1. We have audited the accompanying Statement of Standalone Audited Results of **Porwal Auto Components Limited** ("the Company"), for the quarter and year ended March 31, 2019 ("the Statement") attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the Circular No. CIR/CFD/FCA/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the company's Management and approved by the Board of Directors, has been compiled from the related Standalone Ind AS Financial Statement which have been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the companies Act, 2013 read with relevant rules issued thereunder ('Ind-AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement based on our audit of such standalone financial statements.

2. We conducted our audit in accordance with the Standards on Auditing generally accepted in India. Those Standards requires that we comply with the ethical requirements and plan & perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind-AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion.

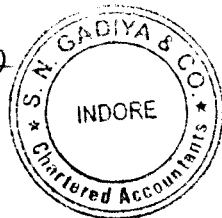




3. In our opinion and to the best of our information and according to the explanations given to us, the statement:
- is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as modified by the Circular No. CIR/CFD/FCA/62/2016 dated July 5, 2016; and
  - gives a true and fair View in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, of the net profit and total comprehensive Income and other financial information of the company for the year ended March 31, 2019.
4. The statement includes the results of the quarter ended 31<sup>st</sup> March 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which are subject to limited review by us.

For S.N. Gadiya & Co.  
Chartered Accountants  
Firm Reg No.00205 2C

(CA S.N. Gadiya)  
Proprietor  
M.No.071229



Date: 25/05/2019  
Place: Indore

## AUDTIORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
PORWAL AUTO COMPONENTS LIMITED

We have examined the compliance of conditions of Corporate Governance by Porwal Auto Components Limited, for the year ended on 31 March, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

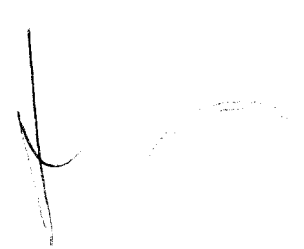
Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

e have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India which requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

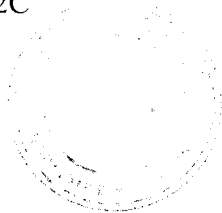

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and

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clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2019.

We 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 S N Gadiya & Co.  
Chartered Accountants  
Firm Reg. No.00205 2C








(CA S. N. Gadiya)  
Proprietor  
M.No.071229

Date : 25/05/2019  
Place : Indore

## DECLARATION

Pursuant to the Regulation 33(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with the requirements of SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015 and the amendments made therein vide SEBI Circular No. SEBI/LAD-NRO/GN/2016-17 dated 25th May, 2016 and on dated 27th May, 2016, we, the undersigned, hereby affirm and declare that the statutory auditor has not expressed any "Modified Opinion(s)" / "Audit Qualification(s)" / or "Other Reservation(s)" in the Audit Report accompanying the Annual Audited Financial Statements of Porwal Auto Components Limited for the financial year ended 31st March 2019.

<b>For S N GADIYA &amp; CO.</b> Chartered Accountants Firm Reg. No. - 002052C   <b>(S N GADIYA)</b> <b>(Proprietor)</b> <b>Membership No. - 71229</b>	<b>For Porwal Auto Components Ltd</b>  <b>MR. DEVENDRA JAIN</b> <b>(MANAGING DIRECTOR)</b> <b>(DIN: 00232920)</b>
<b>For Porwal Auto Components Ltd</b>  <b>MR. SHAILESH JAIN</b> <b>(CFO)</b>	<b>For Porwal Auto Components Ltd</b>  <b>MR. NITIN DAFRIA</b> <b>(Chairman Of Audit Committee)</b> <b>(DIN: 01560804)</b>