



PRECISION METALIKS LIMITED

... ALUMINIUM ReDEFINED⁺⁺

**Tenth Annual Report
2021-2022**



BOARD OF DIRECTORS

Mr. Percy Homi Italia	Independent Director
Mr. Revoor Ramachandra	Independent Director
Ms. Jayanthi Roja Ramani	Non-Executive Non-Independent Director
Mr. Sevvana Venkata Raman Rao	Whole Time Director & CEO

KEY MANAGERIAL PERSONNEL

Mr. B. V. V. Prakash Rao	Chief Financial Officer
Mr. Rakesh Kumar	Company Secretary

REGISTERED OFFICE

6-3-855/10/A, Flat No. 4A
Sampathji Apartments, Saadat Manzil
Ameerpet, Hyderabad - 500016
E-mail: cs@precision-metaliks.com
Website: www.precision-metaliks.com

CORPORATE OFFICE

9-19-43, Suryadev Apartments,
Flat # 202 CBM Compound,
Visakhapatnam - 530003
Telephone: +91 891 4884132

STATUTORY AUDITORS

M/s PPKG & Co (FRN: 009655S)
Chartered Accountants

LISTING

SME Platform of NSE (NSE EMERGE)

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE LIMITED
306, Right Wing, 3rd Floor | Amrutha Ville, Opp. Yashoda Hospital | Somajiguda
Rajbhavan Road | Hyderabad - 500082, India
Direct No : 040 4014 4967
prabhakar@bigshareonline.com | www.bigshareonline.com

BANKERS

Punjab National Bank
ICICI Bank
Bank of Baroda
IDBI Bank

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NOTICE

Tenth Annual General Meeting

Notice is hereby given that the Tenth Annual General Meeting of the Members of M/s Precision Metaliks Limited ("the Company") will be held on Saturday, September 24, 2022 at 12:00 P.M. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact following business mentioned below:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements for the Financial Year 2021-2022 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Jayanthi Roja Ramani (DIN: 05334095), who retires by rotation and being eligible, seeks re-appointment as a Director.

Date: August 19, 2022

By Order of the Board of Directors

Place: Visakhapatnam

CIN: L74900TG2012PLC082194

Sd/-

Registered Office: # 6-3-855/10A, Flat No. 4A
Sampathji Apartments, Saadat Manzil
Ameerpet, Hyderabad - 500016

Rakesh Kumar
Company Secretary

Corporate Office: 9-19-43, Flat No. 202
Suryadev Apartments, CBM Compound
Visakhapatnam - 530003



NOTES:

1. The details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') entered with the Stock Exchanges and Secretarial Standard on General Meeting (SS-2) in respect of the Directors seeking appointment / re-appointment at this Annual General Meeting is annexed hereto.
2. In terms of Section 152 of the Companies Act, 2013, Ms. Jayanthi Roja Ramani (DIN: 05334095) retires by rotation at the Meeting and being eligible, offers herself for re-appointment. The Board of Directors of the Company re-recommends her re-appointment.
3. The Ministry of Corporate Affairs ("MCA") has vide its Circular dated January 13' 2020 read with the Circulars dated April 8' 2020, April 13' 2020 and May 5' 2020 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15' 2021 (collectively referred to as "SEBI Circulars"), permitted the holding of the Annual General Meeting ("AGM") through VC, without the physical presence of the Members at a common venue. Hence, in compliance with the MCA Circulars and SEBI Circulars, the Tenth AGM of the Company is being held through VC / OAVM on Saturday, September 24, 2022 at 12:00 P.M.(IST).

In compliance of Section 20 of the Companies Act, 2013 and further to the aforesaid MCA Circulars and SEBI Circulars, the Notice of the Tenth AGM along with the Annual Report 2021-2022 is being sent only through electronic mode to the Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and the Annual Report 2021-2022 will also be available on the Company's website: <https://www.precision-metaliks.com> website of the Stock Exchange i.e., National Stock Exchange of India Limited: <https://www.nseindia.com> and on the Website of CDSL: <https://www.evotingindia.com>

4. Green Initiative: To support the Green Initiative, Members who have not registered their e-mail address are requested to register their e-mail address for receiving all the communications including Annual Report, Notices, Circulars, etc. from the Company electronically.
5. A Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his / her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Corporate Members intending to authorise their Representatives to participate and vote at the AGM are requested to upload a copy of the Board Resolution / Authorisation Letter on the E-Voting Portal or send to the Company at cs@precision-metaliks.com
7. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the Quorum under Section 103 of the Act.
8. As per Regulation 40 of the SEBI Listing Regulations, as amended, Securities of Listed Entities can be transferred only in dematerialised form with effect from April 1, 2019, except in case of transmission or transposition of Securities. In view of this, Members holding Shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact M/s Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company, ("RTA" or "Registrar") situated at Office 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad - 500082, India, e-mail: investor@bigshareonline.com website of the Registrar: <https://www.bigshareonline.com/Index.aspx> for assistance in this regard.



9. Members are requested to intimate changes, if any, pertaining to their Name, Postal Address, E-mail Address, Telephone / Mobile Numbers, Permanent Account Number, Mandates, Nominations, Power of Attorney, Bank Details viz., Name of the Bank, Branch Details, Bank Account Number, MICR Code, IFSC Code etc., to their Depository Participants ("DPs") in case the Shares are held in Electronic Form and Registrar / RTA in case the Shares are held in Physical Form.
 - a. **Registration of E-mail for Shareholders holding Physical Shares:** Members holding Shares in Physical Form and who have not registered their E-mail addresses may get their E-mail addresses registered with the Registrar and Transfer Agent of the Company, by referring to their website: <https://www.bigshareonline.com/Index.aspx> and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and E-mail and also upload the image of Share Certificate in PDF or JPEG format. On submission of the details, an OTP will be received by the Member which needs to be entered in the link for verification. For Permanent Registration for Demat Shareholders: It is clarified that for permanent registration of E-mail address, Members are requested to register their E-mail address, in respect of Demat holdings with the respective Depository Participant (DP) by follow the procedure, as prescribed by the Depository Participant.
 - b. **For Temporary Registration for Demat Shareholders:** Members holding Shares in Physical Form and who have not registered their E-mail addresses may get their E-mail addresses registered with the Registrar, by referring to their website: <https://www.bigshareonline.com/Index.aspx> and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and E-mail.
 - c. **Registration of Bank Details for Physical Shareholders:** Members holding Shares in Physical Form and who have not registered their Bank details can get the same registered with the Registrar, by clicking the <https://www.bigshareonline.com/Index.aspx> and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Share Certificate Number, PAN, E-mail, along with the copy of the Cheque Leaf with the First named Member as mentioned on the Cheque Leaf containing Bank Name and Branch, Type of Account, Bank Account Number, MICR Details and IFSC code in PDF or JPEG format. It is very important that the Member should submit the request letter duly signed. The Registrar will verify the documents upload and will only take on records for all valid cases. On submission of the details, an OTP will be received by the Member which needs to be entered in the link for verification.
10. Nomination: Pursuant to Section 72 of the Companies Act, 2013, Members holding Shares in Physical Form are advised to file Nomination in the prescribed form SH-13 with the Company's Share Transfer Agent. In respect of the Shares held in dematerialised form, Members may please contact their respective Depository Participant.
11. Consolidation of Physical Share Certificates: Members holding Shares in Physical Form, in identical order of Names, in more than One Folio are requested to send to the Company or Registrar, the details of such Folios together with the Share Certificates for consolidating their holdings in one folio. A Consolidated Share Certificate will be issued to such Members after making requisite changes.
12. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company has provided a facility to its Members to cast their vote electronically, through the E-Voting services provided by Central Depository Services (India) Limited ("CDSL") on all the Resolutions set forth in this Notice. Members who have cast their Votes by remote E-Voting prior to the AGM may also participate in the AGM through VC but shall not be entitled to cast their vote on such resolutions again. The manner and process of E-Voting remotely by Members is provided in the instructions for E-Voting which forms part of this Notice.



13. A Person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date for dispatch of Notice and Annual Report i.e. August 26, 2022 will only be entitled for receipt of Annual Report.
14. The Voting Rights of the Shareholders for voting through remote E-Voting at the AGM shall be in proportion to their share of the Paid-up Equity Share Capital of the Company as on Saturday, September 17, 2022 ('Cut-off Date'). A Person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date, only shall be entitled to avail the facility of Remote E-voting or of voting at the AGM and who is not a Member as on the Cut-off Date shall treat this Notice for information purposes only.
15. The Remote E-Voting Period will commence on Wednesday, September 21, 2022 (IST 9:00 A.M.) and will end on Friday, September 23, 2022 (IST 5:00 P.M.). During this period, Members of the Company, holding Shares either in Physical Form or in dematerialised form, as on the Cut-off Date i.e., Saturday, September 17, 2022 shall be entitled to cast their vote by Remote E-voting. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
16. The facility for Voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their Vote on the Resolutions through remote E-voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting system during the AGM.
17. Any person who becomes a Member of the Company after sending the Notice and holding Shares as on the Cut-off date (September 17, 2022) may obtain the Login-id and Password by sending a request at helpdesk.evoting@cdslindia.com. However, if a Member is already registered with CDSL for remote E-voting then he / she can use his / her existing user-id and password for casting the vote.
18. In case of Joint holders, the Joint holder who is higher in the order of Names, will be entitled to vote at the Meeting, if not already voted through remote E-voting.
19. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company mentioning their Name, Demat Account Number / Folio Number, E-mail, Mobile Number at cs@precision-metaliks.com on or before Monday, September 19, 2022. The same will be replied by the Company suitably.
20. The Board of Directors has appointed Ms. Putchá Sarada, Practicing Company Secretary (Membership No. A21717, CP No. 8735), Hyderabad as the Scrutinizer to scrutinize the Remote E-Voting Process and voting during the AGM, in a fair and transparent manner.
21. The Scrutinizer shall immediately, after the conclusion of E-voting at the AGM, first count the votes cast during the AGM, thereafter, unblock the votes cast through remote E-voting and make, not later than 48 hours of conclusion of the AGM, a Consolidated Scrutinizer's Report of the Total Votes Cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter-sign the same. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company: <https://www.precision-metaliks.com> and on the website of CDSL <https://www.evotingindia.com>. The Results will also be communicated to NSE Limited, where the Equity Shares of the Company are listed.
22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic Statement of Holdings should be obtained from the concerned DPs and Holdings should be verified from time to time.



23. Instructions for attending the AGM through VC / OAVM:

- i. Shareholder will be provided with a facility to attend the AGM through VC / OAVM through the CDSL E-voting system. Shareholders may access the same at <https://www.evotingindia.com> under Shareholders / Members login by using the Remote E-voting credentials. The link for VC / OAVM will be available in Shareholder / Members login where the EVSN of the Company is displayed.
- ii. Members may join the Meeting through Laptops, Smart phones, Tablets and I-pads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
- iii. Shareholders who would like to express their views / ask questions during the Meeting may register themselves as a speaker by sending their request at least 5 days in advance prior to the Meeting Date (latest by September 19, 2022) from their registered E-mail address mentioning their names, DP-ID and Client-ID / Folio Number, PAN and Mobile Number at cs@precision-metaliks.com Only those Members who have pre-registered themselves as a Speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- iv. Members are encouraged to submit their questions in advance with regard to the Financial Statements or any other matter to be placed at the Tenth Annual General Meeting, from their registered E-mail address, mentioning their Name, DP-ID and Client-ID Number / Folio Number and Mobile Number, to reach the Company's E-mail address at cs@precision-metaliks.com before 5:00 P.M. (IST) on Monday, September 19, 2022. Such questions by the Members shall be suitably replied by the Company.
- v. Those Shareholders who have registered themselves as a Speaker will only be allowed to express their views / ask questions during the Meeting.
- vi. If any votes are cast by the Shareholders through the E-voting available during the AGM and if the same Shareholders have not participated in the Meeting through VC / OAVM facility, then the votes cast by such Shareholders shall be considered as invalid, as the facility of E-voting during the Meeting is available only to the Shareholders attending the Meeting.

24. Subject to the receipt of requisite number of votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM, i.e. Saturday, September 24, 2022.

25. Voting through Electronic Means:

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 read with the Companies (Management and Administration) Rules, 2014 read with amendments or re-enactments made there under and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide the facility to exercise Members' Right to Vote at the Tenth Annual General Meeting (AGM) by electronic means and the business may be transacted through E-voting Services provided by Central Depository Services (India) Limited (CDSL).

The Members attending the Meeting, who have not already cast their vote through Remote E-Voting shall be able to exercise their Voting Rights at the Meeting. The Members who have already cast their vote through Remote E-Voting may attend the Meeting but shall not be entitled to cast their vote again at the AGM.



26. Instructions for Shareholders for Voting Electronically are as under:

- (i) The Voting Period commences on Wednesday, September 21, 2022 (9:00 A.M.) and closes on Friday, September 23, 2022 (5:00 P.M.) During this period, the Shareholders of the Company, holding Shares either in Physical Form or in Dematerialized Form, as on the Cut-off Date (Record Date), Saturday, September 17, 2022 may cast their vote electronically. The E-Voting module shall be disabled by CDSL for Voting thereafter.
- (ii) Shareholders who have already voted prior to the Meeting Date would not be entitled to vote at the Meeting.

Login method for E-Voting and Joining Virtual Meetings for Individual Shareholders holding Securities in Demat Mode:

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9' 2020 on "E- Voting Facility provided by Listed Companies", Individual Shareholders holding Securities in Demat mode are allowed to cast their vote through their Demat Account maintained with the Depositories and Depository Participants. Shareholders are advised to update their Mobile Number and E-mail in their Demat Accounts in order to access the E-Voting Facility. Pursuant to the above said SEBI Circular, Login method for E-Voting and joining Virtual Meetings for Individual Shareholders holding Securities in Demat mode CDSL / NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders Holding Securities in Demat Mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL EASI / EASIEST facility, can login through their existing User-id and Password. Option will be made available to reach E-voting page without any further authentication. The URL for Users to login to EASI / EASIEST are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System MYEASI. 2. After successful login to the EASI / EASIEST User will be able to see the E-Voting option for eligible Companies where the E-Voting is in progress as per the information provided by Company. On clicking the E-Voting 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 or joining Virtual Meeting and Voting during the Meeting. Additionally, there are also links provided to access the system of all E-voting Service Providers i.e. CDSL / NSDL / KARVY / LINKINTIME, so that the User can visit the E-Voting Service Providers website. 3. If the User is not registered for EASI / EASIEST, option to register is available at the following link: web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the User can directly access E-Voting Page by providing Demat Account Number and PAN on E-Voting link available on www.cdslindia.com home page. The system will authenticate the User by sending OTP on the Registered Mobile and E-mail as recorded in the Demat Account. After successful authentication, the User will be able to see the E-voting option where the E-voting is in progress and also able to directly access the system of all the E-voting Service Providers.



<p>Individual Shareholders Holding Securities in Demat Mode with NSDL</p>	<ol style="list-style-type: none">1. If you are already registered for NSDL IDeAS facility, please visit the E-services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a Mobile. Once the Homepage of E-services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' Section. A new screen will open. You will have to enter your User-id and Password. After successful authentication, you will be able to see E-voting 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 name and you will be re-directed to E-voting Service Provider website for casting your vote during the remote E-voting period or joining Virtual Meeting and Voting during the Meeting.2. If the User is 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.jsp3. 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 homepage 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 name and you will be redirected to E-Voting Service Provider Website for casting your Vote during the remote E-Voting period or joining Virtual Meeting and Voting during the Meeting.
<p>Individual Shareholders Holding Securities in Demat Mode Login through their Depository Participants</p>	<p>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL / CDSL for E-Voting facility. After successful login, you will be able to see E-voting option. Once you 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 name and you will be redirected to E-voting Service Provider website for casting your vote during the Remote E-voting period or joining Virtual Meeting and voting during the Meeting</p>



Important note: Members who are unable to retrieve User-id/ Password are advised to use Forgot User-id and Forgot Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding Securities in Demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
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 the following e-mail: helpdesk.evoting@cdslindia.com or Contact at 022-23058738 / 022-23058542-43
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.co.in or Call at Toll Free No. 1800 1020 990 and 1800 22 44 30

Login method for E-Voting for Physical Shareholders and Shareholders other than Individuals holding in the Demat Form

- The Shareholders should log on to the E-Voting Website: www.evotingindia.com
- Click on “SHAREHOLDERS” Module.
- Now enter your User-id
 - For CDSL: 16 Digits Beneficiary ID
 - For NSDL: 8 Character DP-ID followed by 8 Digits Client-ID
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the ‘Image Verification’ as displayed and Click on Login.
- If you are holding Shares in Demat form and had logged on to www.evotingindia.com and had voted on an earlier E-Voting of any Company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

For Physical Shareholders and other than Individual Shareholders holding Shares in Demat Form

PAN	Enter your 10 digit alpha–numeric PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as Physical Shareholders) Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat Account or in the Company Records in order to login. If both the details are not recorded with the Depository or Company, please enter the Member-id / Folio Number in the ‘Dividend Bank Details’ field.

- After entering these details appropriately, click on ‘SUBMIT’ tab.
- Shareholders holding Shares in Physical Form will then directly reach the Company selection screen. However, Shareholders holding Shares in demat form will now reach 'Password Creation' menu where in they are required to mandatorily enter their login password in the 'New Password' field. Kindly note that this password is to be also used by the Demat Account Holders for voting for Resolutions of any other Company on which they are eligible to vote, provided that the Company opts for E-voting through CDSL Platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- i. For Shareholders holding Shares in Physical Form, the details can be used only for E-voting on the Resolutions contained in this Notice.
- j. Click on the EVSN of the relevant Company (PRECISION METALIKS LIMITED) on which you choose to vote.
- k. On the Voting Page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES / NO' for Voting. Select the option 'YES' or 'NO' as desired. The option 'YES' implies that you assent to the Resolution and option 'NO' implies that you dissent to the Resolution.
- l. Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.
- m. After selecting the Resolution, you have decided to vote on, click on 'SUBMIT'. A Confirmation Box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
- n. Once you 'CONFIRM' your vote on the Resolution, you will not be allowed to modify your vote.
- o. You can also take a print of the votes cast by clicking on 'Click here to Print' option on the Voting Page.
- p. If a Demat Account Holder has forgotten the login password then enter the User-id and the 'Image Verification Code' and click on Forgot Password and enter the details as prompted by the system.

Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting:

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to the website: www.evotingindia.com and register themselves in the 'CORPORATES' Module.
- A scanned copy of the Registration Form bearing the Stamp and Sign of the Entity should be mailed to helpdesk.evoting@cdslindia.com
- After receiving the login details, a Compliance User should be created using the Admin login and Password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The List of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- Alternatively, Non-Individual Shareholders are required to send the relevant Board Resolution / Authority Letter, etc. together with the Attested Specimen Signature of the Duly Authorized Signatory who are authorized to vote, to the Scrutinizer and to the Company at the E-mail address: cs@precision-metaliks.com if they have voted from individual tab and not uploaded same in the CDSL E-Voting System for the Scrutinizer to verify the same.

If you have any queries or issues regarding E-voting from the CDSL E-voting System, you can write an e-mail to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43

All grievances connected with the facility for Voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior Manager, Central Depository Services (India) Limited (CDSL), Wing - A, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an e-mail to helpdesk.evoting@cdslindia.com or call on 022-23058542 / 43

Date: August 19' 2022

Place: Visakhapatnam

By Order of the Board of Directors

CIN: L74900TG2012PLC082194

Registered Office: # 6-3-855/10A, Flat No. 4A

Sampathji Apartments, Saadat Manzil

Ameerpet, Hyderabad - 500016

Sd/-

Rakesh Kumar

Company Secretary

Corporate Office: 9-19-43, Flat No. 202

Suryadev Apartments, CBM Compound

Visakhapatnam - 530003

**‘Annexure – A’ to the Notice****Details of Directors seeking Appointment / Re-appointment at the ensuing Annual General Meeting**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on ‘General Meetings’ issued by the Institute of Company Secretaries of India]

Name of the Director	Jayanthi Roja Ramani
Age	54 Years
Director Identification Number	05334095
Date of joining the Board	February 18, 2016
Profile of the Director	Ms. Jayanthi Roja Ramani is a Graduate in Master of Business Administration and Master of Commerce and is also semi-qualified Cost Accountant and also holds Post Graduate Diploma in Business Administration. She joined Precision Metaliks Limited in 2016 and has held various positions in the Accounts and Finance functions. She is currently serving the Company as Non - Executive Director.
Nature of Expertise	Ms. Jayanthi Roja Ramani has experience of almost 2 decades in various positions in the fields of Accounts and Finance viz. Finalisation of Accounts, handling Internal Audits, Direct and Indirect Taxes matter etc. She is the brain behind the Financial Strength of our Company. She guides the Board of Directors of our Company in all the decisions related to the Financial Affairs of our business.
Terms and Conditions of re-appointment	Ms. Jayanthi Roja Ramani is proposed to be re-appointed as a Director, liable to retire by rotation. As per the resolution passed by the Board of Directors in the Board Meeting held on September 1, 2021, she was designated as Non - Executive Director.
Remuneration last Drawn	-
Number of Meetings of the Board attended during the year (FY 2021-2022)	14 out of 14
Inter-se Relationship with other Directors and Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Directorship of other Board's as on March 31, 2022	1. Abhishek Business Private Limited 2. Synergies Innovation Labs Private Limited 3. Sunrise Meadows Ventures Private Limited 4. Stellar Wheels Limited 5. Chandlas Securities Private Limited 6. BTS Hyderabad Business Private Limited 7. True Blue Business Private Limited (Not a Director in any other Listed Company except Precision Metaliks Limited)
Membership / Chairmanship of Committees of other Board as on March 31, 2022	Nil
Shareholding in the Company	16,28,000 Equity Shares

**DIRECTORS' REPORT**

To

The Shareholders

The Directors have pleasure in presenting the Tenth Annual Report of the Company, together with the Financial Statements, for the Financial Year 2021-2022.

About the Company

Precision Metaliks Limited (“the Company”) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in processing of semi-finished alloy wheels by rendering value added services and other engineering services.

Financial Highlights

(Rs. in Lakhs)

Particulars	2021-2022	2020-2021
Sales	12,559.67	4,924.04
Other Income	7.06	0.09
Total Income	12,566.73	4,924.13
Total Expenses	12,139.42	4,772.95
Profit/(Loss) Before Tax	427.31	151.18
Tax	81.02	2.53
Deferred Tax	0.30	(0.72)
Profit/(Loss) After Tax	345.98	149.36

State of Company Affairs

The Company recorded Revenue from Operations of Rs.12,559.67 Lakhs for the Year ended March 31, 2022, as against Rs.4,924.04 Lakhs recorded during the previous year. It achieved PAT of Rs.345.98 Lakhs as against the corresponding previous year, PAT was Rs.149.36 Lakhs. The Company also focussed closely on Cost Control and Working Capital Management. This enabled the Company to increase the Turnover and Profitability.

Dividend

The Board of the Company do not recommend any Dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2022.

Share Capital

During the year under review, the Authorised Share Capital of the Company was increased from Rs.1.50 Crores to Rs.16.50 Crores vide approval of the Shareholders in the Extra-Ordinary General Meeting held on May 10, 2021. The Authorised Share Capital of the Company as on March 31' 2022 is Rs.16,50,00,000/- divided into 1,65,00,000 Equity Shares of Rs.10/- each and the Paid-up Share Capital is Rs.16,25,90,660/- divided into 1,62,59,066 Equity Shares of Rs.10/-each.

Bonus Issue

During the year under review, the Company has made an allotment of 1,06,97,076 Equity Shares of Rs.10/- each, as Fully Paid-up Equity Shares, in the ratio of 39:1 (i.e., 39 Equity Shares for every 1 Equity Share held) on September 23, 2021. Thereby, the Paid-up Share Capital of the Company was increased to Rs.11,95,90,660/- (Rupees Eleven Crores Ninety Five Lakhs Ninety Thousand Six Hundred and Sixty Only)

Public Issue

Subsequently, the Company has made a Public Issue of 43,00,000 Equity Shares of Rs.10/- each at an Issue Price of Rs.51/- each. The Offer was open from January 19, 2022 to January 24, 2022. The Issue was fully subscribed and the Company had raised an amount of Rs.21.93 Crores. Thereby, the Paid-up Share Capital of the Company was increased to Rs.16,25,90,660/- (Rupees Sixteen Crores Twenty Five Lakhs Ninety



Thousand Six Hundred and Sixty Only) by means of Allotment of the said number of Shares on January 27, 2022.

The Company had received the Trading and Listing Letter from the National Stock Exchange on February 1, 2022. The Equity Shares of the Company are listed on the SME Platform of NSE, NSE EMERGE, the scrip code of the Company's Equity Share is PRECISION.

Transfer to Investor Education and Protection Fund

During the year under review, no amount nor any shares were required to be transferred to the Investor Education and Protection Fund

Transfer to Reserves

During the year under review, no amount was transferred to General Reserves.

Deposits

During the year under review, the Company has not accepted any Deposits, as defined under the provision of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014

Change in the Nature of Business

There was no change in the nature of business of the Company.

Director's Responsibility Statement

Your Directors would like to state that:

- i) In the preparation of the Annual Accounts for the Financial Year ended March 31, 2022, the applicable Accounting Standards have been followed.
- ii) The Directors have selected such Accounting Policies and applied them consistently and made judgements and estimates that were prudent so as to give a true and fair view of the State of Affairs of the Company as at March 31, 2022 and of the Profit or Loss of the Company for the year ended on that date.
- iii) 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.
- iv) The Directors have prepared the Annual Accounts on a 'Going Concern' basis.
- v) The Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively.
- vi) The Directors had devised proper system to ensure compliance with the provisions of all the applicable laws and that such system were adequate and operating effectively.

Statutory Auditors

M/s. PPKG & Co, Chartered Accountants (Firm Registration No. 0096555) were appointed as the Statutory Auditors of the Company by the Members in the 9th AGM held on September 2, 2021 and shall hold the Office until the conclusion of the 14th Annual General Meeting of the Company. Accordingly, the said Auditors have carried out the Statutory Audit for the Financial Year 2021-2022

Auditors' Report

There Auditors' Report for the year ended March 31, 2022 does not contain any qualifications, observations or remarks. During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Companies Act, 2013.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo, as prescribed under Sub-section 3(m) of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in Annexure - A, forming part of the Board's Report

Secretarial Audit

The Board has appointed Ms. Putcha Sarada, Practicing Company Secretary, to conduct the Secretarial Audit for the Financial Year 2021-2022. The Secretarial Audit Report of Ms. Putcha Sarada for the Financial



Year 2021-2022 is attached as Annexure - B to the Board's Report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

Management Discussion and Analysis

Pursuant to Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015, Report on Management Discussion and Analysis, is herewith annexed as Annexure - C

Corporate Governance

Your Company provides utmost importance to best Governance Practices and is designated to act in the best interest of its Stakeholders. Better Governance practice enables the company to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase Stakeholders' understanding of the key activities and policies of the organisation.

Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the Company is not filing a Corporate Governance Report to the Stock Exchange and not providing the Corporate Governance Report as part of this Annual Report.

Annual Return

The Annual Return of the Company is available on the website of the Company at www.precision-metaliks.com

Directors and Key Managerial Personnel

a. Board of Directors

As on March 31, 2022, the Board constitutes of the following Directors:

S No	Name of Director	DIN	Designation
1	Ms. Jayanthi Roja Ramani	05334095	Chairman / Non - Executive Director
2	Mr. Sevvana Venkata Raman Rao	09302647	Whole Time Director & CEO
3	Mr. Percy Homi Italia	00033962	Independent Director
4	Mr. Revoor Ramachandra	00490051	Independent Director

During the year, the following changes occurred on the Board of your Company:

S No	Name and Designation of the Director	Appointment Date	Resignation Date
1	Ms. Padmaja Nandigana	18.02.2016	01.09.2021
2	Mr. Sadhanala Venkata Rao Executive Director	27.02.2021	02.09.2021
3	Mr. Percy Homi Italia * Independent Director	15.04.2021	-
4	Mr. Revoor Ramachandra * Independent Director	15.04.4021	-
5	Mr. Sevvana Venkata Raman Rao @ Whole Time Director & CEO	01.09.2021	-

*Regularized as Directors (Independent Category) of the Company in the AGM held September 2, 2021 and appointed for a period of 5 years

@ Regularized as Director and further appointed as Whole Time Director of the Company in the AGM held on September 2, 2021.



Key Management Personnel

During the year under review, the following Key Managerial Personnel were appointed:

S No	Name of the KMP	Appointment Date	Designation
1	Mr. Sevvana Venkata Raman Rao	01.09.2021	Whole Time Director & CEO
2	Mr. BVV Prakash Rao	01.09.2021	Chief Financial Officer
3	Mr. Rakesh Kumar	12.04.2021	Company Secretary

Retirement by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Smt. Jayanthi Roja Ramani (DIN: 05334095) who retires by rotation and offers herself for re-appointment in accordance with the provisions of the Companies Act, 2013.

b. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations") The Board has adopted a process for evaluating its performance and effectiveness as well as that of its committees and carried out an annual evaluation of its performance, Board Committees and the Directors individually.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors based on the criteria and framework adopted by the Board. The evaluation criteria included various aspects such as the functionality of the Board, compositions, process & procedures including adequate & timely information, attendance, the delegation of responsibility, decision making, roles and responsibility including Monitoring, Benchmarking, Feedback relationship with the Stakeholders.

Policy on Directors Appointment and Remuneration

The Nomination and Remuneration Policy of the Company available on the website of the Company at www.precision-metaliks.com. There was no change in the policy during the year under review.

The salient features of the Policy are as under:

- Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee i.e., Size and composition of the Board, criteria to recommend Directors to the Board, Succession Plans, Evaluation of Performance, Remuneration Framework etc.
- Policy for appointment and removal of Directors, KMP and Senior Management – Ascertain appointment criteria and qualifications, term and tenure of Directors, process/framework for removal. Retirement etc.
- Policy relating to the remuneration for Directors, KMP and Senior Management
- Policy Review etc.

c. Details regarding Directors Remuneration

The information relating to Remuneration paid to Directors as required under Section 197(12) of the Companies Act is given under Annexure - D.

d Declaration by Independent Directors

The Company has received the necessary declaration from the Independent Directors as required under Section 149(7) of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act and that of LODR Regulations. Independent Directors comply with the Code of Conduct prescribed under Schedule IV of the Companies Act, 2013. In the opinion of the Board, the company's Independent Directors possess the integrity, requisite experience and expertise relevant to the industry in which the company operates. Further, all the Company's Independent Directors have registered with the Independent Director's Databank of the Indian Institute of Corporate Affairs.



Board Meetings

During the year under review, Fourteen (14) Board Meetings were held viz. April 15' 2021; May 10' 2021; July 12' 2021; August 23' 2021; August 30' 2021; September 1' 2021; September 23' 2021; September 23' 2021; October 29' 2021; December 3' 2021; December 31' 2021; January 17' 2022; January 27' 2022 and February 28' 2022, in accordance with the provisions of the Companies Act, 2013 and in compliance with the Secretarial Standards of the Institute of Company Secretaries of India.

Name of the Director	Number of Board Meetings held during the Year	Number of Board Meetings attended during the Year
Mr. Percy Homi Italia	14	13
Mr. Revoor Ramachandra	14	13
Smt. Jayanthi Roja Ramani	14	14
Mr. Sevvana Venkata Raman Rao	9	9

Board Committees

To have more focused attention on business and for better governance and accountability, the Board has the following Committees as of March 31, 2022:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

The Board determines the terms of reference of these Committees, and their relevance is reviewed from time to time. The respective Chairman of the Committee convenes Meetings of each of these Committees. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Minutes and proceedings of the Meetings of all Committees are placed before the Board for review. The Minutes of the Committee Meetings are sent to all Members of the Committee individually and tabled at the Board Meetings. Following are the details of the Board Committees:

Audit Committee

The Audit Committee of the Board of Directors was constituted in conformity with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are as set out in conformity with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The composition of the Audit Committee is, as of March 31, 2022, as follows:

Name of the Director	Designation	Nature of Directorship
Mr. Percy Homi Italia	Chairman	Non - Executive Independent Director
Mr. Revoor Ramachandra	Member	Non - Executive Independent Director
Ms. Jayanthi Roja Ramani	Member	Non - Executive Director

All the recommendations of the Audit Committee have been accepted by the Board

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors conforms with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 178 of the Companies Act, 2013.

The composition of the Nomination and Remuneration Committee as of March 31, 2022, is as follows:

Name of the Director	Designation	Nature of Directorship
Mr. Revoor Ramachandra	Chairman	Non - Executive Independent Director
Mr. Percy Homi Italia	Member	Non - Executive Independent Director
Ms. Jayanthi Roja Ramani	Member	Non - Executive Director



Stakeholder Relationship Committee

The Company has constituted a Stakeholders' Relationship Committee pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The composition of the Stakeholders' Relationship Committee as of March 31, 2022, is as follows:

Name of the Director	Designation	Nature of Directorship
Mr. Percy Homi Italia	Chairman	Non - Executive Independent Director
Mr. Revoor Ramachandra	Member	Non - Executive Independent Director
Mr. Sevvana Venkata Raman Rao	Member	Whole Time Director & CEO

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

The Company has not given any Loans nor provided Guarantee nor made any Investments during the Financial Year 2021- 2022, which is beyond the limits as per the Section 186 of the Companies Act, 2013.

Contracts or Arrangements with Related Parties under Section 188(1) of the Companies Act, 2013

During the year, the Company had not entered into any Contract or Arrangement with Related Parties which could be considered 'Material' according to the Policy of the Company on materiality of Related Party Transactions. Details of all Related Party Transactions are mentioned in the Notes to Financial Statements. There are no Related Party Transactions with Promoter / Promoter Group holding 10% or more Shareholding in the Company.

Details of Subsidiary Companies, Associates and Joint Venture Companies

The Company does not have any Subsidiary, Associate and Joint Venture Companies. The Company is an Associate Company of Abhishek Business Private Limited as the said Company is holding 48.61% in our Company.

Internal Control Systems and their Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit Function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit Function reports to the Chairman of the Audit Committee and to the Board of Directors.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of Internal Control System in the Company, its compliance with Operating Systems, Accounting Procedures and Policies at all levels of the Company.

Based on the Report of Internal Audit Function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee.

The Company had also appointed M/s Venkataiah & Associates (Firm Registration No. 014401S) Chartered Accountants as the Internal Auditors of the Company to carry out the Internal Audit for the Financial Year 2021-2022. No major discrepancies / material discrepancies have been reported by the said Auditors.

Industrial Relations

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

Business Risk Management

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust Risk Management Framework to identify, monitor and minimize risks as also identify business opportunities. At present, the Company has not identified any element of risk which may threaten the existence of the Company.

Material Changes and Commitments

There were no material changes and commitments affecting the Financial Position of the Company between the end of Financial Year March 31' 2022 and the Date of the Report August 19' 2022.

**Risk Management Committee**

The Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to constituting of the Risk Management Committee, is not applicable to the Company during the Financial Year under review.

Vigil Mechanism

Vigil Mechanism Policy has been established by the Company for Directors and Employees to report genuine concerns pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013. The same has been placed on the website of the Company <https://www.precision-metaliks.com>

Particulars of Employees

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any Employee who is employed throughout the Financial Year and in receipt of Remuneration of Rs.120 Lakhs or more, or Employees who are employed for part of the year and in receipt of Rs.8.50 Lakhs or more per month.

Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to your Company.

Maintenance of Cost Records

Maintenance of Cost Records as specified by the Central Government under Section 148 of the Companies Act, 2013 does not apply to the Company

Listing Fees

The Company affirms that the Annual Listing Fees for the Financial Year 2021-2022 to the National Stock Exchange of India Limited (NSE) have been duly paid.

Utilization of IPO Proceeds

The following are the details of the proceeds of the Initial Public Offering of the Company:

(Amount in Crores)

S No	Particulars	Original Allocation	Funds Utilised
1	Working Capital Requirements	16.00	8.50
2	General Corporate Purposes	4.43	1.43
3	IPO Expenses	1.50	1.50
	Total	21.93	11.43

The un-utilised proceeds of Rs.10.50 Crores is maintained with Scheduled Commercial Bank. The same has been used in accordance with the Prospectus dated December 31, 2021 filed by the Company.

General

Your Directors state that there were no transactions in respect of the following items during the year under review requiring disclosure or reporting:

1. Deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of Equity Shares with Differential Rights as to Dividend, Voting or otherwise.
3. Significant or Material Orders passed by the Regulators or Courts or Tribunals, which would impact the Going Concern status and the Company's operations in future.
4. Application made or proceeding pending under Insolvency and Bankruptcy Code, 2016.
5. One Time Settlement with Banks and / or Financial Institutions
6. No companies have ceased to be its subsidiaries, Joint Ventures or associated companies during the year.

Your Directors further state that the Company has constituted an Internal Complaints Committee and during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has the requisite Policy in place.



Acknowledgements

The Directors hereby acknowledge the dedicated and loyal services rendered by the Employees of the Company during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from Bankers, Financial Institutions, Government Authorities, Business Partners, Shareholders and other Stakeholders without whom the overall satisfactory performance would not have been possible.

Date: August 19, 2022
Place: Visakhapatnam

By Order of the Board of Directors

Sd/-
Jayanthi Roja Ramani
Director
(DIN: 05334095)

Sd/-
Sevvana Venkata Raman Rao
Whole Time Director
& CEO
(DIN: 09302647)



ANNEXURE – A

Particular pursuant to the Companies (Accounts) Rules, 2014

A. Conservation of Energy

- a) Steps taken on impact of Conservation of Company Energy
 - Ensuring optimum utilization of energy and maximum possible savings of energy.
 - Avoiding any known wastages of energy by monitoring and renewing energy usage
- b) Steps taken by the Company for utilizing alternate sources of energy.
 - Improved efficiency by use of diesel generators in case of emergency and as stand-by
- c) Capital Investments on Energy Consumption Equipment
 - During the year under review, the Company has not invested in any energy conservation equipment.

B. Technology Absorption

- a) The Company has not absorbed any new technology during the Financial Year

C. Foreign Exchange Earnings and Outgo

Particulars	Current Year Rs	Previous Year Rs
Earnings (Exports of Products)	2,11,03,358.22	3,07,59,711.75
Outgo (Import of Raw Materials)	74,87,430.00	45,57,174.65

Date: August 19' 2022
Place: Visakhapatnam

By Order of the Board of Directors

Sd/-
Jayanthi Roja Ramani
Director
(DIN: 05334095)

Sd/-
Sevvana Venkata Raman Rao
Whole Time Director
& CEO
(DIN: 09302647)



ANNEXURE – B
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To

The Members

Precision Metaliks Limited

I have conducted the Secretarial Audit of the Compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s Precision Metaliks Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate Conducts / Statutory Compliances and expressing our opinion thereon.

Based on my verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also information provided by the Company, its Officers, Agents and Authorised 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 March 31, 2022 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 herein after:

I have examined the Books, Papers, Minutes Books, Forms and Returns filed and other Records maintained by M/s Precision Metaliks Limited for the Financial Year ended March 31, 2022 and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas as Direct Investment and External Commercial Borrowings; [Not applicable to the Company during the Audit Period]
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [Not applicable during the Audit Period]
 - (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not applicable during the Audit Period]
 - (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable during the Audit Period]
 - (g) Securities and Exchange Board of India (Issue and Listing of Non – Convertible and Redeemable Preference Shares) Regulations, 2013 [Not applicable during the Audit Period]



- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2014 [Not applicable during the Audit Period]
- (i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable during the Audit Period] and
- (j) Depositories Act, 1996
- (k) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 [Not applicable during the Audit Period] and
- (vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company are:
 - 1. Factories Act, 1948 and Rules made thereunder
 - 2. The Special Economic Zones Act, 2005 and Rules made thereunder
 - 3. The Shop and Establishment Act, 1953 and Rules made thereunder
 - 4. Payment of Wages Act, 1936, and Rules made thereunder
 - 5. The Minimum Wages Act, 1948, and Rules made thereunder
 - 6. Employees' State Insurance Act, 1948, and Rules made thereunder
 - 7. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Rules made thereunder
 - 8. Government Buildings Act, 1899 and Rules made thereunder
 - 9. Environment Protection Act, 1986 and Rules made thereunder
 - 10. Motor Vehicles Act, 1988 along with the Central Motor Vehicles Rules, 1989
 - 11. The Trademarks Act, 1999 and Rules made thereunder

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Regulations as applicable to the Company

The compliance of the above laws is based on the Compliance Certificate issued by the Manager and the Company Secretary of the Company and submitted to the Board of Directors of the Company.

During the Audit Period under review and as per the explanation and clarifications given to me and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc.,

I further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non - Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Companies Act, 2013.
- b. 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 of the Meeting.
- c. As per the Minutes of the Meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.



I further report that, based on the review of the Compliance Reports and the Certificates of Company Secretary / Director taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company with the size and operations of the Company to monitor and ensure Compliance with applicable Laws, Rules, Regulations and Guidelines.

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.

Date: August 19, 2022

Place: Hyderabad

Sd/-

Putchra Sarada

Practicing Company Secretary

M. No.: A21717 CP: 8735

UDIN: A021717D00016478

Peer Review Unique Code: D I2009AP699 500



Annexure – A to the Secretarial Audit Report

To
The Members
M/s Precision Metaliks Limited

My Report of evendate is to beread along withthis Letter.

MANAGEMENT’S RESPONSIBILITY

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial Records, Standards and Procedures followed by the Company with respect to Secretarial Compliances based on my Audit.

AUDITOR’S RESPONSIBILITY

2. I 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 the Secretarial Records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events, etc.
4. The Compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.

DISCLAIMER

5. Considering the lockdown measures imposed across the country on account of COVID-19 pandemic and the cascading impact thereof, I have conducted online verification and examination of records, as facilitated by the Company. I have relied on the Management Representations and assurances for certain verifications and cross checks, wherever required, for forming opinion and eventual reporting. While I have taken all possible steps to verify the records as made available to me by the Company through electronic medium and taken confirmation from the Company wherever required, but the audit was done subject to and with a limitation of inspection of documents.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. I have not verified the correctness and appropriateness of the Financial Records and Books of Accounts of the Company.

Date: August 19, 2022

Place: Hyderabad

Sd/-

Putcha Sarada

Practicing Company Secretary

M. No.: A21717 CP: 8735

UDIN: A021717D00016478

Peer Review Unique Code: D I2009AP699 500



ANNEXURE – C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis present the Industry overview, opportunities and threats, the Company's initiatives and overall strategy of becoming a market-driven service provider with various offerings. The Company is optimistic about capturing a substantial share of the global and domestic market amid the threats faced due to the liberalisation and increased competition from well-established companies from India and abroad.

Global Economic Outlook

2021 has been another challenging year owing to the continuing and pervasive impact of COVID-19, especially with the advent of new variants causing increased fatalities. Supply side constraints disrupted financial markets and businesses. Central Banks proposed various measures to ensure credit was available to companies and individuals. Large-scale vaccination drives worldwide, and accommodative policy measures boosted economic recovery. However, many low-income, emerging economies continue to struggle with the uncertainties unleashed by the pandemic. Rising supply chain disruptions, semi-conductor shortages and the continued energy crisis have worsened the situation. According to the International Monetary Fund (IMF) outlook, as of January 2022, global growth is predicted to be 4.4% in 2022, down from 5.9% in 2021, and drop to 3.8% in 2023. But the forecast hinges upon improved health conditions induced by aggressive vaccination drives and the availability of advanced and effective therapies. By the second quarter of 2022, the negative impact is expected to lessen, provided there are no fresh outbreaks.

The US Economy bounced back on the growth trajectory in the fourth quarter by restocking to meet strong demands from consumers, recording its best performance in nearly four decades. US Commerce Department's GDP increased at a 6.9% annualised rate in the October-December quarter. 2020 saw the US economy contract to 3.4%, the lowest performance in 74 years. Massive fiscal stimulus coupled with meagre interest rates helped the nation post its most robust growth since 1984 in 2021. However, December saw the Omicron variant rise, damaging the growth rate. At its March meeting, the US Federal Reserve announced an increase in its target for the federal funds rate to 0.25%-0.5% and anticipated further ongoing increases, as appropriate. Growth is moderating in the Euro area, but the economy is expected to recover strongly during the year, boosted by ample policy support. Robust domestic demand and improved labour markets are expected to be the primary growth drivers. To mitigate the effects of the ongoing pandemic, some Euro area countries have reintroduced tighter containment measures, delaying recovery, especially in travel, tourism, hospitality and entertainment. In addition, rising energy costs, supply chain bottlenecks and shortages of equipment, materials and labour in some sectors hamper production and slow recovery.

The ongoing Russia-Ukraine crisis also acts as a headwind for speedy economic recovery. In the UK, a series of issues, including Supply Chain disruptions, Labour shortages, Brexit Trade Restrictions and panic buying, moderated growth in the second half of 2021. Private consumption, rather than investment, remained a fundamental driver of activity. In the UK, most of the population has already received a booster dose. Still, lower-income households continue to struggle to manage the inflationary pressures as they attempt to re-enter the workforce post furlough. Manufacturing activity has increased substantially within emerging markets and developing countries (EMDEs). Lockdowns scrambled the supply delivery time for production materials and final goods to other parts of the world. Along with continued supply chain disruptions and tight labour markets, inflation continues to rise in many EMs owing to higher fuel and food prices. There are initial signs of a diverging growth trend between developing and developed economies in the post-pandemic era. According to the IMF, the recent Russia-Ukraine conflict will continue to substantially impact the global economy and financial markets, with significant spillovers to other countries. Despite the impact of the pandemic, the unprecedented collective policy efforts by governments and central banks, paired with the resilience and innovations of private enterprises, have helped minimise lasting economic and physical damage worldwide. The pandemic has accelerated the pace of digitalisation, with businesses ramping up their technology use and digital presence. This trend will likely continue into the 'next normal' and will aid in chasing newer avenues of growth led by innovation while enhancing efficiency. While the direction of the



Russia-Ukraine crisis remains uncertain, its impact on the global economy will remain. In the near term, many governments will need to cushion the blow of higher energy prices, diversify energy sources and increase efficiency wherever possible. Full economic revival seems to be further away. Still, when businesses and governments work in tandem, across borders and disciplines, we will be able to weather this storm and come out stronger and more resilient by the end of it.

Indian Economy

While forecasting real GDP growth of 9.2% for FY22, the Reserve Bank of India has projected the growth for FY23 at 7.8% in its February 2022 update, expecting some loss of momentum due to adverse global events. As per the National Statistical Office, the country's real GDP expanded by 5.4% on a year-on-year basis in the third quarter of FY22. Record-breaking Kharif crop productions have kept the growth of the farm sector steady, while Industrial and services activity experienced a staggering recovery. The Union Budget 2022-23 aims to bolster a sharp economic recovery from the pandemic lows against a strong capital market. The budget's focus has been on growth revival, and the government has focused on driving capital expenditure and supporting the manufacturing sector. These measures will deliver inclusive growth, job creation and welfare for its citizens while slowly guiding the economy towards modern and renewable energy.

Auto - Ancillary Sector Outlook

In terms of market size, the India passenger car market was valued at US\$ 32.70 Billion in 2021, and it is expected to reach a value of US\$ 54.84 billion by 2027, while registering a CAGR of over 9% between 2022-27. The Electric Vehicle (EV) market is estimated to reach Rs.50,000 Crores (US\$ 7.09 billion) in India by 2025.

India has a strong market in terms of domestic demand and exports. In FY22, Total Passenger Vehicle Sales reached 3.07 million, while Automobile Exports from India stood at 5,617,246. This is because India has significant cost advantages, as Automobile firms save 10-25% on operations vis-a-vis Europe and Latin America. The Indian Automotive Industry is targeting to increase export of vehicles by five times during 2016-26.

Foreign companies such as Kia Motors and Volkswagen have adapted themselves to cater to the large Indian middle-class population by dropping their traditional structure and designs. This has allowed them to compete directly with domestic firms, making the sector highly competitive.

India is currently shifting focus to electric cars to reduce emissions. In terms of electric vehicles (EVs), in Q3 FY22, sales reached a new high of 5,592 units. Overall, in 2021, 329,190 EVs were sold in India, indicating a 168% YoY growth over last year's sales of 122,607 units. A report by India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, projection for the EV battery market is forecast to expand at a CAGR of 30% during the same period.

There have been plenty of investments in the Automobile Sector recently, as the Government of India expects the Automobile Sector to attract US\$ 8-10 Billion in local and Foreign Investments by 2023. The industry attracted Foreign Direct Investment Equity Inflow (FDI) worth US\$ 32.84 Billion between April 2000 -March 2022, accounting for 6% of the Total Equity FDI during the period.

Investment flow into EV start-ups in 2021 touched an all-time high, increasing nearly 255% to reach Rs. 3,307 Crores (US\$ 444 million). There is a need to set up proper charging infrastructure for EVs in India. To install Electric Vehicle Supply Equipment (EVSE) Infrastructure for EVs, various Public Sector Firms, Ministries and Railways have come together to create infrastructure, and to manufacture components.

The Indian government has planned US\$ 3.5 billion in incentives over a five-year period until 2026 under a revamped scheme to encourage production and export of clean technology vehicles. Initiatives like Make in India, the Automotive Mission Plan 2026, and NEMMP 2020 will be a net positive for the sector.

Mr. Nitin Gadkari, Minister of Road Transport and Highways, has revealed plans to roll out Bharat NCAP, India's own vehicle safety assessment program. In 2021, Prime Minister Mr. Narendra Modi launched the



Vehicle Scrapage Policy, which aims to phase out old polluting vehicles in an environmentally-safe manner.

The Government aims to develop India as a global manufacturing and research and development (R&D) hub. It has set up National Automotive Testing and R&D Infrastructure Project (NATRiP) centres as well as the National Automotive Board to act as facilitator between the Government and the industry. Under (NATRiP), five testing and research centres have been established in the country since 2015.

Following on from the COVID-19 pandemic, the Indian automobiles sector is expected to bounce back and show strong growth in FY23. If it continues on its upward trajectory, India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicle.

Safety

As part of its policy of giving utmost importance to safety, the Company is continuously evaluating every process at its factory premises and taking necessary steps for the safety of personnel as well as of equipments. The Company conducts safety review on regular basis and takes appropriate steps based on the findings.

Opportunities and Threats

Opportunities

The Company has been broadening and deepening customer relationships by continually looking for new opportunities and newer areas in their businesses to add value, proactively investing in building newer capabilities, re-skilling its workforce and launching newer services towards long-term sustainability goals.

The budget announced by the Government for Fiscal Year 2022-23 is said to benefit the Automotive Industry with higher infrastructure spending. These measures are a positive sign towards growth in core industries and provide the Company with the possibility of new business opportunities. It also helps the Company to tap the business opportunity during expansion as well as during regular operations.

The Company has managed to considerably grow its exports despite the pandemic and the resultant impact on logistics posing challenge to international trade. With the domestic growth expected to be average over the medium/long term, the Company considers exports as the area of opportunity over the medium/long term. The Company is taking various measures to establish its products in the overseas markets. The Company believes that there will be good growth and returns from exports in the medium to long term.

Threats

The economic impact of COVID-19 has been a major threat and almost all countries faced a slowdown in economic growth amidst rising trade tensions and policy uncertainties. This had a bearing on various industries and sectors. Russia's war on Ukraine has sent aluminium and other commodity prices soaring to very high levels. But spiralling commodity prices and input costs has its impact on the manufacturers, especially small and medium enterprises. Global supply chain disruptions are likely to continue. Rising inflation trend in the global market can have an adverse impact on the price of raw materials, inventory and labour.

In the backdrop of the Ukraine war, the prices of some of the raw materials used by the Company are volatile. The Company is doing its best to address this risk of material prices by framing appropriate procurement and pricing policies.

Future Outlook

In 2022-23, construction and manufacturing activities in India are likely to be supported by spending on infrastructure and a gradual revival in automotive production, with an expected improvement in semiconductor supply. Raw material supply constraints in the international market is expected to result in higher domestic mining output and support the capital goods sector. Boosted by higher spends on infrastructure and gradual revival of the automotive sector, India's steel demand growth is expected to be high in 2022. The rising demand for Steel in the world could result in increased production by steel makers in India. Though the expectation of a continued and stable recovery from the pandemic had been shaken by the war in Ukraine and rising inflation, Foreign Direct Investment (FDI) had reached a new high at \$83.57 Billion in FY22 with FDI equity inflows in manufacturing sector at \$21.34 Billion (76% growth YOY). Services sector is among the top three recipient sector attracting foreign equity inflows. In this backdrop, the future-outlook is positive



combined with high degree of uncertainty and unpredictability. In these circumstances, the Company and the Management are prepared to take swift decisions based on emerging situation, keeping the interest of all Stakeholders in mind.

Risks and Concerns

Risk is a potential event or non-event, the occurrence or non-occurrence of which, can adversely affect the objectives or strategy of the Company or result in opportunities being missed. A risk could be categorized into financial, operational, strategic, regulatory / statutory, reputational, political, catastrophic / pandemic, etc.

Your Company constantly reviews its policies and procedures to adhere to ensure conformity to the various regulatory approvals for its manufacturing facilities.

Company Overview

Our focus is on expanding more revenue generation opportunities. Your Company continues to work towards optimizing the resources and aim at the business opportunities available in line with its strategy. Your Company will try to ensure that it remains competitive in market, in costs and will manage the business more dynamically.

Performance and Operations Review

Operating Results

The Company recorded Revenue from Operations of Rs.12,559.66 Lakhs for the Year ended March 31, 2022, as against Rs.4,924.03 Lakhs recorded during the previous year. It achieved PAT of Rs.345.98 Lakhs as against the corresponding previous year, PAT was Rs.149.36 Lakhs. The Company also focussed closely on Cost Control and Working Capital Management. This enabled the Company to increase the Turnover and Profitability.

Internal Control Systems and their adequacy

The Company has reasonable Internal Control Systems, with defined guidelines on Compliance, which enables it to run its operations with a fair degree of comfort.

Internal Controls are implemented to safeguard its Assets, to keep constant check on Cost Structure, to provide adequate Financial and Accounting Controls and implement Accounting Standards. The system incorporates continuous Monitoring, Routine Reporting, Checks and Balances, Purchase Policies, Authorization and Delegation procedures and Audit etc. Internal Controls are adequately supported by Internal Audit Team and periodic review by the Management.

The Audit Committee meets periodically to review with the Management, Statutory Auditors and with the Internal Auditors, Adequacy / Scope of the Internal Audit Function, Significant Findings and follow up there on and findings of any abnormal nature. The system is improved and modified continuously to meet with changes in business condition, statutory and accounting requirements.

Material Development in Industrial Relations Front

The growth attained by the Company is largely a function of the competence and quality of its human resources. The work environment is very challenging and performance-oriented, recognizing employee potentials by providing them with adequate opportunities. We have made efforts to discipline our hiring process. Acquisition and retention of talent which is in line with your Company's goals continues to be a major thrust area.

The Company continues to look at, identify, create and execute initiatives that enhance productivity and efficiency. The Company will invest as hitherto in people through various initiatives which enable the workforce to meet the production and service expectations and challenges related thereto and to infuse positive enthusiasm towards the organisation.



Significant Changes in Key Financial Ratios

During the Financial Year 2021-22, the Company focused on Profitable Business, Receivable and Working Capital Management. With the support of employees across divisions and aided by the rebound witnessed during the Financial Year, the Company could successfully increase its turnover, profitability, and consequently reduce working capital utilization and interest outflow. The Company registered a profitability of Rs.345.98 Lakhs against Rs.149.36 Lakhs in the previous year with a reasonable growth in sales.

During FY22, there was significant change (i.e. change of 25% or more as compared to the previous year) in the following Key Financial Ratios:

Particulars	Financial Year 2021 – 2022	Financial Year 2020 – 2021
Inventory Turnover	0.06	0.32
Trade Receivables Turnover	0.17	-
Current Ratio	8.52	3.02
Net Profit Margin	2.75	3.03

1. Inventory Turnover Ratio: The Inventory Turnover Ratio has reduced on account of increase in Sales in the Current Financial Year.
2. Trade Receivables Turnover Ratio: There has been a considerable increase in the Trade Receivables, on account of increase in Sales during the year (From Rs.4,924.04 Lakhs to Rs.12,559.67 Lakhs)
3. Current Ratio: The Current Ratio has increased from 3.02 times to 8.52 times on account of increase in Trade Receivables and Cash Equivalents.

**Annexure - D**

Particulars pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2021-22, the ratio of the Remuneration of the Employees of the Company for the Financial Year 2021-22 and the comparison of Remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

SNo	Name of the Director	Remuneration of Director/KMP	% Increase in Remuneration in the FY 2021-22	Ratio of Remuneration of each Director to median remuneration of Employees
1	Ms. Jayanthi Roja Ramani <i>Non - Executive Director</i>	--	--	--
2	Mr. Percy Homi Italia <i>Independent Director</i>	--	--	--
3	Mr. Revoor Ramachandra <i>Independent Director</i>	--	--	--
4	Mr. Sevvana Venkata Raman Rao <i>Whole Time Director & CEO</i>	10.00	--	3.33
5	Mr. BVV Prakash Rao <i>Chief Financial Officer</i>	7.80	--	2.60
6	Rakesh Kumar <i>Company Secretary</i>	5.78	--	1.93

Note:

- i. Independent Directors were only paid Sitting Fees during the Financial Year under review. Hence, their ratio to Median Remuneration has been shown as Nil
- ii. The Median Remuneration of the Employee of the Company during the Financial Year was Rs.3,00,000/-
- iii. There were 16 Permanent Employees on the rolls of the Company as on March 31, 2022.
- iv. It is hereby affirmed that the Remuneration paid is per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



INDEPENDENT AUDITOR'S REPORT

To

The Members of
Precision Metaliks Limited
Hyderabad

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of M/s Precision Metaliks Limited ("the Company"), which comprises the Balance Sheet as of March 31, 2022, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and Notes to the Standalone Financial Statements, including a summary of Significant Accounting Policies and other explanatory information [hereinafter referred to as "Standalone Financial Statements"].

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Accounting Principles generally accepted in India, of the State of Affairs of the Company as at March 31, 2022, and its Profit, 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 (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 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 Standalone Financial Statements under the provisions of the Act and the Rules defined 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.

Key Audit Matters

Key Audit Matters are those matter that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During the year under consideration, we have no Key Audit Matters to report.

Other Information

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Company's Annual Report but does not include the Standalone 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 in the Audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.



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 Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Financial Position, State of Affairs, Profit (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 specified under Section 133 of the Act, read with the Rules defined thereunder. 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 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, the Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease the operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's Financial Reporting Process.

Auditor's Responsibilities for the Audit of 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 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 Controls.
- Obtain an understanding of Internal Controls relevant to the Audit in order to design Audit Procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls System with reference to the Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of the Accounting Policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the 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 Going Concern.

- Evaluate the overall presentation, structure and content of the 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 Standalone 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.

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- A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper Books of Accounts 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the Books of Account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the Written Representations received from the Directors as on March 31, 2022 taken on record by the Board of Directors, None of the Directors is disqualified as on March 31, 2022 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 the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure- B". 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 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 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, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company does not have any pending litigations which would impact its Financial Position.
 - b. The Company did not have any long-term contracts including Derivative Contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d.
 - (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from Borrowed Funds or Share Premium or any other sources or kind of funds) by the Company to or in any other 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;
 - (ii) 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
 - (iii) Based on the Audit Procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them 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. The Company has not declared any Dividend and nor paid during the year.

For PPKG & Co
Chartered Accountants
Firm's Registration No. 009655S

CA Girdhari Lal Toshniwal
Partner
Membership No. 205140
UDIN: 22205140AJUNMJ5884

Date: May 28, 2022
Place: Hyderabad



Annexure - A to the Independent Auditor's Report of even date to the Members of M/s Precision Metaliks Limited, on the Financial Statements for the Year ended March 31, 2022

Based on the Audit Procedures performed for the purpose of reporting a true and fair view on the Standalone Financial Statements of the Company and taking into consideration the information and explanations given to us and the Books of Accounts and other records examined by us in the normal course of Audit, and to the best of our knowledge and belief, we report that:

- (i)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - b. The Company has a regular program of physical verification of its Property, Plant and Equipment under which all the Assets are verified in a phased manner over a period.
 - c. The Title Deeds of all the Immovable Properties (which are included under the head ('Property, Plant and Equipment')) are held in the name of the Company.
 - d. The Company has not revalued any of its Property, Plant and Equipment's during the year.
 - e. As per the information given to us there are no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and Rules made there under.
- (ii)
 - a. In our opinion and according to the information and explanation give to us, the Management has conducted physical verification of Inventory at reasonable intervals during the year, and no material discrepancies were noticed on the aforesaid verification.
 - b. The Company has not availed any Financial Assistance from any Bank or Financial Institutions during the year under review.
- (iii) The Company has not granted any Loans, secured or unsecured, to any Companies, Firms, Limited Liability Partnerships or other parties.
- (iv) The Company has complied with the provisions of Section 186 in respect of the Investments and Loans. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of Guarantees and Security.
- (v) The Company has not accepted any Deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of Clause 3(v) of the Order are not applicable.
- (vi) The provisions of Section 148 are not applicable to the Company.
- (vii)
 - (a) In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, duty of Custom, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they become payable.
 - (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as Income during the year in the Tax Assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) According to the records of the Company examined by us and as per the information and explanations given to us, we hereby report that:
 - a. The Company has not defaulted in repayment of Loans or Borrowings to any Bank during the Year under review. The Company has No Loans or Borrowings payable to Financial Institutions or Government and does not have any Outstanding Debentures during the year.



- b. The Company is not declared Wilful Defaulter by any Bank or Financial Institution or other Lender.
 - c. The Company has not raised any Term Loan from any Bank or Financial Institution.
 - d. To the extent of our check, no funds raised by the Company for short-term has been utilized for long-term purposes.
 - e. 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.
 - f. The Company has not raised loans during the Year on the Pledge of Securities held in its Subsidiaries, Joint Ventures or Associate Companies.
- (x) a. During the year, the Company has raised Rs.21.93 Crores by way of Initial Public Offer of 43,00,000 Equity Shares at Rs,51/- Per Equity Share, during the Offer Period from January 19, 2022 to January 24, 2022. The Equity Shares of the Company are listed on the NSE SME Platform (NSE EMERGE). The requirements as specified under Section 23 and other applicable provisions of the Companies Act, 2013 have been complied with.
- b. The Company has not made any Preferential Allotment or Private Placement of Shares or Convertible Debentures during the year under review.
- (xi) a. In our opinion and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year under review.
- b. 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 the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c. As represented to us by the Management, no Whistle Blowers Complaints were received during the year under review.
- (xii) The Company is not a Nidhi Company, and accordingly, provisions of Clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, with respect to applicable transactions with related parties, and the requisite details have been disclosed in the Financial Statements.
- (xiv) In our opinion, the Company has an adequate Internal Audit System commensurate with the size and nature of its business.
- (xv) In our opinion, during the year, the Company has not entered in any non-cash transactions with the Directors or persons connected with them covered under Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has not conducted any NBFC Company during the year.
- (xvii) The Company has not incurred cash losses in the Financial Year and in the immediately preceding Financial Year.
- (xviii) There has been no resignation of the Statutory Auditors of the Company during the year.
- (xix) On the basis of the Financial Ratios, ageing and expected dates of realisation of Financial Assets and payment of Financial Liabilities, other information accompanying the Financial Statements, the Auditor's knowledge of the Board of Directors and the Management's plans, the Auditor is of the opinion that no material uncertainty exists as on the date of the Audit Report and that the Company is 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.



- (xx) The Company is not liable to contribute under Section 135 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(xx) of the order are not applicable.
- (xxi) The reporting under clause 3(xxi) is not applicable in respect of Audit of Financial Statements of the Company. Accordingly, no comment has been included in respect of said Clause under this Report.

For PPKG & Co
Chartered Accountants
Firm's Registration No. 009655S

CA Girdhari Lal Toshniwal
Partner
Membership No. 205140
UDIN: 22205140AJUNMJ5884

Date: May 28, 2022
Place: Hyderabad



Annexure - B to the Independent Auditor's Report of even date to the Members of M/s Precision Metaliks Limited, on the Financial Statements for the Year ended March 31, 2022

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our Audit of the Financial Statements of M/s Precision Metaliks Limited ('the Company') as at and for the year ended March 31, 2022, we have audited the Internal Financial Controls Over Financial Reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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, as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('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 the Company's Business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's IFCoFR based on our Audit. We conducted our Audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an Audit of the IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our Audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the Internal Controls based on the assessed risk. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company's Internal Financial Controls Over Financial Reporting.

Meaning of Internal Financial Controls Over Financial Reporting

The Company's Internal Financial Controls 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 the Generally Accepted Accounting Principles. A Company's IFCoFR include those policies and procedures that:

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Assets of the Company;
- (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Financial Statements in accordance with the 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
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 the IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 and to the best of information and according to the explanations given to us, the Company has maintained, in all material respects, adequate Internal Financial Controls Over Financial Reporting and such controls were operating effectively as of March 31, 2022, based on the 'Internal Control Over Financial Reporting criteria' established by the Company, considering the essential components of Internal Control as stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For PPKG & Co

Chartered Accountants

Firm's Registration No. 009655S

Girdhari Lal Toshniwal

Partner

Membership No. 205140

UDIN: 22205140AJUNMJ5884

Date: May 28, 2022

Place: Hyderabad

**BALANCE SHEET AS AT 31ST MARCH' 2022**

(Rs. in Lakhs)

EQUITY AND LIABILITIES	Note No.	As at 31-Mar-2022	As at 31-Mar-2021
Shareholders' Funds			
(a) Share Capital	1	1,625.91	126.20
(b) Reserves and Surplus	2	2,449.28	1,410.00
(c) Money received against Share Warrants		-	-
Non – Current Liabilities			
(a) Long Term Borrowings		-	-
(b) Other Long Term Liabilities		-	-
(c) Deferred Tax Liabilities (Net)		0.89	0.59
(d) Other Non – Current Liabilities		-	-
Current Liabilities			
(a) Short Term Borrowings		-	-
(b) Trade Payables		-	-
- Total Outstanding Dues to MSME Unit		-	-
- Total Outstanding Dues other than MSME Unit	3	63.72	244.21
(c) Other Current Liabilities	4	312.25	319.98
(d) Short Term Provisions	5	127.68	46.74
Total		4,579.73	2,147.71
ASSETS			
Non – Current Assets			
(a) Property, Plant and Equipment, Intangible Assets			
- Property, Plant and Equipment	6	52.19	62.49
- Capital work-in-progress		-	-
- Intangible Assets		-	-
(b) Non – Current Investments	7	238.52	239.37
(c) Long Term Loans and Advances		-	-
(d) Other Non – Current Assets		-	-
Current Assets			
(a) Inventories	8	718.92	1,556.25
(b) Trade Receivables	9	2,168.39	-
(c) Cash and Cash Equivalents	10	1,060.05	67.74
(d) Short Term Loans and Advances	11	208.37	163.84
(e) Other Current Assets	12	133.29	58.03
Total		4,579.73	2,147.71

See accompanying Notes to the Financial Statements–1 to 21

For M/s PPKG & Co
Chartered Accountants
FRN: 009655S

For Precision Metaliks Limited

CA Girdhari Lal Toshniwal
Partner
Membership No. 205140
UDIN: 22205140AJUNMJ5884

Jayanthi Roja Ramani
Director
(DIN: 05334095)

S Venkata Raman Rao
Whole Time Director & CEO
(DIN: 09302647)

Date: May 28, 2022
Place: Visakhapatnam

Rakesh Kumar
Company Secretary

BVV Prakash Rao
Chief Financial Officer

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH' 2022**

(Rs. in Lakhs)

Particulars	Note No.	For the Year ended 31-Mar-2022	For the Year ended 31-Mar-2021
Revenue from Operations	13	12,559.67	4,924.04
Other Income	14	7.06	0.09
Total Revenue		12,566.72	4,924.13
<u>Expenses:</u>			
Cost of Materials Consumed	15	7,440.40	4,655.72
Purchase of Stock-in-Trade	16	1295.82	64.23
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	17	507.33	(1,226.25)
Employee Benefit Expenses	18	331.39	258.48
Finance Cost	19	1.67	1.05
Depreciation and Amortization Expenses	6	10.29	12.37
Other Expenses	20	2,552.52	1,007.35
Total Expenses		12,139.42	4,772.95
Profit / (Loss) Before Exceptional Items and Tax		427.31	151.18
Exceptional Items		-	-
Profit/ (Loss) Before Tax		427.31	151.18
Tax Expenses	21		
Current Tax		81.02	2.53
Deferred Tax		0.30	(0.72)
Profit/ (Loss) for the period from Continuing Operations		345.98	149.36
Profit/ (Loss) from Discontinued Operations		-	-
Tax Expense of Discontinued Operations		-	-
Profit / (Loss) from Discontinued Operations (After Tax)		-	-
Profit/ (Loss) for the period (After Tax)		345.98	149.36
Other Comprehensive Income			
Total Comprehensive Income for the Period (Profit/Loss + Other Comprehensive Income)		-	-
Earnings Per Equity Share (for Continuing Operations)			
a) Basic		2.13	11.84
b) Diluted		2.13	11.84
Earnings Per Equity Share (Discontinued Operations)			
a) Basic			
b) Diluted			
Earnings Per Equity Share (Continuing and Discontinued)			
a) Basic		2.13	11.84
b) Diluted		2.13	11.84

See accompanying Notes to the Financial Statements-1 to 21

For M/s PPKG & Co

Chartered Accountants

FRN: 009655S

CA Girdhari Lal Toshniwal

Partner

Membership No. 205140

UDIN: 22205140AJUNMJ5884

For Precision Metaliks Limited

Jayanthi Roja Ramani

Director

(DIN: 05334095)

S Venkata Raman Rao

Whole Time Director & CEO

(DIN: 09302647)

Date: May 28, 2022

Place: Visakhapatnam

Rakesh Kumar

Company Secretary

BVV Prakash Rao

Chief Financial Officer



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2022

(Rs. in Lakhs)

	For the Year ended 31-Mar-2022	For the Year ended 31-Mar-2021
A Cash Flow from Operating Activities		
Net Profit Before Tax and Extra-ordinary Items	427.31	151.18
Depreciation	10.29	12.37
Foreign Exchange	-	-
Gain / (Loss) on Sale of Fixed Assets	-	-
Gain / (Loss) on Sale of Investments	-	-
Finance Cost	1.67	1.05
Dividend Income	-	-
Discount	-	-
Operating Profit Before Working Capital Changes	439.27	164.60
Adjustments for :		
Inventories	837.33	(1,479.25)
Trade Receivables	(2,168.39)	850.45
Other Current Assets	(75.26)	(37.74)
Loan and Advances	(44.53)	(64.84)
Trade Payables	(180.49)	25.57
Other Current Liabilities	(7.72)	249.08
Provisions	80.95	28.03
Total Adjustment for Working Capital	(1,558.12)	(428.68)
Net Cash Flow from (used in) Operations	(1,118.85)	(264.09)
Dividend Received		
Interest Received / (Paid)	1.67	1.05
Income Tax Refund / (Paid)		
Net Cash flow from Operating Activities "A"	(1,120.52)	(265.13)
B Net Cash from Investing Activities :		
(Purchase) / Sale of Fixed Assets		(1.14)
(Purchase) / Sale of Investments or Equity Instruments	0.85	
Dividend Received		
Interest Received		
Proceeds from Government Grant		
Other Inflow / (Outflow) of Cash		
Net Cash Flow from Investing Activities "B"	0.85	(1.14)
C Cash Flow from Financing Activities		
Proceeds from Issue of Shares	2193.00	329.11
Dividend Paid		
Bank borrowings & Unsecured Loan		
Interest Paid		
Income Tax Refund / (Paid)	(81.02)	(2.53)
Net Cash flow from Financing activities "C"	2,111.98	326.58
D Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)	992.31	60.31
Cash and Cash Equivalents at the beginning	67.74	7.43
Cash and Cash Equivalents at the end	1060.05	67.74

See accompanying Notes to the Financial Statements-1 to 21

For M/s PPKG & Co
Chartered Accountants
FRN: 009655S

CA Girdhari Lal Toshniwal
Partner
Membership No. 205140
UDIN: 22205140AJUNMJ5884

Date: May 28, 2022
Place: Visakhapatnam

For Precision Metaliks Limited

Jayanthi Roja Ramani
Director
(DIN: 05334095)

Rakesh Kumar
Company Secretary

S Venkata Raman Rao
Whole Time Director & CEO
(DIN: 09302647)

BVV Prakash Rao
Chief Financial Officer

**STATEMENT OF FUNDS UTILISED**

Name of Listed Entity	Precision Metaliks Limited
Mode of Fund Raising	Public Issue
Date of Raising Funds	27/01/2022
Amount Raised	Rs.21.93 Crores
Report filed for Half-year ended	31/03/2022
Monitoring Agency	NA
Monitoring Agency Name	NA
Is there a Deviation/Variation in use of Funds raised?	No
Whether any approval is required to vary the Objects of the issue stated in the Prospectus / Offer Document?	No
If yes, details of the approval so required?	NA
Date of Approval	NA
Explanation for the Deviation / Variation	NA
Comments of the Audit Committee after review	Nil
Comments of the Auditors, if any	Nil
Objects for which funds have been raised and where there has been a deviation, in the following table	No Deviation

Original Objects	Modified Object if any	Original Allocation (Amount in Crores)	Modified Allocation, if any	Funds Utilised (Amount in Crores)	Amount of Deviation / Variation for the half year according to Applicable Object	Remarks if any
Meeting Additional Working Capital Requirements	NA	16.00	NA	8.50	NA	NA
General Corporate Purposes	NA	4.43	NA	1.43	NA	NA
Public Issue Expenses	NA	1.50	NA	1.50	NA	NA

Deviation could mean:

- (a) Deviation in the Objects or purposes for which the Funds have been raised
 (b) Deviation in the amount of funds actually utilized as against what was originally disclosed.
 (c) Change in terms of Contract referred to the Fund raising document i.e., Prospectus / Letter of Offer, etc.

For M/s PPKG & Co
Chartered Accountants
FRN: 009655S

CA Girdhari Lal Toshniwal
 Partner
 M. No. 205140
 Date: May 28, 2022
UDIN: 22205140AJUNMJ5884



Notes to the Standalone Financial Statements

1. Corporate Information

Precision Metaliks Limited (“the Company”) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in processing of semi-finished alloy wheels by rendering value added services and other engineering services.

The Board of Directors approved the Financial Statements for the Financial Year ended March 31, 2022 and authorised for issue on May 28, 2022.

2. Significant Accounting Policies

The following are the Significant Accounting Policies adopted in the preparation of the Financial Statements. These Policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with the Accounting Principles generally accepted in India. The Financial Statements have been prepared to comply in all material respects with the Accounting Standards, as prescribed under Section 133 of the Companies Act, 2013 and the Rules defined thereunder, as amended from time to time.

These Financial Statements have been prepared on the Historical Cost basis, except for certain Financial Instruments which are measured at Fair Values at the end of each Reporting Period as explained in the Accounting Policies below. Historical Cost is generally based on the Fair Value of the consideration given in exchange for goods and services. 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.

Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto in use.

2.2 Functional and Presentation Currency

The Financial Statements are prepared in Indian Rupees (“INR”) which is the Company’s Presentation Currency and the Functional Currency for its Operations. All Financial Information presented in INR has been rounded to the nearest ‘Lakhs’ with two decimal places, unless stated otherwise.

2.3 Use of Estimates and Judgements

The preparation of Financial Statements in conformity with the Generally Accepted Accounting Principles requires the Management to make estimates, judgements, and assumptions. These estimates, judgments and assumptions affect the application of the Accounting Policies and the reported amounts of Assets and Liabilities, the disclosures of Contingent Assets and Liabilities at the date of the Financial Statements and reported amounts of Revenues and Expenses during the year.

The Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to the Accounting Estimates are recognised in the period in which the estimate is revised, and future periods affected.

Significant judgments and estimates relating to Carrying Value of Assets and Liabilities include useful lives of Property, Plant and Equipment, impairment of Property, Plant and Equipment, Investments, Provision for Employee Benefits and other provisions, recoverability of Deferred Tax Assets, Commitments and Contingencies.

2.4 Classification of Assets and Liabilities as Current and Non – Current

All Assets and Liabilities have been classified as Current or Non – Current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product and activities of the Company and their realization in Cash and Cash Equivalent, the Company has determined its operating cycle as 12 months for the purpose of Current and Non – Current classification of Assets and Liabilities. Deferred Tax Assets and Liabilities are classified as Non – Current Assets and Liabilities.



2.5 Recognition of Revenue and Expenditure

Revenue from Contracts with Customers is recognized on transfer of control of promised Goods or Services to a Customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of Transaction Price (Net of variable consideration) allocated to that Performance Obligation. The Transaction Price of Goods sold, and Services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the Contract. This Variable consideration is estimated based on the expected value of outflow. Revenue (Net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Goods

Revenue from Sale of products is recognized when the control on the Goods have been transferred to the Customer. The Performance Obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the Contract.

Interest

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate method. Interest Income is included under the head “Other Income” in Statement of Profit and Loss.

Export Incentive

Revenue from Export Incentives is accounted for on Export of Goods, if the entitlements can be estimated with reasonable assurance and condition precedent to claim are fulfilled.

2.6 Property, Plant and Equipment

Property, Plant and Equipment are stated at Cost comprising of Purchase Price and any initial directly attributable cost of bringing the Asset to its working condition for its intended use, less Accumulated Depreciation and Impairment Loss, if any.

Depreciation is provided for Property, Plant and Equipment on a Straight Line Method so as to expenses the Cost less Residual Value over their useful lives as prescribed in Schedule II of the Companies Act, 2013. The Estimated Useful Lives and Residual Value are reviewed at the end of each Reporting Period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation is not recorded on capital work-in progress until construction and installation is completed and the asset is for intended use.

2.7 Intangible Assets

Intangible Assets are recognized when it is probable that the Future Economic Benefits that are attributable to the Asset will flow to the Enterprise and the Cost of the Asset can be measured reliably.

2.8 Inventory

Inventories consists of Raw Materials, Work-in-progress, Finished Goods, Stores and Spares and Packing Materials. Inventories are valued at the lower of Cost or Net Realisable Value. Cost is determined on Weighted Average basis.

Raw materials, Stores and Spares and Packing material: Cost includes Purchasing Cost and other Costs incurred in bringing the Inventories to their present location and condition on the weighted average basis.

Finished Goods and Work-in-progress: Cost includes Cost of Direct Materials and Labour and a proportion of Manufacturing Overheads based on the normal operating capacity on a Weighted Average basis. Cost of Finished Goods includes other costs incurred in bringing the Inventories to their present location and condition. Net Realisable Value is the Estimated Selling Price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the Sale.



2.9 Employee Benefits

All Employee Benefits payable wholly within twelve months of rendering the service are classified as Short Term Employee Benefits. Benefits such as Salaries, Wages etc. and the expected cost of gratuity are recognised in the period in which the employee renders the related service. A Liability is recognised for the amount expected to be paid when there is 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.

2.10 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as Current Investments. All other investments are classified as Long Term Investments. On initial recognition, all Investments are measured at Cost. The Cost comprises the Purchase Price and directly attributable acquisition charges such as Brokerage, Fees and Duties.

Current Investments are carried at the lower of Cost and Fair Value determined on an individual basis. Long Term Investments are carried at Cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the Long Term Investments.

On disposal of an investment, the difference between its Carrying Amount and Net Disposal Proceeds is charged or credited to the Statement of Profit and Loss.

2.11 Taxation

Tax Expense is the aggregate amount included in the determination of Profit or Loss for the period in respect of Current Tax and Deferred Tax.

Current Tax

Current Tax is the amount of Income taxes payable in respect of Taxable Profit for a period. Taxable Profit differs from 'Profit Before Tax' as reported in the Statement of Profit and Loss because of items of Income or Expense that are Taxable or deductible in other years and items that are never Taxable or deductible under the Income Tax Act, 1961. Current Tax is measured using Tax Rates that have been enacted by the end of Reporting Period for the amounts expected to be recovered from or paid to the Taxation Authorities.

Deferred Tax

Deferred Tax is recognized on temporary differences between the Carrying Amounts of Assets and Liabilities in the Financial Statements and the corresponding Tax bases used in the computation of Taxable Profit under Income Tax Act, 1961. Deferred Tax Liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of Assets or Liabilities in a transaction (other than business combination) that affect neither the Taxable Profit nor the Accounting Profit, Deferred Tax Liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of Goodwill, Deferred Tax Liabilities are not recognized.

Deferred Tax Assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of Assets or Liabilities in a transaction (other than business combination) that affect neither the Taxable Profit nor the Accounting Profit, Deferred Tax Assets are not recognized. The Carrying Amount of Deferred Tax Assets is reviewed at the end of each Reporting Period and reduced to the extent that it is no longer probable that sufficient Taxable Profits will be available to allow the benefits of part or all of such Deferred Tax Assets to be utilized.

Deferred Tax Assets and Liabilities are measured at the Tax Rates that have been enacted or substantively enacted by the Balance Sheet Date and are expected to apply to Taxable Income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of Current and Deferred Tax

Current and Deferred Tax are recognized as income or an expense in the Statement of Profit and



Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the Current and Deferred Tax Income / Expense are recognized in Other Comprehensive Income.

The Company offsets Current Tax Assets and Current Tax Liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a Net basis, or to realize the Asset and settle the Liability simultaneously. In case of Deferred Tax Assets and Deferred Tax Liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding Current Tax Assets against Current Tax Liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to Income Taxes levied by the Tax Authority on the Company.

2.12 Provisions, Contingent Liabilities and Contingent Assets

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.

Contingent Liability is disclosed in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or where no reliable estimate is possible. Contingent Liabilities are not recognised in Financial Statements but are disclosed in the Notes to Accounts.

Contingent Asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity. Contingent Assets are not recognised in Financial Statements and are disclosed in the Notes when it is virtually certain that economic benefits will inflow to the Company.

2.13 Foreign Currency Transactions

Transactions in Foreign Currency are recorded at Exchange Rates prevailing at the date of Transactions. Exchange differences arising on Foreign Exchange Transactions settled during the year are recognised in the Statement of Profit and Loss of the year. Monetary Assets and Liabilities denominated in Foreign Currencies which are outstanding, as at the Reporting Date are translated at the Closing Exchange Rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

2.14 Impairment

Non – Financial Assets

The Carrying Amount of Non – Financial Assets other than Inventories are assessed at each Reporting Date to ascertain whether there is any indication of impairment. If any such indication exists, then the Asset's Recoverable Amount is estimated. An Impairment Loss is recognised as an expenses in the Statement of Profit and Loss, for the amount by which the Asset's Carrying Amount exceeds its Recoverable Amount. The Recoverable Amount is the higher of an Asset's Fair Value Less Cost to Sell and Value-in-use. Value-in-use is ascertained through discounting of estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the Assets.

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 Asset's Carrying Amount does not exceed the Carrying Amount that would have been determined, Net of Depreciation or Amortisation, if no Impairment had been recognised.

Financial Assets

The Company assesses at each date of Balance Sheet whether a Financial Asset or a group of Financial Assets are impaired. In determining the allowances for Doubtful Trade Receivables, the Company has used a practical expedient by computing the expected credit loss allowance for Trade Receivables based on a Provision Matrix. The Provision Matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the Provision Matrix.

2.15 Borrowing Costs

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 capitalized as part of the cost of the respective Asset. All other borrowing costs are expensed in the period they occur. Interest Income earned on temporary investment of specific borrowings pending their expenditure on Qualifying Assets is deducted from the borrowing costs eligible for capitalisation. The Borrowing Costs other than attributable to Qualifying Assets are recognised in the Profit or Loss in the period in which they incurred.

2.16 Earnings Per Share

Basic Earnings Per Share is computed by dividing the Profit / (Loss) After Tax and before Other Comprehensive Income by the Weighted Average Number of Equity Shares outstanding during the year. Diluted Earnings Per Share is computed by dividing the Profit / (Loss) After Tax as adjusted for Dividend, Interest and other charges to expense or income relating to the Dilutive Potential Equity Shares, by the Weighted Average Number of Equity Shares considered for deriving Basic Earnings Per Share and the Weighted Average Number of Equity Shares which could have been issued on the conversion of all Dilutive Potential Equity Shares.

2.17 Cash and Cash Equivalents

For presentation in the Statement of Cash Flows, Cash and Cash Equivalents includes Cash-in-hand other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.18 Financial Assets

All regular way purchases or sale of Financial Assets are recognised and de-recognised on a trade date basis. Regular way Purchases or Sales are purchases or sale of Financial Assets that require delivery of Assets within the time frame established by regulation or convention in the marketplace. All recognised Financial Assets are subsequently measured in their entirety at either Amortized Cost or Fair Value, depending on the classification of the Financial Assets.

Classification of Financial Assets

- (i) Financial assets carried at Amortised Cost: A Financial Asset is subsequently measured at Amortised Cost if it is held within a business model whose objective is to hold the Asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the Principal Amount Outstanding.
- (ii) Financial Assets at Fair Value through Other Comprehensive Income: A Financial Asset is subsequently measured at Fair Value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the Principal Amount Outstanding.
- (iii) Financial Assets at Fair Value through Profit or Loss: A Financial Asset which is not classified in any of the above categories is subsequently Fair Valued through Profit or Loss.
- (iv) Financial Liabilities: Financial Liabilities are subsequently carried at Amortized Cost using the effective interest rate method. For trade and other payables maturing within one year from the Balance Sheet Date, the Carrying Amounts approximate Fair Value due to the short maturity of these instruments.
- (v) Equity Instrument: An Equity Instrument is any contract that evidences a residual interest in the Assets of the Company after deducting all of its Liabilities. Equity Instruments are recorded at the proceeds received, net of direct issue costs.

2.19 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Senior Management. The Company considers processing of alloy wheels as its single segment in which the Company operates. The Company has also dealt in some other products, but their volume is nominal hence no reportable segments are there.



Note No. 1: Share Capital

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
a. <u>Equity Share Capital</u>		
(a) Authorised 1,65,00,000 Equity Shares of Rs.10/-each	1,650.00	150.00
(b) Issued, Subscribed and Paid-up		
1,62,59,066 Equity Shares of Rs.10/- each Fully Paid-up	1,625.91	126.20
Less: Calls in Arrear	-	-
Total Equity Share Capital	1,625.91	126.20
b. Reconciliation of the Number of Shares Outstanding at the beginning and at the end of the Reporting Period:	Number of Shares	Number of Shares
Equity Shares of Rs.10/-Each, Fully Paid-up:		
At the beginning of the year	12,61,990	10,26,908
Issued during the year	43,00,000	2,35,082
Premium Shares allotted during the Year	1,06,97,076	
At the end of the year	1,62,59,066	12,61,990

Details of Shareholder holding more than 5% Shares of the Company: (Refer Note below)

Name of the Shareholder	As on 31 st March' 2022		As on 31 st March' 2021	
	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding
Abhishek Business Private Limited	79,02,800	48.61	1,97,570	15.66
Jayanthi Roja Ramani	16,28,000	10.01	40,700	3.22
Gayathri Automobiles Pvt Ltd	14,28,560	8.79	35,714	2.83
Silver Metalx INC	9,87,706	6.07	9,87,706	78.27

Note No. 2: Reserves and Surplus

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
Other Equity		
a) Share Premium		
As at the commencement of the Year	1,135.98	830.37
Add: Additions during the Year	1,763.00	305.61
Less: Utilised during the Year (Adjusted Premium Shares)	(1,069.71)	-
	1,829.27	1,135.98
b) Capital Reserve As at the Commencement of the Year	-	-
Add: Additions during the Year	-	-
Less: Utilised during the Year	-	-
c) Surplus:		
i) Opening Balance	274.03	124.67
Add: Total Comprehensive Income during the Year	345.98	149.36
Less: Bonus Shares/(For feature of Bonus Shares)	-	-
	620.01	274.03
Total Reserves and Surplus	2,449.28	1,410.00

**Note No. 3: Trade Payables**

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I Trade Payables		
- Dues to MSME Units	-	-
- Dues other than MSME Units	63.72	244.21
Total Trade Payables	63.72	244.21

Note No. 4: Other Current Liabilities

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
Current Maturities of Long Term Debts		
Interest Accrued but not due on Borrowings		
Income Received in Advance	211.78	248.36
Unpaid Dividend	-	-
Other Payables	19.03	1.68
Others	81.44	69.94
Total Other Current Liabilities	312.25	319.98

Note No. 5: Short Term Provisions

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
Tax Provision		
Others	127.68	46.74
Total Short Term Provisions	127.68	46.74

Note No. 6: Property Plant and Equipment



(Rs. in Lakhs)

S No	Particulars	Gross Block						Rate of Depreciation	Depreciation/Amortization				Net Block as on 31.03.2022	Net Block as on 31.03.2021
		As on 01.04.2021	Addition during the Year	Additions through Business acquisition	Capitalised during the Year	Sales / Deletion during the Year	As on 31.03.2022		Depreciation as on 01.04.2021	Depreciation for the year 2021-2022	Adjustment Depreciation	Total Depreciation as on 31.03.2022		
1	Building	14.95	-	-	-	-	14.95	1.51	1.28	-	2.79	12.17	13.44	
2	Furniture	4.25	-	-	-	-	4.25	3.21	0.33	-	3.53	0.72	1.05	
3	Plant & Machinery	63.13	-	-	-	-	63.13	15.14	8.69	-	23.83	39.31	47.99	
	TOTAL	82.34	-	-	-	-	82.34	19.86	10.29	-	30.15	52.19	62.49	

**Note No. 7: Non - Current Investments**

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
Investments in Equity Instruments		
Trade, Quoted		
1,62,105 (31/03/2021: 1,62,105) Investment of Rs.10/- each Fully Paid-up in SUNRISE MEADOWS	234.50	234.50
0 (31/03/2021: 85,000) Investment of Rs.10/- each Fully Paid-up in PRECISION AUSTEM	-	0.85
40,200 (31/03/2021: 40,200) Investment of Rs.10/- each Fully Paid-up in KARVY INVESTMENTS	4.02	4.02
Total Non - Current Investments	238.52	239.37

Note No. 8: Inventories

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
Inventories:		
a) Raw Materials	-	330.00
b) Work in Progress	-	-
c) Finished Goods	718.92	1,226.25
Total Inventories	718.92	1,556.25

Note No. 9: Trade Receivables

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I Trade Receivables		
Secured, Considered Good		
Unsecured, Considered Good		
Less than Six Months	2,168.39	-
More than Six Months		
Doubtful		
Other Receivables:		
Secured, Considered Good		
Unsecured, Considered Good		
Doubtful		
Total Trade Receivable (Gross)	2,168.39	-
Less: Provision for Bad and Doubtful Debts	-	-
Total Trade Receivables (Net)	2,168.39	-

**Note No. 10: Cash and Cash Equivalents**

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I Cash and Cash Equivalents:		
Balances with Banks:		
a. On Current Accounts	9.04	65.93
b. On Deposit Accounts	1,050.00	-
Cash-in-hand	1.00	1.81
Total Cash and Cash Equivalents	1,060.05	67.74

Note No. 11: Short Term Loans and Advances

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I Short Term Loans and Advances:		
(a) Security Deposit	56.50	39.95
Secured Unsecured (Security Deposit consist of Sales Tax Deposit, Electricity Deposit, Rent Deposit, Tender Deposit and Deposit with Suppliers)		
(b) Other Short Term Loans and Advances (Advance Recoverable in Cash or Kind)		
Secured		
Unsecured	151.87	123.88
Total Short Term Loans and Advances	208.37	163.84

Note No. 12: Other Current Assets

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I Other Current Assets	133.29	58.03
Total Other Current Assets	133.29	58.03

Note No. 13: Revenue from Operations

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
Revenue from Operations		
(a) Sale of Products	12,559.67	4,924.04
Total Revenue from Operations	12,559.67	4,924.04

**Note No. 14: Other Income**

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I (a) Interest Income	7.06	0.04
(b) Other Non-Operating Income (Net of Expenses directly attributed to such Income)	-	0.05
Total Other Income	7.06	0.09

Note No. 15: Cost of Materials Consumed

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I Raw Materials		
Opening	330.00	77.00
Add: Purchases	7,110.40	4,908.72
Adjustments		
Less: Closing		-330.00
Total Cost of Materials Consumed	7,440.40	4,655.72

Note No. 16: Purchases of Stock in Trade

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
IPurchases during the Year	1,295.82	64.23
Purchase Returns during the year	-	-
Total Purchases	1,295.82	64.23

Note No. 17: Changes in Inventories of Finished Goods and Work-in-progress:

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I Finished Goods		
Finished Goods at the beginning of the year	1,226.25	-
Less: Finished Goods at the end of the year	718.92	1,226.25
Sub-Total(A)	507.33	-1,226.25
Work-in-progress at the beginning of the year	-	-
Less: Work-in-progress at the end of the year	-	-
Sub-Total(B)	-	-
Raw Materials		
Stock at the beginning of the year	-	-
Less: Stock at the end of the year	-	-
Sub-Total(C)	-	-
(Increase)/Decrease in Inventories(A+B+C)	507.33	-1,226.25

**Note No. 18: Employee Benefit Expenses**

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
(a) Salaries and Wages	331.17	258.42
(b) Contribution to Provident and Other Funds	-	-
(c) Staff Welfare Expenses	0.23	0.05
Total Employee Benefit Expenses	331.39	258.48

Note No. 19: Finance Cost

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
(a) Interest Expenses:		
- Interest	-	0.31
- Bank Charges	1.67	0.73
(b) Net Gain / Loss on Foreign Currency Translations & Transactions	-	-
Total Finance Cost	1.67	1.05

Note No. 20: Other Expenses

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I Manufacturing Service Cost Expenses		
Power and Fuel	836.07	620.64
Other Manufacturing Costs	115.84	153.55
II Administrative and General Expenses		
Telephone and Postage	0.06	-
Printing and Stationary	0.47	0.13
Rent, Rates and Taxes	77.93	78.79
Auditors Remuneration	1.50	2.80
Repairs and Maintenance Expenses	1.21	1.82
Electricity Expenses	0.36	0.24
Travelling and Conveyance	0.13	-
Legal and Professional Charges	25.57	0.63
Insurance Expenses	0.70	0.51
Information Technology Expenses	1.11	-
Subscriptions and Membership Fees	0.58	0.15
Registration and Filing Fees	13.94	-
Other Administrative and General Expenses	1,477.02	148.10
IIISelling and Distribution Expenses		
Other Selling and Distribution Expenses	-	-
Total Other Expenses	2,552.52	1,007.35

**Note No. 21: Tax Expenses**

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
I Current Tax	81.02	2.53
Deferred Tax	0.30	-0.72
Adjustment for previous year Tax - Income Tax Paid for earlier year		
Total Tax Expenses	81.33	1.82

Notes on Accounts:

- The Provision for Income Tax has been made based on the computation as per the provisions of Income Tax Act.
- Provision for Gratuity is made at the time of payment.
- Previous year figures have been re-grouped / re-arranged wherever necessary.
- Particulars of Employees:

S No	Particulars	Amount
a	Employees who are in receipt of remuneration of Rs.60,00,000/- or more per annum or Employees who are in receipt of remuneration of Rs.5,00,000/- or more per month; employed throughout the year	Nil
b	Employees who are in receipt of remuneration of Rs 60,00,000/- or more per annum or Employees who are in receipt of remuneration of Rs 5,00,000/- or more per month; employed for part of the year	Nil

- Managerial Remuneration:

Name	Designation	Current Year	Previous Year
Sevvana Venkat Raman Rao	Executive Director	Rs.10,00,000/-	Nil

- Earnings Per Share:

S No	Particulars	Current Year	Previous Year
1	Net Profit or (Loss) as per Profit and Loss account available for Equity Shareholders (Rs. in Lakhs)	345.98	149.36
2	Weighted Average Number of Equity Shares for Basic Earnings Per Share	1,62,59,066	12,61,990
3	Basic and Diluted Earnings Per Share	2.13	11.84

- Particulars of Auditor's remuneration are as follows:

S No	Particulars	FY 2021-22	FY 2020-21
1	Audit Fee	150,000	280,000
Total		150,000	280,000



8. Deferred Tax has been provided in accordance with Accounting Standard 22 on 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India.

Particulars	Current Year	Previous Year
Opening Deferred Tax Asset / (Liability)	58,847	1,30,628
Deferred Tax Liability on account of difference in depreciation as per Income tax Act, 1961 and that as per Companies Act, 1956.		
Less/Add: Deferred Tax Assets	30,339	-71,781
Closing Balance	89,186	58,847
Deferred Tax Liability / Assets	Liability	Liability

9. Value of Imports: (CIF VALUE)

Particulars	Amount (In Rupees)
Purchases (Imports) RM	76,62,387.14

10. Expenditure and Earnings in Foreign Currency:

Particulars	Amount (In USD \$)
Expenditure in Foreign Currency	\$ 99,600
Earnings in Foreign Currency	\$ 2,79,135.21

The above expenditure is related to advances paid against import of materials and the same earnings received is Advances against Orders.

11. Remittances in Foreign Currency on account of Dividend: Nil

12. Related Party Disclosures as per Accounting Standard 18 are as given below:

Related Party	Relationship	Balance Outstanding as on 31.03.2022	
		Payable	Receivable
Sevvana Venkat Raman Rao	Executive Director	Rs.10,00,000/-	Nil
BVV Prakash Rao	CFO	Rs.7,80,000/-	Nil
Rakesh Kumar	CS	Rs.5,78,000/-	Nil

13. In respect of the above parties, there is no provision for Doubtful Debts as on March 31' 2022 and no amount has been written off or written back during the year in respect of Debts due from/to them.

14. Contingent Liabilities: Nil

15. Financial Risk Management Objectives and Policies

The Company is exposed to Financial Risk such as Market Risk (Interest Rate Risk, Fluctuation in Foreign Exchange Rates and Price Risk), Credit Risk and Liquidity Risk. The General Risk Management Program of the Company focuses on the unpredictability of the Financial Markets and attempts to minimize their potential negative influence on the Financial Performance of the Company. The Company continuously reviews its Risk Exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Company's Risk Management Framework.

Market Risk

Market Risk is the Risk that the Fair Value of Future Cash Flows of a Financial Instrument will fluctuate because of changes in Market Prices. Market Risk comprises three types of Risk i.e. Interest Rate Risk, Foreign Currency Risk and Other Price Risk. Financial Instruments of the Company affected by Market Risk include Borrowings and Deposits.



The Sensitivity Analysis in the following sections relate to the position as at March 31' 2022 and March 31' 2021.

The Analysis exclude the impact of movements in market variables on the Carrying Values of Gratuity and other Post-Retirement Obligations; Provisions and the Non-Financial Assets and Liabilities.

The following assumptions have been made in calculating the Sensitivity Analysis:

The Sensitivity of the Relevant Profit or Loss item is the effect of the assumed changes in respective Market Risks. This is based on the Financial Assets and Financial Liabilities held at March 31' 2022 and March 31' 2021.

Price Risk

Price Risk is the risk of fluctuations in the change in prices of Equity Investments.

Credit Risk

Credit Risk is the risk arising from credit exposure to customers that the counter-party will default on its Contractual Obligations.

The Company has adopted a Policy of only dealing with Creditworthy Customers / Corporates to minimize the Collection Losses. Credit Control Team assesses the Credit Quality of the Customers, their Financial Position, past experience in payments and other relevant factors. Advance Payments are obtained from Customers in bank cheques, as a means of mitigating the Risk of Financial Loss from Defaults.

The Carrying Amount of Trade and Other Receivables, Advances to Suppliers, Cash and Short Term Deposits and Interest Receivable on Deposits represents Company's maximum exposure to the Credit Risk. No other Financial Asset carries a significant exposure with respect to the Credit Risk. Deposits and Cash Balances are placed with Schedule Commercial Banks.

An Impairment Analysis is performed at each Reporting Date on an Individual Basis for major clients. In addition, a large number of minor receivables are assessed for Impairment collectively. The Maximum exposure to Credit Risk at the Reporting Date is the Carrying Value of each class of Financial Assets.

Financial Instruments and Cash Deposits

Credit Risk from Balances with Banks and Financial Institutions is managed by the Company's Treasury Department in accordance with the Company's Policy.

Liquidity Risk

Liquidity Risk is the Risk that the Company will have difficulty in raising the Financial Resources required to fulfil its commitments.

Liquidity Risk is held at low levels through effective Cash Flow Management. Cash Flow Forecasting is performed internally by rolling forecasts of the Company's Liquidity Requirements to ensure that it has sufficient Cash to meet the Operational Requirements, to Fund Scheduled Capex and Debt Repayments and to comply with the terms of Financing Documents.

For M/s PPKG & Co
Chartered Accountants
FRN: 009655S

For Precision Metaliks Limited

CA Girdhari Lal Toshniwal
Partner
Membership No. 205140
UDIN: 22205140AJUNMJ5884

Jayanthi Roja Ramani
Director
(DIN: 05334095)

S Venkata Raman Rao
Whole Time Director & CEO
(DIN: 09302647)

Date: May 28, 2022
Place: Visakhapatnam

Rakesh Kumar
Company Secretary

BVV Prakash Rao
Chief Financial Officer

