

ANNUAL REPORT  
2021-22

PREVEST DENPRO LIMITED  
“The Future of Dentistry”



# TABLE OF CONTENTS

## CORPORATE OVERVIEW

• Corporate Information	03
• About Us	04
• Milestones	05
• Message From The Chairman	06
• Business Model	07
• Prevest Products	08
• Market Driver Analysis	09
• Synopsis of Strategies KPIs and Goals FY22	10
• Financial Highlights	11
• Manufacturing Process	12
• Collaborations	13
• Intellectual Property	14
• Board of Directors	15
• Team Prevest	16
• Marketing Initiative	17
• Management Discussion and Analysis	23
• CSR	27

## MANAGEMENT REPORTS

• Notice	31
• Directors' Report	41

## FINANCIAL STATEMENTS

• Independent Auditor's Report	68
• Standalone Balance Sheet	81
• Standalone Statement of Profit and Loss	82
• Standalone Cash Flow Statement	83

## DISCLAIMER

Statements in this report that describe the Company's objectives, projections, estimates, expectations or predictions of the future may be 'forward-looking statements' within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include raw materials' cost or availability, cyclical demand and pricing in the Company's principal markets, changes in government regulations, economic developments within the countries in which the Company conducts business, and other factors relating to the Company's operations, such as litigation, labour negotiations and fiscal regimes. Some of the images used in this report are purely for illustrative purposes only and hence they are not the photos/ images of our facilities, products or of any such nature/kind.

## BOARD OF DIRECTORS

- Mr. Atul Modi
- Mrs. Namrata Modi
- Dr. Sai Kalyan Surapaneni
- Ms. Niharika Modi
- Dr. Nikhil Shrikant Bobade
- Dr. Sudeep Murthy

Chairman & Managing Director  
Whole time Director-cum-CFO  
Executive Director  
Non-Executive Director  
Independent Director  
Independent Director

## KEY MANAGERIAL PERSONNEL

- Mr. Atul Modi
- Mrs. Namrata Modi
- Ms. Komal Mehra

(Ceased with effect from 08/08/2022)

Managing Director  
Chief Financial Officer  
Company Secretary & Compliance officer

## BANKERS

HDFC Bank Limited

## STATUTORY AUDITOR

M/s Mittal & Associates  
Chartered Accountants  
FRN: 106456W  
501, Empress Nucleus, Gaothan Road,  
Opp. Little Flower School,  
Andheri (East), Mumbai-400069.

## SECRETARIAL AUDITOR

Vishal Soni and Associates, Company Secretaries

## INTERNAL AUDITOR

M/s VNB and Company, Chartered Accountants

## REGISTRAR AND TRANSFER AGENT

Big share Services Private Limited  
Bharat Tin Works Building, 1st Floor, Opp. Vasant  
Oasis, Makwana Road, Marol, Andheri – East,  
Mumbai 400059 Maharashtra  
Tel: +91 – 22 -62638200  
Email Id:-jibu@bigshareonline.com

## REGISTERED OFFICE AND CONTACT DETAILS AND WEBSITE

EPIP Kartholi, Bari Brahmana, Samba, Jammu –  
181133 (J&K), Email :- [info@prevestdenpro.com](mailto:info@prevestdenpro.com)  
Website : [www.prevestdenpro.com](http://www.prevestdenpro.com)



Prevest DenPro Limited started its journey in a modest way in the year 1999 and set up its first manufacturing unit with a handful of workforces and few products for dental applications. Over the years it has developed into a major international player in the dental industry with exports to more than 80 countries.

Prevest DenPro now operates a modern state-of-the-art factory set up in Export Promotion Industrial Park, Bari Brahmana, Jammu, India. The company also established a state-of-the-art learning and training center for conducting dental courses and continuing professional education at its headquarters in Jammu.

The company has established a very efficient Quality Management System (QMS) which has been assessed and approved by TUV SUD, a German notified body. The company is complying with the European and Indian medical devices regulations. The company is managed by corporate management team headed by Mr. Atul Modi, a qualified Mechanical Engineer with over 40 years of experience in successfully managing diversified business.

Mrs. Namrata Modi, Executive Director, who is master's in business administration having 20 years of experience in the successful management of this company and Dr. Sai Kalyan MDS, MS, Ph.D., Director Research & Academics have more than 16 years of academics & research experience.

The company has over 100 highly skilled workforce managed by a professional team comprising of dental professionals, engineers, management graduates, and chemists. The company has a research & development department which is responsible for the development of high-quality innovative dental materials.

The quality of its products is highly appreciated by dental professionals worldwide.

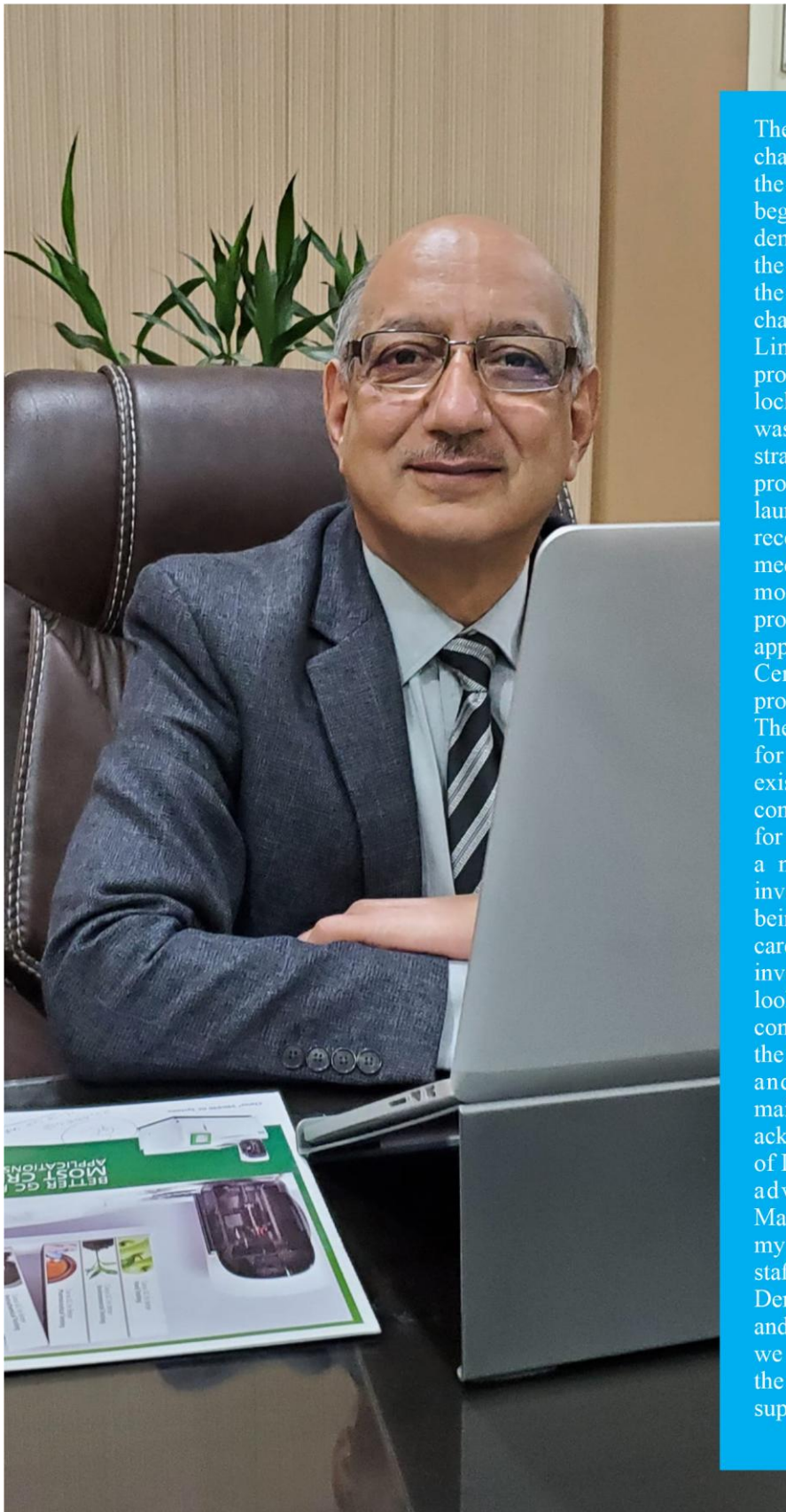
Indian Dental Association has recognized its achievements and contribution to oral health care and the IDA jury nominated the company for the "National Oral Healthcare Sushruta Award" for Best Dental Manufacturer.

The Federation of Indian Exporters has awarded the company with the "Top Exporter Award" and the Ministry of Commerce has recognized the company as a "Star Export House."

## ABOUT COMPANY

## MILESTONES





The financial year 2022 started with continued challenges of the pandemic causing uncertainty in the markets. The dental market in many countries began to reopen resulting in a strong rebound in demand. This year's record sales and profit reflects the solid fundamentals of our company and places the Company in a strong position to manage future challenges in the global markets. Prevest Denpro Limited exported approximately 60% of its products to over 80 countries. Despite a year of lockdowns, growth of 34.63% in total revenue was registered that speaks well about the business strategy followed by the company. Several new products developed in house were successfully launched in this year. USFDA approvals were received for 20 products. Dental products are medical devices and there are strict regulations in most countries. Compliance and registration processes have been successfully completed and approvals received from Saudi FDA and MDSAP Certificate that will enable us to export our products to USA, Canada, Brazil, and Australia. The Company has made considerable investment for the modernization and expansion of the existing manufacturing facilities. The Company continues to focus on research and development for the future and has started the work to establish a new state-of-the-art R&D Centre with an investment of approx. Rs.15Cr. A new facility is being set up to manufacture oral hygiene, oral care, and a range of biomaterial products with investment of approx. Rs.15cr . The future is looking positive and bright, and with the Board's continued confidence in the underlying strength of the business, I am confident that growth in top line and bottom line of the company will be maintained in the FY23. In closing, I wish to acknowledge the contribution made by the Board of Directors who have served with distinction by advising, encouraging, and assisting Management. Additionally, I wish to express my appreciation to the managers and all the staff for their tremendous efforts. Prevest Denpro Limited is India's leading manufacturing and exporting dental materials company, and we are very confident of continued growth in the business. Thank you for your overwhelming support and being a part in our growth journey.

# BUSINESS MODEL

we develop, manufacture and market a comprehensive portfolio of dental materials for diagnosing, treating, and preventing dental conditions as well as improving the aesthetics of the human smile. The breadth and depth of our product offerings address majority of the dentists' clinical needs for consumable dental materials. Our product portfolio covers a wide spectrum of materials for endodontics, prosthodontics, orthodontics, periodontics, restorative dentistry, aesthetic dentistry, and laboratory consumables.

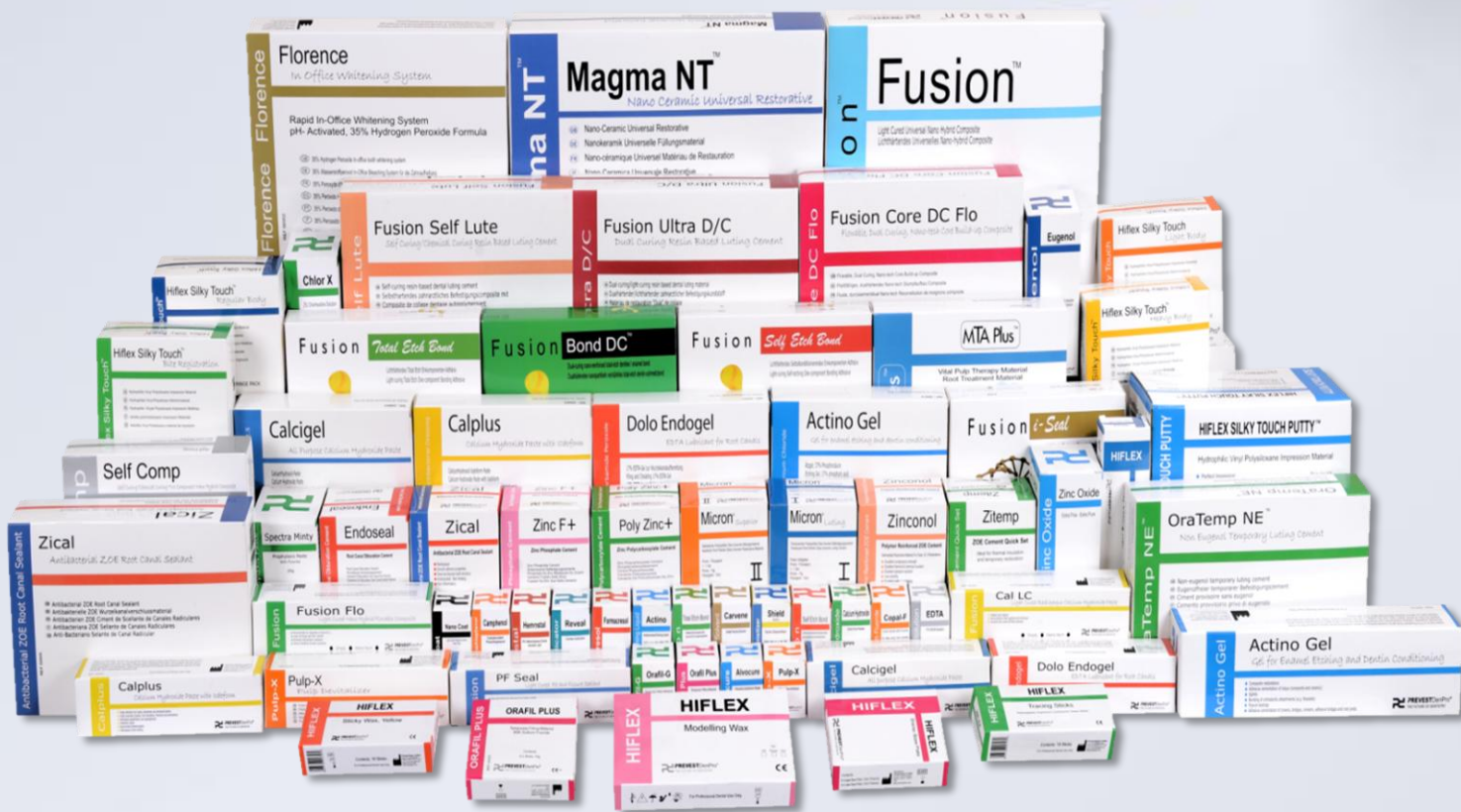
Our products are sold in over 75 countries in the regions of Europe, Asia, South America, Middle East, and Africa. Our manufacturing facility is located at Kartholi, Samba (Jammu & Kashmir), comprising of over 27,000 sq. ft. area and has an installed capacity of 200 MT p.a. for manufacturing of dental materials.

Further, as per our diversification plans, we are currently expanding our existing manufacturing unit by setting up another manufacturing facility in over 16,000 sq. ft. area adjacent to our existing unit for manufacturing new line of products that will include hygiene products (sanitizers and disinfectants), oral hygiene products (mouth washes and mouth rinses), oral care products (medicated ointments, gels, and creams for dental treatment) and biomaterials (i.e., bone augmentation materials).










The proposed facility will be well-equipped with latest machineries and will be commissioned in Fiscal 2023.

Our products are certified with ISO 13485:2016 and EU CE mark, which makes us eligible to market our products in European Union and many other countries which have adopted EU medical devices directives. We are also certified by Breakthrough Management Quality Registrar (BMQR) for Good Manufacturing Practices for the manufacture and sale of dental materials.





# PRODUCTS RANGE

MARKET DRIVERS	2019–20	2021–23	2024–28
	Impact		
INCREASED PREVALENCE OF DENTAL DISORDERS			
GROWING DENTAL TOURISM IN DEVELOPING COUNTRIES			
INCREASING DEMAND FOR COSMETIC DENTISTRY			

## RISING POPULARITY & DEMAND FOR DENTAL COSMETIC SURGERY IN INDIA

Increasing demand for teeth whitening malocclusion and changes in dental appearance are flourishing the demand for cosmetic dental surgery in India. Cosmetic dentistry is gradually gaining popularity in the Indian market owing to rising demand for dental aesthetics, growing consumer awareness, increasing prevalence of oral health disorders, and rising dental tourism. Moreover, increasing existence of dental laboratories investing in CAD/CAM technologies and development of technologically progressive solutions and techniques for cosmetic dentistry are expected to fuel the growth potential of the dental materials market in India over the forecast period.

## INCREASED PREVALENCE OF DENTAL DISORDERS

Dental disorders are one of the disorders causing the eradication of enamel. The upper layer of the enamel is eradicated owing to the bacterial infection. The rise in the prevalence of the dental disorders, has led to the rise in the demand for dental materials, which are used for the treatment of the dental caries, and other dental diseases. According to the study of the Global Burden of Disease Study, in 2017, around 3.5 billion people had dental caries. Moreover, globally, around 2.3 billion people suffer from caries of permanent teeth and more than 530 million children suffer from caries of primary teeth. The increased changes in the living conditions, and increased urbanization contributes for the prevalence of the dental diseases. This is primarily attributed to the poor access to the healthcare, and lack of awareness among the consumers regarding the hygiene. The consumption of the high amount of sugar, has also led to the rise in the prevalence of the dental diseases, thereby contributing for the demand for the dental materials.

## INTRODUCTIONS OF INSURANCE SCHEMES FOR DENTAL TREATMENTS

Dental insurance is likely to be one of the most lucrative developments in Indian dentistry. Ayushman Bharat, Indian Government's initiative that covers dental insurance, is a positive step toward formalizing dental insurance, thus, stabilizing the dynamics of the Indian Dental Material market. Dental insurance is gradually becoming successful to ensure dentistry is more accessible to patients and more rewarding for dentists in terms of revenues, in various developed countries. It's no surprise that dentistry is one of the most lucrative occupations in countries such as the U.S., Canada, and U.K. among others. Dental insurance in India is still in its infancy, with just a few insurance plans covering out-of-hospital dental services. Nevertheless, with fierce competition among insurance providers in India, the Indian dental market is anticipated to witness several major insurance companies releasing products which cover dental treatments.

## GROWING DENTAL TOURISM IN DEVELOPING COUNTRIES

The costs of the dental treatments have increased in the developed nations, including the US, and Canada, and thus several people are moving for the dental treatment in developing countries. The costs of dental treatment are low in the developing nations, which is one of the significant factors boosting the growth of dental tourism. Dental tourism is driven by several factors, which includes, the high costs of the dental care in the developed countries, including the US, Canada, and the UK, among others. The adoption of new technology in the dental healthcare services, has led to the rise in medical tourism. Countries including, India, South Africa, Hungary, Thailand, and Turkey emerged as the hubs of medical tourism. Some of the factors, leading to an increase in medical tourism are decrease in waiting lists for treatment, and availability of latest medical technologies has led to the rise in the adoption of the dental materials, thereby driving the growth of the market.

## INCREASING DEMAND FOR COSMETIC DENTISTRY

Cosmetic dentistry is a branch of science, which is used for the improving the aesthetics of the teeth. In the past few years, the demand for the cosmetic dentistry has increased, owing to the rise in the awareness among the population. According to the American Academy of Cosmetic Dentistry (AACD), adults between the age group of 31-40 years and baby boomers enquired regarding the cosmetic dentistry. Furthermore, the rise in the awareness among the consumers, has also led to the rise in the demand for the cosmetic procedures, thereby driving the growth of the market. The change in the lifestyle and rise in the disposable income has led to the rise in the demand for the cosmetic dentistry. The average citizen of the US spends around USD 600-100 USD for the whitening of the teeth, therefore the demand for the cosmetic dentistry, has increased in the past few years.

**ENTER AND EXPAND INTO NEW BUSINESS  
SEGMENTS THROUGH INTRODUCTION  
OF NEW PRODUCTS**

We seek to capitalize on the growth opportunities in the hygiene, oral care, oral hygiene, and bio-materials segment based on our well positioned operations, network of dealers & agents and being led by an experienced management team. As per our diversification plans, we are currently expanding our existing manufacturing unit by setting up another manufacturing facility in over 16,000 sq. ft. area adjacent to our existing unit for manufacturing new line of products that will include hygiene products (sanitizers and disinfectants), oral hygiene products (mouth washes and mouth rinses), oral care products (medicated ointments, gels, and creams for dental treatment) and biomaterials (bone grafting materials and membranes). The proposed facility will be well-equipped with the latest machinery, and it is proposed to be commissioned by the end of F.Y. 2022-23. We also intend to strengthen our research and development abilities by developing an advanced R&D Centre in the new manufacturing facility.

**AUGMENTING GROWTH IN DOMESTIC AND  
GLOBAL MARKETS**

Presently, our revenue from domestic and export business is almost 40% and 60% respectively (based on restated financial statements for F.Y. ended Mar.'21). Going forward, our primary focus would be to continue our growth in export. Our products are not being currently exported to USA and Canada. We believe that there lies a huge business opportunity for our dental products in the markets of USA and Canada. In this direction, we have already obtained clearance under Section 510(k) of Federal Food, Drug, and Cosmetic Act from USFDA for five of our dental cement products, namely, Micron Bioactive, Micron Superior, Micron Superior Capsules, Micron Luting and Micron Dentin Conditioner. We've also applied for ISO 13485 (MDSAP Certification). We strongly believe that the demand for dental products will grow in India and overseas, owing to the aging of population globally and increasing awareness of the importance of oral health maintenance and increasing consumer focus on cosmetic dentistry. We believe that we are well positioned to exploit the opportunities offered by the expected growth in the dental industry.

**CONTINUE TO INVEST IN R&D CAPABILITIES**

We believe that R&D is critical in maintaining our competitive position, addressing changing consumer trends and industry developments, developing innovative processes, developing costs, and operating efficiencies. We intend to increase our initiatives in research and development in order to enhance our diversified product portfolio in both the domestic and international markets. As part of our strategy, we intend to set up a dedicated R&D unit for dental materials and new line of products at the proposed facility. We believe that investment in R&D provides us a long-term growth opportunity, and accordingly, we intend to continue to make investments in development of products which have higher market demand.

**FOCUS ON BRAND AWARENESS**

Going forward, we seek to allocate portion of our resources to increase the brand awareness of our dental products. We believe that the ability to differentiate our products from our competitors through our branding and marketing efforts will be an important factor in gaining market share. We recently have setup regional office in Gurugram, Haryana for marketing of our products to the customers in the North Indian region. We plan to setup more such regional offices in other parts of India and intend to undertake appropriate marketing initiatives in order to increase our viability and market share as well as to create public awareness of our dental products.

**RETAIN AND ATTRACT THE BEST TALENT  
AND DEVELOP A PERFORMANCE  
FOCUSED CULTURE**

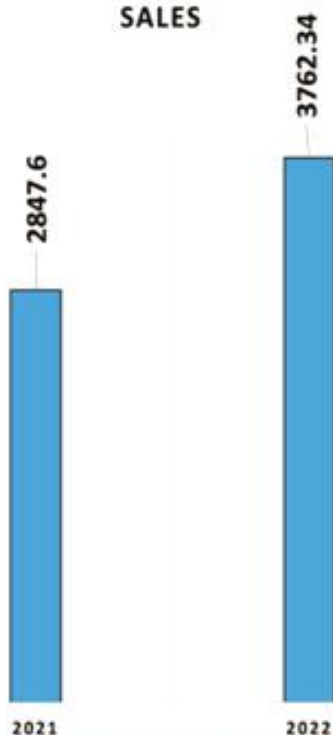
Our employees are critical to our business. We believe that the key to our success will be our ability to continue to maintain and grow a team of talented and experienced professionals. We intend to place special emphasis on attracting, training, and retaining our employees. We also internally assess our employees to periodically identify competency gaps and use development inputs (such as training and job rotation) to address these gaps. We intend to continuously enhance our employees' skills and productivity and will continue to help our employees develop understanding of our customer-oriented corporate culture and service quality standards to enable them to continue to meet our customers' changing needs and preferences. We will continue to regularly review and update our employee compensation plans and bonuses based on their individual performance so that our employees are suitably incentivized.

**CONTINUE TO STRIVE FOR COST EFFICIENCY**

We aim to continue to maintain our cost management focus, including in-house integrated manufacturing capabilities, across our business to deliver growth as well as to achieve economies of scale. We will continue to seek to manage our supply chain costs through optimal inventory levels, economic orders, and other measures. Economies of scale will also enable us to continuously improve our operational efficiencies.

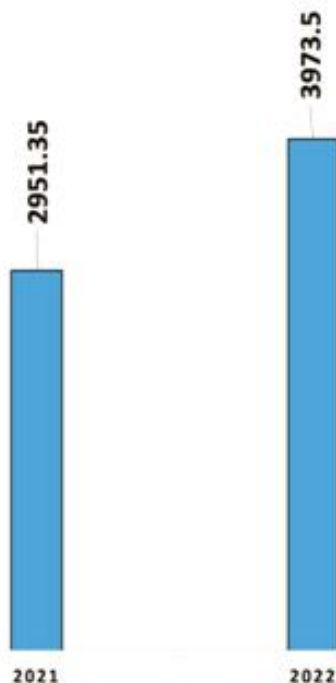
**+32.12%**  
(FIG. IN LAKHS)

**SALES**



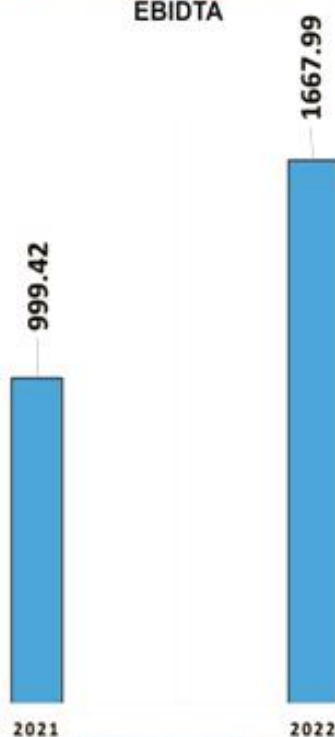
**+34.63%**  
(FIG. IN LAKHS)

**TOTAL REVENUE**



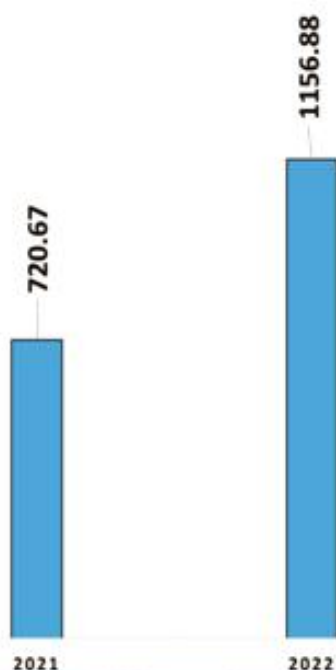
**+66.90%**  
(FIG. IN LAKHS)

**EBIDTA**



**+60.53%**  
(FIG. IN LAKHS)

**PROFIT AFTER TAX**



## DENTAL PREPARATIONS (PASTES)

The products such as composites, etchants, liners, pastes for endodontic use, orthodontics use, finishing & polishing, teeth whitening gels and temporary filling materials are manufactured in paste form. These products are manufactured in planetary mixers, sigma mixers under controlled heating and other physical parameters. The major raw materials used for manufacturing these pastes include zinc oxide powder, glass powder, fillers, calcium hydroxide powder, and different types of resins, monomers, glycols, glycerin, and paraffin. The finished products are filled in syringes and plastic jars labeled and finally packed in cardboard boxes.

## DENTAL PREPARATIONS (LIQUID)

The products such as adhesives, bonding agents, liquids for endodontic applications, auxiliary materials hemostatic materials are manufactured in liquid form. These products are manufactured in blenders, homogenizers, and filled in glass/plastic bottles after filtration. The raw materials used in the manufacture of these liquid products are diethylene glycol Di methacrylate, urethane Di methacrylate and bisphenol A Bis Propyl Ether, glycols, DM water, solvents, resins etc. After filling these products are finally labeled and packed in cardboard boxes.

## DENTAL PREPARATIONS (POWDER)

The products such as Cements, some endodontic materials, denture materials are manufactured in powder form. These products are manufactured with the help of Pot Mill, double cone blender, sintered in high temperature furnace and finally sieved to obtain desired particle size. The major raw materials used for manufacturing dental powder products include glass powder, zinc oxide and pumice powder. The finished products are filled into plastic containers and finally labeled and packed into cardboard boxes

## DENTAL IMPRESSION MATERIALS

The alginate impression materials are manufactured by blending pumice powder, paraffin, diatomaceous earth, and other ingredients in a ribbon blender and sieved to obtain desired particle size. Finished product is finally packed in plastic bags. The dental putty and light body products are manufactured by blending Paraffins, Diatomaceous earth, zinc oxide etc. in sigma/planetary mixer and the final product is filled in plastic jars/cartridges and finally packed in cardboard boxes.

## PLANT & MACHINERY

Our major plant & machinery includes Planetary Mixers, Sigma Mixers, Sieving Machines, High Temperature Furnace, Homogenizers Mixers, Blenders, Paste Filling Machines, Cartridges Filling Machines, Powder Filling Machines, Liquid Filling Machines, Labeling Machines, Cap sealing Machines and Pot Mills.

We have entered into collaboration with the following reputed dental universities & institutions for exchange of technical knowledge and conducting training & research on dental materials.

**Terna Dental College  
& Hospital, Mumbai**

**A.B. Shetty Memorial  
Institute of Dental  
Science, Mangalore,  
Karnataka**

**Army College of  
Dental Sciences,  
Secunderabad,  
Telangana**

**R.S.M.N.N. Sattha  
College of Pharmacy,  
Ahmednagar,  
Maharashtra**

**J.M.F.'s A.C.P.M.  
Dental College  
Dhule, Maharashtra**

The company has also entered into licence agreement with Sree Chitra Tirunal Institute for Medical Sciences & Technology, Trivandrum for obtaining the know-how and rights to enable us to manufacture bioactive bone cement based on calcium sulfate and calcium phospho-silicate composite (HA-BG) Granules.



Trademarks are essential to our business. The trademark of our Company is registered with the Registrar of Trademarks, Government of India under classes 5 and 35. We have 51 trademarks registered under various classes for certain of our products for which we have obtained valid registration certificates under the Trademarks Act, 1999 from Registrar of Trademarks, Government of India. Further, we have made trademark applications for six products under the Trademarks Act, 1999 which are currently pending before the Registrar of Trademarks, Government of India.



**Atul Modi**  
(Chairman and MD)  
Experience: 44 years  
Qualification: BE (Mechanical)



**Namrata Modi**  
(Whole Time Director and CFO)  
Experience: 22 years  
Qualification: MBA  
(Entrepreneurship)



**Niharika Modi**  
(Non Executive Director)  
Experience: 14 years  
Qualification: B. Tech



**Dr. Sai Kalyan Surapaneni**  
(Executive Director)  
Experience: 18 years  
Qualification: MDS, MS, PhD



**Dr. Sudeep Haralakatte Murthy**  
(Independent Director)  
Experience: 8 years  
Qualification: MDS



**Dr. Nikhil Shrikant Bobade**  
(Independent Director)  
Experience: 9 years  
Qualification: MDS

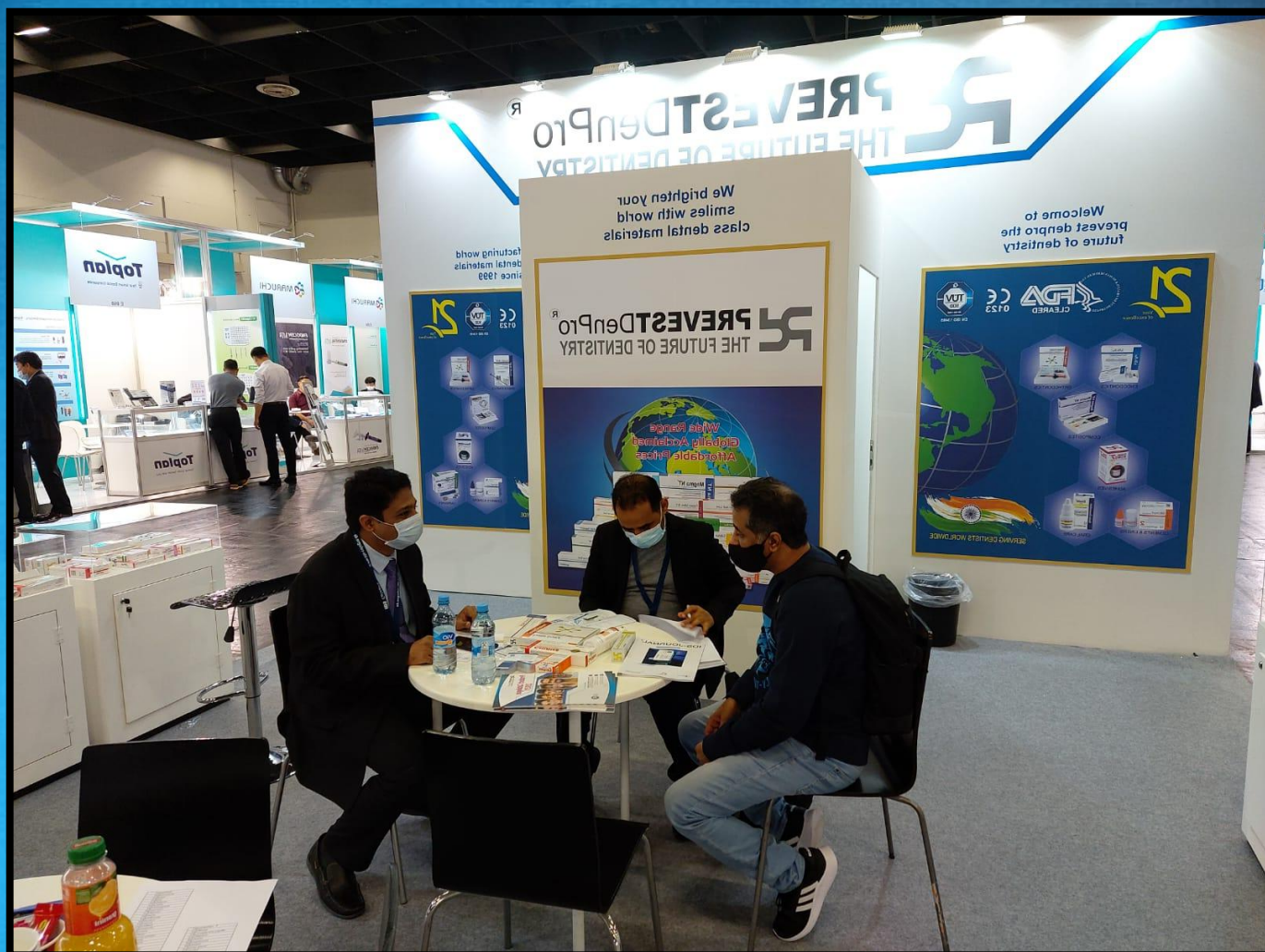
**HR Objectives:** The key objective of the human resources initiatives of the company is to align individual professional growth with the core purpose and vision of the company and to build a competent leadership pool as the company is envisaging substantial growth in the coming years.



Factory medical officer has been engaged in conducting regular check-ups and health awareness programmes. A system has also been designed to identify and monitor occupational hazards. Fire and safety mock drills were also organized.

**Strategic Initiatives**

- 2-day induction programme to align the organizational vision and values with each employee's professional goals.
- Learning & Development vertical for imparting functional knowledge, skill development and team building.
- Management training/workshops for senior management at leading institutes
- Industry updates for enhancing strategic thinking
- Rewards and recognitions for performance benchmark visibility
- Linking day-to-day functions to KPIs



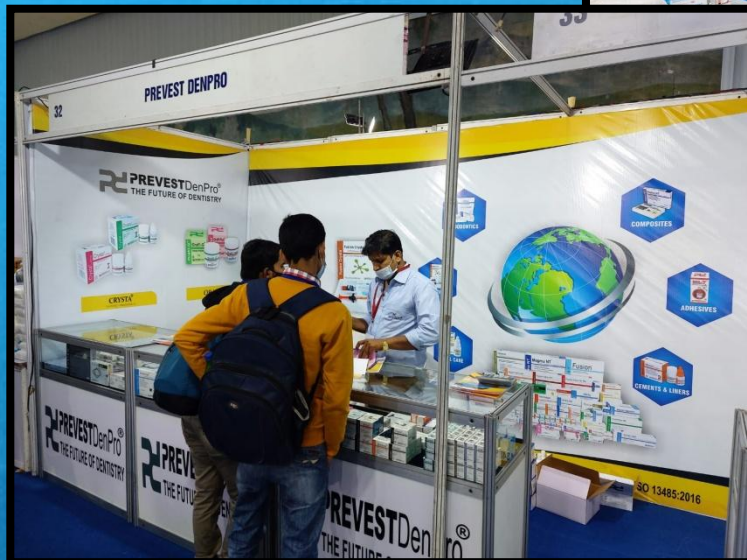
## IDS COLOGNE, GERMANY 2021



## SAUDI INTERNATIONAL DENTAL CONFERENCE (SIDC) 2022



## AEEDC DUBAI 2022



## KOLKATA CONFERENCE 2021-22



## NORTH-EAST DENTAL SHOW GUWAHATI 2021-22





## MARKETING MEET 2021-22

## GLOBAL DENTAL MATERIAL MARKET

The Global Dental market was valued at USD 36.32 Billion in 2021. The market is expected to reach the valuation of USD 33.1 Billion by 2028, registering a CAGR of 8.0%. Factors driving the growth of the market include rising popularity and demand for cosmetic dentistry, rising incidence of dental diseases, increasing disposable income in developing countries and high prevalence of dental diseases. The materials used to restore and rehabilitate tooth structures are persistently evolving worldwide. Newer material processing methods and innovations have increased the dependability and predictability of dental material for dental care professionals dramatically over the last decade. Furthermore, the use of dental CAD/CAM technology in routine dentistry has advanced in recent years, as has the production of subsequent materials for fabricating an all-ceramic restoration.

According to the World Health Organization (WHO) estimates, 2.3 billion people suffer from caries of permanent teeth globally. Moreover, approximately 530 million children suffer from caries of primary teeth, worldwide. With increasing urbanization and rapid changes in living conditions in most of the low- and middle-income countries, the prevalence of oral diseases is expected to increase. Rising incidences of dental diseases is anticipated to propel the growth scenario of the global dental materials market over the forecast period.

### Growth Opportunities in Emerging Countries:

Emerging countries, including India, Brazil, and China, require help from several other global manufacturers globally. These countries, create significant growth opportunities, owing to the large pool of patient population, which has led to the rise in the demand for the dental materials. The rise in prevalence of the periodontal diseases, has led to the adoption of the dental materials. According to the study on Dental Health in India, around 85% to 90% of adults have dental cavities, and around 60 to 80% of children are suffering from dental caries, and dental diseases. This has led to the rise in the demand for the dental materials. Several manufacturing companies are focusing on increasing their presence in developing regions and have set up the manufacturing plants. The relaxation in the regulations, has led to the rise in the investments in developing countries, including India, and China. The manufacturing costs are reduced in these regions, and the costs of the distribution also decreases. These are some of the factors, which contributes for the growth of the dental materials market in the emerging countries

## DENTAL MATERIAL MARKET IN INDIA

The dental material market in India was valued at USD 782.3 Million in the year 2021 and is projected to reach value of USD 1372.4 Million by 2028, registering a CAGR of 9.3% over the forecast period. Indian Dental Association (IDA) drafted the National Oral Health Program to address the burden of dental disease in an effective manner for bringing about 'optimal oral health' for all by 2020. As per their survey in India 60-65% population lives in rural areas. Where there is no oral health care system with the dentist: population ratio of about 1:2,00,000. Oral health services exist at district, subdivision, and tehsil level. 60–90% of school children and nearly 85-90% of adults have dental cavities, often leading to pain and discomfort. There is no paradental infrastructure at village level and the primary health care center level. At community health care center level only 25% community health centers are having posting of dental surgeons but have inadequate instruments, equipment, and dental materials. The most common oral diseases are dental cavities, periodontal (gum) disease, oral cancer, oral infectious diseases, trauma from injuries, and hereditary lesions. Gum disease could also be a sign of diabetes. As per IDA 2020 Diabetics are prone to have periodontal disease, if their condition is not under control Periodontal diseases, dental caries, malocclusion, and oral cancer are the major dental problems effecting people in India. The overall prevalence of periodontal diseases was high in India. As India is one of the countries consuming maximum tobacco, a leading cause of oral cancer, the problem has only aggravated in recent past also India occupies the third position in the world with an annual production of about 800 million kgs of the different types grown, flue- cured tobacco, country tobacco, burley, bidi. 34.6% of adults in India are consuming tobacco in any form; 47.9% of males and 20.3% of females. Thus, increasing tobacco consumption, oral diseases and awareness among the individual will drive the market for dental material in near future.

### INDIA DENTAL MATERIALS MARKET ESTIMATES AND FORECAST, 2021-2028 (USD MILLION)

Market Size	2021	2022	2024	2026	2028	CAGR (2021-2028)
Revenue (USD Million)	782.3	839.3	975.4	1153.1	1372.4	9.3%

## COMPANY OVERVIEW

We develop, manufacture and market a comprehensive portfolio of dental materials for diagnosing, treating, and preventing dental conditions as well as improving the aesthetics of the human smile. The breadth and depth of our product offerings address majority of the dentists' clinical needs for consumable dental materials. Our product portfolio covers a wide spectrum of materials for endodontics, prosthodontics, orthodontics, periodontics, restorative dentistry, aesthetic dentistry, and laboratory consumables.

Our manufacturing facility is located at Kartholi, Samba (Jammu & Kashmir), comprising of over 27,000 sq. ft. area and has an installed capacity of 200 MT p.a. for manufacturing of dental materials. Further, as per our diversification plans, we are currently expanding our existing manufacturing unit by setting up another manufacturing facility in over 16,000 sq. ft. area adjacent to our existing unit for manufacturing new line of products that will include hygiene products (sanitizers and disinfectants), oral hygiene products (mouth washes and mouth rinses), oral care products (medicated ointments, gels and creams for dental treatment) and biomaterials (i.e. bone augmentation materials). The proposed facility will be well-equipped with latest machineries and will be commissioned in Fiscal 2023.

Our products are certified with ISO 13485:2016 and EU CE mark, which makes us eligible to market our products in European Union and many other countries which have adopted EU medical devices directives. We are also certified by Breakthrough Management Quality Registrar (BMQR) for Good Manufacturing Practices for the manufacture and sale of dental materials

## FINANCIAL PERFORMANCE DURING FY 2021-2022

- Net sales increased **32.12%** compared to the prior year.
- Net income increased to **Rs.1156.88** Lakh as compared to the net income of Rs **720.67** Lakh for the prior year.
- Earnings per share were Rs. **9.64** per share compared to an earnings per share of Rs. **8.16** in the prior year.
- Cash from operations was **Rs. 696.23** Lakh, as compared to **Rs.189.55** Lakh in the prior year.

## DETAILS OF KEY FINANCIAL RATIOS AND SIGNIFICANT CHANGES(25% OR MORE) IN RATIO ALONG WITH EXPLANATION

S.No.	Key Ratios	FY 2021-22	FY 2020-21	Change %	Explanation if required
1.	Debt Equity Ratio	2.39%	6.20%	(61.37%)	Company's equity has been increased due to issuance of share by way of IPO at premium and generation of higher profit, whereas debt has not been increased resulting in lower debt equity ratio
2.	Current Ratio	976%	360%	171%	The Company has seen sharp increase in Current assets as there is a sharp increase in fixed deposits with the bank by the company as company is come with the Initial public offer and all the unused proceed from IPO is with Fixed Deposit.
3.	Debt Service Coverage Ratio	11704%	4204%	178%	Company's equity has been increased due to issuance of share by way of IPO at premium and

					profit, whereas debt has not been increased resulting in improvement in debt service coverage ratio.
4.	Inventory Turnover Ratio	431%	657%	(34.37%)	Company's Turnover has increased by 32 % during the year, resulting in lower Inventory turnover ratio.
5.	Net Profit Ratio	30.75%	25.31%	21.50%	Not applicable
6.	Debtor Turnover Ratio	1239.95%	964.53%	28.55%	Company's Turnover has increased by 32 % during the year, whereas the debtors have increased marginally, resulting in higher debtor turnover ratio.

## ADEQUACY OF INTERNAL CONTROL SYSTEM

The Company's has adequate internal control systems for the business processes in respect of all operations, financial reporting, compliance with laws and regulations, etc. The Management information system forms an effective and sound tool in monitoring and controlling all operating parameters. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee reviews the adequacy of internal controls on regular basis.

## HUMAN RESOURCE DEVELOPMENT

The company recognises its human capital as its most important resource, and takes pride in the commitment, competence and dedication shown by its employees. Company is committed to nurturing, enhancing and retaining all its employees through superior Learning and Organizational development. The company recognises that its employees are critical pillar to support the organization's growth and its sustainability in the long run.

**S**

## Strength

- Prevest Denpro Limited has a large consumer base in domestic market
- The company has cost efficient high quality products portfolio
- The company has skilled man force in R&D contributing to improved research and development capabilities. The company is focusing on developing an advanced R&D Centre in the new manufacturing facility
- Moreover, the production capacity is large with in-house quality measures & testing facilities available. The company has state-of-the-art production infrastructure with production space of over 40,000 sq.ft

**W**

## Weakness

- Tough competition by major giants in domestic and international market is likely to impact the market
- Inadequate marketing infrastructure resulted in slower domestic market growth.
- Threat of government intervention

## Opportunity

- The major opportunity for company lies in expanding its global presence and increasing product promotions for better reach
- The company is focusing on expansion into new business segments including hygiene, oral care, oral hygiene and bio-materials segment based
- Collaboration with educational institutions for conducting research on dental materials provides substantial growth opportunity
- Investment opportunity in R&D sector would provide a stringent competition to other global players.
  - Continuous effort have been made in R&D for product improvement to get global recognition

**O**

## Threat

- Currently Prevest Denpro Limited doesn't export to USA and Canada. Rigorous competition from established players in U.S & Canada in terms of product offering could pose subsequent threat
- The imbalances in their distribution channel coupled with fluctuating raw material prices could pose a significant threat to the company amid COVID-19. Despite the economy's rebound, the dental supplies is still awaiting for a significant market recovery and is unlikely to return to pre-recession levels in the near future
- Threat of government intervention might create problems for business in the future

**T**

### CAUTIONARY STATEMENT

Statement made in the Management Discussion and Analysis Report, as describing the Company's outlook, projections, estimates, expectations and predictions may be "Forward Looking Statements" within the meaning of applicable securities Laws and Regulations. Actual performance may be and could differ materially from those expressed or implied.

The Board of Directors has adopted a CSR policy to enable the Company to carry-out CSR activities in all the activities that are mentioned in the Schedule VII to the Companies Act, 2013. The CSR initiatives of the Company are mainly focused in hunger, poverty, education, healthcare, environment, relief, disaster management, animal welfare etc. and Covid-19 related activities as permitted by the law. The projects undertaken during the Financial Year 2020-21 were within the broad framework of Schedule VII to the Companies Act, 2013.

- (i) **Eradicating hunger**, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.



- (ii) **Promoting gender equality**, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.



- (iii) **Contribution to the Prime Minister's National Relief Fund** or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.



- (vii) **Promoting education**, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.



- (ix) **Contributions or funds provided to technology incubators** located within academic institutions which are approved by the Central Government.



- (x) **Rural development projects**, efforts for improving the social, economic, cultural and infrastructural conditions of rural populace.



- (xi) **Slum development area**, integrated approach towards the development of any area declared as "slum area" by the Central Govt/any State Govt/any competent authority under any law for the tenure in force.



## PROMOTING EDUCATION

The education sector is vast and complex, with varied interventions being undertaken across the country by multiple stakeholders. With 200 million children in primary and secondary schools across the country, India has the mammoth task of providing quality education to these children. Education is widely held as a critical cause and receives attention from both, public and private stakeholders. This is reflected in the quantum of investment made by corporates in the domain of education, through CSR spends and by NGOs, through the number of on ground projects, with the government being central.

The need to understand perceptions and expectations of CSR representatives towards those executing CSR mandates on the ground, and vice-versa has been felt for a long time. While studies mention the quantum of investment being made in the sector by both, CSR, and NGO functionaries, not much evidence is available on trends and gaps in the sector, which could help companies identify the right social needs and relevant opportunities for interventions.



## PROMOTING ENVIRONMENT SUSTAINABILITY

Prevest Denpro Ltd. believes that being a sustainable business is about striking the balance between stakeholder expectations and the needs and concerns of our employees, the workers in our supply chain and the environment. Achieving a balance between these aspects is essential to meet the needs of the present without compromising future generations.

Our approach to environmental sustainability includes how we manage environmental impacts of our company, products, and services. We aim to establish an approach in management of materials, waste and water, energy performance, as we develop and deliver solutions to support environmental sustainability. Prevest Denpro Ltd. and its employees shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in. Prevest Denpro Ltd is committed to prevent the wasteful use of natural resources and minimise any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment



## PROMOTING HEALTH AWARENESS

The pandemic has affected both personal and professional lives across industries of all scales and types thereby multiplying relief efforts through the cooperation of all kinds of entities. The present publication takes an account of 100 Companies' CSR response to COVID-19. The document reviews non-monetary contributions of CSR companies



## ERADICATING HUNGER

The Company to eradicate hunger and poverty, distributed Items to local villagers. The company also contributed by catering of food & distribution of blankets to orphanage & poor in Jammu and Kashmir



The company has contributed towards upgrading facilities in a crematorium located in Jammu, Jammu and Kashmir.

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE 23<sup>RD</sup> (TWENTY THIRD) ANNUAL GENERAL MEETING OF THE MEMBERS OF PREVEST DENPRO LIMITED WILL BE HELD ON FRIDAY, 16TH SEPTEMBER 2022, AT 12.30 P.M. (IST), THROUGH VIDEO CONFERENCING / OTHER AUDIO-VISUAL MEANS TO TRANSACT THE FOLLOWING BUSINESSES:**

---

### ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors and Auditors thereon.
2. To appoint Mr. Atul Modi (DIN: - 00788272), who retire by rotation and being eligible, offers himself for re-appointment as Director.

**By Order of the Board of Directors  
For Prevest Denpro Limited**

**Sd/-  
Atul Modi  
Managing Director  
DIN: 00788272**

**Date: 10/08/2022**

**Place: Jammu**

## NOTES:

1. In view of the ongoing COVID-19 pandemic, social distancing norms to be followed and pursuant to General Circular No. 14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020 read with General Circular No. 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021 and 20/2021 dated 8th December, 2021 and 3 /2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as "MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 issued by the Securities and Exchange Board of India (collectively referred to as "SEBI Circulars") and in compliance with the provisions of The Act and Listing Regulations, the forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of the Company/ list of Beneficial Owners as received from National Securities Depository Limited ("NSDL") /Central Depository Services (India) Limited ("CDSL") (collectively referred to as "Depositories") in respect of such joint holding will be entitled to vote.
5. Ms. Khushboo Kharloya, a Practicing Company Secretary (Membership No. 67195), has been appointed as "Scrutinizer" to scrutinize the e-Voting process and voting at the AGM in a fair and transparent manner and he has communicated his willingness to be appointed.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.prevestdenpro.com](http://www.prevestdenpro.com) The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com)

respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e., [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
10. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Company has provided a facility to its Members to exercise their votes electronically through the electronic voting (“e-voting”) facility provided by the National Securities Depository Limited (NSDL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by Members holding shares in dematerialized mode, physical mode and for Members who have not registered their email addresses is provided in the “Instructions for e-voting” section which forms part of this Notice.
11. 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 the e-voting system during the AGM.
12. In compliance with the Circulars, the Annual Report 2021- 2022, the Notice of the 23rd AGM and instructions for e-voting are being sent only through electronic mode to those Members whose email addresses are registered with the Company / depository participant(s).
13. Members who have not registered their email addresses with the Company/ RTA or their Depositories for receiving all communication (including Notice and Annual Report) from the Company electronically can get the same registered as follows:  
Members holding shares in dematerialized mode are requested to register/ update their email addresses with the relevant Depositories.
14. Members who would like to express their views/ ask questions during the AGM may register themselves as a speaker by sending their request in advance at least seven days before the AGM to [csprevestdenpro@gmail.com](mailto:csprevestdenpro@gmail.com). Members who do not wish to speak during the AGM but have queries may mentioning the name, securities demat account number/ folio number, email id, mobile number to [csprevestdenpro@gmail.com](mailto:csprevestdenpro@gmail.com) send their queries in advance 7 days prior to meeting.
15. Only those Members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the AGM once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.
16. The Scrutinizer will submit his report to the Chairman of the Company (‘the Chairman’) or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than two working days from the conclusion of the AGM. The result declared along with the Scrutinizer’s report shall be communicated to the stock exchanges, NSDL and RTA and will also be displayed on the Company’s website at [www.prevestdenpro.com](http://www.prevestdenpro.com)
17. Since the AGM will be held through VC/OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Tuesday, September 13, 2022 at 09:00 A.M. and ends on Thursday, September 15, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., September 09, 2022 may cast their vote electronically. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 09, 2022.

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

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

#### Step 1: Access to NSDL e-Voting system





##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ 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 <b>e-Voting service provider i.e., NSDL</b> and you will be redirected to</li> </ol>

# NOTICE OF ANNUAL GENERAL MEETING

	<p>e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their 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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e., NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget 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., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

## **B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

### **How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.*

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## General Guidelines for shareholders

1. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [khushbu.rathi48@gmail.com](mailto:khushbu.rathi48@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Sarita Mote at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-Mail Ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [csprevestdenpro@gmail.com](mailto:csprevestdenpro@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [csprevestdenpro@gmail.com](mailto:csprevestdenpro@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop 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 kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance at least seven days prior to the AGM mentioning their name, demat account number/folio number, email id, mobile number at [csprevestdenpro@gmail.com](mailto:csprevestdenpro@gmail.com) The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [csprevestdenpro@gmail.com](mailto:csprevestdenpro@gmail.com) The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [csprevestdenpro@gmail.com](mailto:csprevestdenpro@gmail.com) .These queries will be replied to by the company suitably by email. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
7. Members who need assistance before or during the AGM, can contact Ms. Sarita Mote, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30.

**By Order of the Board of Directors**

**For Prevest Denpro Limited**

**Sd/-**

**Atul Modi**

**Managing Director**

**DIN: 00788272**

**Date: 10/08/2022**

**Place: Jammu**

## Annexure to the Notice

Details of Director seeking re-appointment at the Annual General Meeting pursuant to the provisions of Secretarial Standards 2 and SEBI (LODR) Regulations, 2015

Particulars	Mr. Atul Modi
DIN	00788272
Date of Birth	02/10/1953
Date of Appointment	May 05, 1999
Qualification	B-Tech in Mechanical Engineering
Expertise in specific functional areas	<p>Overall management of the business and in particular to:</p> <ul style="list-style-type: none"> <li>• Prepare a corporate plan and annual business plan and monitor progress against these plans to ensure that the Company attains its objectives as cost-effectively and efficiently as possible.</li> <li>• Provide strategic advice and guidance to the Members of the Board and ensure that the appropriate policies are developed to meet the Company's mission and objectives and to comply with all relevant statutory and other regulations.</li> <li>• Develop and maintain research and development programs to ensure that the Company remains at the forefront in the industry, applies the most cost-effective methods and approaches, provides leading-edge products and services and retains its competitive edge.</li> <li>• Develop and maintain Total Quality Management systems throughout the Company to ensure that the best possible products and services are provided to customers.</li> <li>• Oversee the preparation of the Annual Report and Accounts of the Company and ensure their approval by the Board.</li> <li>• Develop and direct the implementation of policies and procedures to ensure that the Company complies with all health and safety and other statutory regulations.</li> </ul>
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	NIL
Memberships / Chairmanships of committees of other public companies	NIL
Percentage of shares held in the Company	36.85%
Disclosure of relationships between Directors inter-se	(Wife)- Mrs. Namrata Modi, WTD & CFO (Daughter)- Mrs. Niharika Modi, Non-Executive Director

**By Order of the Board of Directors**

**For Prevest Denpro Limited**

**Sd/-**

**Atul Modi**

**Managing Director**

**DIN: 00788272**

**Date: 10/08/2022**

**Place: Jammu**

## THE MEMBERS PREVEST DENPRO LIMITED

The Directors are pleased to present their 23<sup>rd</sup> Annual Report on the business and operations of the Company together with the audited financial statements for the Financial Year ended March 31, 2022.

## FINANCIAL RESULTS

The Company's financial performance for the Financial Year ended March 31, 2022 is summarised below:

Particulars	(Amount in Rs. Lakh)	
	FY 2021-22	FY 2020-21
<b>Total Income</b>	3973.50	2951.35
Less: Expenditure	2368.33	2017.82
<b>Profit/(Loss) before Tax</b>	<b>1605.16</b>	<b>933.52</b>
Tax Expense (including Previous Year Tax Adjustment)	448.28	212.86
<b>Profit/(Loss) after Tax</b>	<b>1156.88</b>	<b>720.67</b>

## RESULTS OF OPERATIONS & STATE OF COMPANY'S AFFAIRS

During the FY 2021-22, the Company has earned profit before tax of Rs. 1605.16 Lakh and after-tax profit of Rs. 1156.88 Lakh as against profit before tax of Rs. 933.52 Lakh and after-tax profit of Rs. 720.67 Lakh during FY 2020-21.

The Company is striving towards making platform for its future activities and your Directors are confident about the prospects of the Company and have a belief that its performances will improve in the years ahead.

## DIVIDEND AND RESERVES

In order to conserve the profits and deploy the same in the business of the Company, no dividend has been recommended by your Directors for the current financial year.

Your Directors do not propose to transfer any amount to the general reserves of the Company, instead have recommended to retain the entire of profits for the financial year ended March 31, 2022, in the profit and loss account.

No amount was due or outstanding as at Balance Sheet date to be credited to the Investor Education and Protection Fund.

## DEPOSITS

There were no outstanding deposits at the beginning and end of the FY 2021-22. Also, the Company has not accepted any deposits from the public/members under Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year.

## INITIAL PUBLIC OFFERING & LISTING

Your Company is happy to inform that Initial Public Offering ("IPO") of 31,68,000 equity shares of face value of Rs. 10/- and listed at a premium of Rs 74 per share (aggregating to ₹26.61 cr.) was oversubscribed 38.12 times (i.e., around 32.87 times in RII, 5.78 times in the QIB and 78.98 times in the NII category).

Your Company's entire paid-up share capital consisting of 12,00,3000 equity shares were listed and admitted for dealing on the SME platform of BSE Limited with effect from September 27, 2021, subject to fulfillment of lock-in

conditions on certain shares.

The issue opened on September 15, 2022 and closed on September 17, 2022. The issue was led by book running lead managers Hem Securities Limited.

The proceeds of IPO were utilized for the objects as disclosed in the Prospectus.

## **SHARE CAPITAL**

During the year, your Company allotted 1,17,18,000, equity shares of Rs. 10/- each as fresh issue of shares out of which 85,50,000 equity shares of Rs. 10/- each issued as fully paid Bonus Share in the ratio of 30:1 and 31,68,000 Equity Shares issued by way of Initial public offer.

With the said allotment, the paid-up equity share capital has increased to 12,00,30,000/- as on March 31, 2022, consisting of 1,20,03,000 equity shares of 10/- each.

Your Company has not issued shares with differential voting rights during the year under review.

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished

## **SUBSIDIARY AND ASSOCIATES COMPANIES**

As on March 31, 2022, the Company did not have any Subsidiary, Joint Venture, and Associate Company.

## **ANNUAL RETURN**

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return of the Company for Financial Year 2021-22 prepared in accordance with Section 92 (1) of the Act has been placed on the website and is available at [www.prevestdenpro.com](http://www.prevestdenpro.com)

## **RELATED PARTY TRANSACTIONS AND POLICY**

- The Company has developed a related party transactions framework through standard operating procedures for the purpose of identification and monitoring of transactions with the related parties.
- The policy on related party transactions as approved by the Board of Directors has been uploaded on the website of the Company. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company.
- The details of transactions entered with the related parties are given in form AOC-2 in terms of the provision of section 188(1) including certain arm's length transactions and annexed herewith as **Annexure A**

## **PARTICULARS OF REMUNERATION OF DIRECTORS AND CERTAIN SPECIFIED EMPLOYEES:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees), Rules 1975, the ratio of remuneration of each Director to the median of the employees' remuneration is furnished in **Annexure B**.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2022, the Board of Directors of your Company comprised of six Directors, viz., three Executive Directors, one Non-Executive Director and two Independent Directors.

As per the Articles of Association of the Company, one third of the Directors (other than Independent Directors) are liable to retire by rotation at the Annual General Meeting ("AGM") of the Company, every year. Mr. Atul Modi (DIN 00788272) is liable to retire by rotation at the ensuing 23rd AGM and being eligible, offers himself for re-appointment.

Shareholder at its Extra Ordinary General Meeting held on April 27, 2021, has re-designated Mr. Nikhil Shrikant Bobade (having DIN No. 09105095) and Mr. Sudeep Haralakatte Murthy (having DIN No. 09109498) as Independent Directors of the Company for a period of 5 years with effect from April 27, 2021.

Mr. Nikhil Shrikant Bobade (having DIN No. 09105095) and Mr. Sudeep Haralakatte Murthy (having DIN No. 09109498) are the Independent Directors on the Board with effect from April 27, 2021. Pursuant to the provisions of Section 149 of the Companies Act, 2013, they have submitted declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company. In the opinion of the Board, they possess the requisite integrity, experience, expertise, and proficiency required under all applicable laws and the policies of the Company.

Composition of the Board and KMP along with the number of other Directorships/Committee positions held as on March 31, 2022 by the Directors is as follows

Sl. No.	Name of the Director	Category	Number of other Directorships held in other public/Listed companies	Number of Committee membership held in other public companies (limited to only Audit and Stakeholders' Relationship Committees)		No and % of Equity Shares held in the Company (%)
				As Chairperson	As Member	
1	Mr. Atul Modi	Chairman, Managing Director	Nil	Nil	Nil	36.85%
2	Mrs. Namrata Modi	Whole Time Director, CFO	Nil	Nil	Nil	36.03%
3	Dr. Sai Kalyan Surapaneni	Executive Director	Nil	Nil	Nil	0.00083%
4	Mrs. Niharika Modi	Non-Executive Director	Nil	Nil	Nil	0.03%
5	Dr. Nikhil Shrikant Bobade	Non-Executive Independent Director	Nil	Nil	Nil	Nil
6	Dr. Sudeep Haralakatte Murthy	Non-Executive Independent Director	Nil	Nil	Nil	Nil
7.	Ms. Komal Mehra	Company Secretary and Compliance Officer	Nil	Nil	Nil	Nil

## NUMBER OF MEETINGS OF THE BOARD

During the financial year 2021-22, twenty-one meetings of the Board were held and the gap between two Meetings did not exceed one hundred and twenty days. The Board Meetings are prescheduled and adequate notice is given to the Board members. Board Meetings are generally held at the registered office of the Company either through video conference or through physical presence.

These Board Meetings were held on April 26, 2021; April 27, 2021; May 04, 2021; May 10, 2021; July 03, 2021; August 02, 2021; September 02, 2021; September 03, 2021; September 06, 2021; September 07, 2021; September 14, 2021; September 20, 2021; September 21, 2021; September 22, 2021; September 23, 2021; October 14, 2021; November 8, 2021; December 10, 2021; January 20, 2022; February 12, 2022, and March 23, 2022.

The necessary quorum was present for all the meetings

## Attendance of Directors at the Board Meetings held during the financial year 2021-22:

Name of the Director	Board Meetings entitled to attend	Board Meetings attended
Mr. Atul Modi	21	21
Mrs. Namrata Modi	21	21
Dr. Sai Kalyan Surapaneni	21	21
Mrs. Niharika Modi	21	21
Dr. Nikhil Shrikant Bobade	21	21
Dr. Sudeep Haralakatte Murthy	21	21

## INDEPENDENT DIRECTORS

The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and SEBI (LODR), Regulations, 2015 and that they are independent of the management.

During the financial year 2021-22, one (1) meeting of the Independent Directors was held on March 26, 2022, inter alia

to review the following and the meeting was attended by all the Independent Directors:

- (i) Review performance of non-independent directors and the Board of Directors as a whole.
- (ii) Review performance of the Chairperson of the Company.
- (iii) Assess the quality, quantity, and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board to perform their duties effectively and reasonably.

The familiarization program and other disclosures as specified under SEBI (LODR) Regulations, 2015 is available on the Company's website [www.prevestdenpro.com](http://www.prevestdenpro.com)

**No Independent Director had resigned during the financial year 2021-22.**

## DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued.

## PERFORMANCE EVALUATION CRITERIA FOR THE INDEPENDENT DIRECTORS

The indicative criteria for evaluation of performance of the Independent Director that are provided in their terms of appointment are as under:

- (i) Attendance and contribution at Board and Committee meetings.
- (ii) Appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
- (iii) Knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk
- (iv) management, assessment and mitigation, business operations, processes and corporate governance.
- (v) Ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- (vi) Effective decision-making ability.
- (vii) Ability to open channels of communication with executive management and other colleagues on Board to maintain high standards of integrity and probity.
- (viii) His/her global presence, rational, physical, and mental fitness, broader thinking, vision on corporate social
- (ix) responsibility etc.
- (x) His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial
- (xi) controls and systems in place by ensuring right level of contact with external stakeholders.
- (xii) His/her contribution to enhance overall brand image of the Company.

## CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel to ensure that the business of the Company is conducted with the highest standards of ethics and values in accordance with the applicable laws, regulations and rules and is critical to the success of the Company. The Code is available on the Company's website at [www.prevestdenpro.com](http://www.prevestdenpro.com)

## COMMITTEES OF THE BOARD

### AUDIT COMMITTEE

Composition of the Committee and Meetings held and attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Dr. Sudeep Haralakatte Murthy	Independent Director	Chairperson	2	2
Dr. Nikhil Shrikant Bobade	Independent Director	Member	2	2
Mrs. Namrata Modi	WTD & CFO	Member	2	2

## Terms of Reference

### The Audit Committee has interalia the following mandate:

1. Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee.
3. Approval of payments to statutory auditors for any other services rendered by the Statutory Auditors of the Company.
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act.
  - ii. Changes, if any, in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries involving estimates based on the exercise of judgment by the management of the Company.
  - iv. Significant adjustments made in the financial statements arising out of audit findings.
  - v. Compliance with listing and other legal requirements relating to financial statements.
  - vi. Disclosure of any related party transactions; and
  - vii. Qualifications / modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly, half-yearly and annual Financial Statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Formulating a policy on related party transactions, which shall include materiality of related party transactions.
9. Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed.
10. Review, at least on a quarterly basis, the details of related party transactions entered by the Company pursuant to each of the omnibus approvals given.
11. Scrutiny of inter-corporate loans and investments.
12. Valuation of undertakings or assets of the company, wherever it is necessary.
13. Evaluation of internal financial controls and risk management systems.
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

16. Discussion with internal auditors of any significant findings and follow up there on.
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
20. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.
21. Reviewing the functioning of the whistle blower mechanism.
22. Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate.
23. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations, and other applicable laws.
24. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.
25. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances; and
26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
27. Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

## NOMINATION AND REMUNERATION COMMITTEE

### Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Mrs. Niharika Modi	Director	Member	2	2
Dr. Nikhil Shrikant Bobade	Independent Director	Chairperson	2	2
Dr. Sudeep Haralakatte Murthy	Independent Director	Member	2	2

### Terms of Reference

#### The Nomination and Remuneration Committee has i.e. the following mandate:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report.

5. Analyzing, monitoring and reviewing various human resource and compensation matters.
6. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors.
7. Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary).
8. Determining whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors.
9. Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.
10. Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition of the Committee and Meetings held:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Dr. Nikhil Shrikant Bobade	Independent Director	Chairperson	2	2
Mr. Atul Modi	Managing Director	Member	2	2
Mrs. Namrata Modi	WTD & CFO	Member	2	2

## Terms of Reference

**The Administrative and Stakeholders Relationship Committee has interalia the following mandate:**

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

Name and designation of compliance officer: Mrs. Komal Mehra, Company Secretary & Compliance Officer.

#### Details of shareholders' complaints:

- Number of complaints received up to March 31, 2022: Nil
- Number of complaints resolved up to March 31, 2022: Nil
- Number of pending complaints as on March 31, 2022: Nil

### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Your Company believes that Corporate Social Responsibility is an integral part of its business. It seeks to operate its business in a sustainable manner which would benefit the Society at large in alignment with the interest of its stakeholder. In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of the Company has constituted a CSR Committee.

CSR Committee of the Board has developed a CSR Policy. The CSR Policy has been uploaded on the website of the Company at [www.prevestdenpro.com](http://www.prevestdenpro.com)

Composition of the Committee and Meetings held during the year:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Mr. Atul Modi	Managing Director	Chairperson	1	1
Mrs. Namrata Modi	WTD & CFO	Member	1	1
Dr. Nikhil Shrikant Bobade	Independent Director	Member	1	1

#### Terms of Reference

The Corporate Social Responsibility Committee has interalia the following mandate:

1. To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board.
2. To identify corporate social responsibility policy partners and corporate social responsibility policy programs.
3. To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programs undertaken by the Company.
4. To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities.
5. To review and monitor the implementation of corporate social responsibility programs and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programs; and
6. To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act.

## Number of Meetings:

During the financial year 2021-22, one meeting was held.

The annual report on CSR including a brief outline of the CSR Policy and the activities undertaken during the year under review is enclosed as **Annexure C** to this Report.

## GENERAL MEETINGS

The Annual General Meetings and Extra ordinary General Meeting of the Company were held in the registered office of the Company for the Financial Year 2021-22

Financial Year	Nature of Meeting	Time (IST)	Date
2021-22	EGM	11.00 AM	27-04-2021
2021-22	EGM	11.00 AM	02-05-2021
2021-22	EGM	11.00 AM	02-08-2021
2021-22	AGM	01.00 PM	20-09-2021

## BOARD EVALUATION, INDUCTION AND TRAINING OF BOARD MEMBERS

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of the Board and its Committees, culture, execution and performance of specific duties, obligations, and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to financial statements.

## WHISTLE BLOWER POLICY

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the Listing Regulations is implemented through the Company's Whistle Blower Policy to enable all its employees, consultants (part time, full time and temporary employees) of the Company and its subsidiary companies and its associate companies to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. Directors affirm that no employee/consultant has been denied access to the Audit Committee.

The Company has a whistle blower policy to report genuine concerns or grievances. The Whistle Blower policy has been posted on the website of the Company. ([www.prevestdenpro.com](http://www.prevestdenpro.com))

## REMUNERATION AND NOMINATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The remuneration and nomination policy has been posted on the website of the Company ([www.prevestdenpro.com](http://www.prevestdenpro.com))

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, the Directors confirm that;

- i. in the preparation of the Annual Accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to departures, if any.
- ii. appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31, 2022, and of the profit of the Company for the year ended on that date
- iii. proper and sufficient care has been taken 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 annual accounts have been prepared on a "going concern" basis.
- v. proper internal financial controls are laid down and such internal financial controls are adequate and operating effectively.
- vi. proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively

## RECOGNITIONS

We are happy to inform that Company and Directors has received the following recognitions during the year:

- India 5000 best MSME by India 5000 Business Award
- MSME of the Year by ASSOCHAM
- India 5000 Women Achiever Awards 2021 by India 5000 Business Award
- Jammu and Kashmir Women Achiever Award 2022 by ASSOCHAM
- Priyadarshini Award for the 'Best Women Entrepreneur by Federation of Indian Women Entrepreneurs
- National Achiever Award for Women Entrepreneur by National Achievers Recognition Forum

## AUDITORS & AUDITORS REPORT

### STATUTORY AUDITORS AND STATUTORY AUDIT REPORT

Pursuant to provision of section 139 the current Statutory Auditors of the Company M/s. Mittal & Associates, Chartered Accountants (Firm registration number 106456W) will hold office till the conclusion of ensuing 27th Annual General Meeting of the Company to be held for the F.Y. ending March 21, 2026.

The Auditor's Report does not contain any qualification, reservation, or adverse remark on the financial statements for the financial year ended March 31, 2022. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

### SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Vishal Soni and Associates a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report issued by them for the financial year ended March 31, 2022, is attached as **Annexure D** to this Report. The Secretarial Audit Report does not contain any qualifications, reservations, or adverse remarks

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

#### **INTERNAL AUDITOR**

In accordance with the provision of the section 138 of the Companies Act, 2013 and read with Rule 13 of the Companies (Accounts) Rule, 2014 and other applicable provision if any of the companies Act, 2013 M/s VNB and Company, Chartered Accountants were appointed as an Internal Auditor of the Company.

#### **COST AUDIT**

The provisions of Companies (Cost Records and Audit) Rules, 2014 are not applicable to your Company.

#### **STATEMENT ON COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

#### **INTERNAL FINANCIAL CONROL AND THEIR ADEQUACY**

Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale, and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

#### **RISK MANAGEMENT**

Company has a Risk Management Policy adopted by the Board. Periodical in-house risk audits were conducted to detect and mitigate the risks in a timely and effective manner.

Management Discussion and Analysis Report contain more details on the risk management practiced by the Company.

During the financial year under review, the Company has identified and evaluates elements of business risk. Consequently, a Business Risk Management framework is in place. The risk management framework defines the risk management approach of the Company and includes periodic review of such risks and also documentation, mitigating controls and reporting mechanism of such risks. The framework has different risk models which help in identifying risks trend, exposure, and potential impact analysis at a Company level as also separately for business.

#### **PREVENTION OF SEXUAL HARASSMENT POLICY**

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2021-2022, no complaints were received by the Company related to Sexual Harassment

### **PREVENTION OF INSIDER TRADING CODE**

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. During the year under review, there has been due compliance with the said code.

### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY:**

There were no material changes and commitments affecting the financial position of the Company from end of the financial year up to the date of this Report.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

### **CORPORATE GOVERNANCE:**

The company is SME Company and listed on SME exchange of BSE Limited therefore, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the compliance with corporate governance as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation 2 of regulation 46 and Para C, D and E of Schedule V shall not apply. Hence your company is exempted to comply with aforesaid provisions of the SEBI (LODR) Regulation, 2015. Hence corporate Governance does not form part of this Board's Report.

### **BOARD POLICIES:**

In addition to above, the Board has also adopted below mentioned policies:

- (a) Vigil Mechanism / Whistle Blower Policy
- (b) Code of Conduct for Directors and Senior Management
- (c) Code of Conduct for Independent Directors
- (d) Insider Trading Policy
- (e) Code of Fair Disclosure of Unpublished Price Sensitive Information
- (f) Policy for Determination of Materiality
- (g) Policy on Materiality of Related Party Transactions
- (h) Nomination and Remuneration Policy

All above named policies and codes are available on our website [www.prevestdenpro.com](http://www.prevestdenpro.com)

### **CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Required to be furnished pursuant to Section 134(3)(m) of the Companies Act, 2013 are:

**Conservation of Energy:** The range of activities of the Company requires minimal energy consumption and every endeavor has been made to ensure optimal utilization of energy and avoid wastage through automation and

deployment of energy-efficient equipment. The Company takes adequate measures to reduce energy consumption by using efficient computer terminals and by using latest technology. The impact of these efforts has enhanced energy efficiency. As energy cost forms a very small part of total expenses, the financial impact of these measures is not material and measured.

**Technology Absorption:** Company is committed towards technology driven innovation and lays strong emphasis in inculcating driven culture within the organization.

The Company has best of operating machines and highly precisions equipment for production and quality management also the Company has hired the optimal of quality team who dedicates their full enthusiasm and work tirelessly for delivering best quality and services. The team along with state-of-the-art quality equipment's as necessary for the Machine Shop.

The Company is all well equipped with its current quality control machining and will modify itself for any future advancement.

## Expenditure incurred on Research and Development

EXPENDITURE	AMOUNT
Capital Expenditure	189.94 lakh
Revenue Expenditure	1.36 lakh
<b>Total</b>	<b>191.30 lakh</b>

**Foreign Exchange earnings and outgo: Net Earnings – Rs. 29.80 lakh**

## ENVIRONMENT AND SAFETY

Company is committed to ensure sound Safety, Health and Environmental (SHE) performance related to its activities, products, and services. Company is taking continuous steps to develop Safer Process Technologies and Unit Operations and has been investing heavily in areas such as Process Automation for increased safety and reduction of human error element. Enhanced level of training on Process and Behavior based safety, adoption of safe & environmentally friendly production process, Management System is done on a continuous basis.

The Company is committed to continuously take further steps to provide a safe and healthy environment.

## STATUTORY INFORMATION

- The Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.
- The Business Responsibility Reporting as required under SEBI (LODR), 2015 is not applicable to Company for the financial year under review.
- Disclosure as required under para-F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company during the financial year.

## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under SEBI (LODR), Regulations, 2015 is presented in a separate section forming part of the Annual Report for the financial year ended March 31, 2022.

## CAUTIONARY STATEMENT

Statements in this Report, Management Discussion and Analysis, Notice to the Shareholders or elsewhere in this Annual Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statement' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the Market conditions and circumstances.

## STATEMENT PURSUANT TO SEBI LISTING REGULATIONS

The Company's shares are listed with SME BSE Limited Company has paid the respective annual listing fees and there are no arrears.

## ACKNOWLEDGEMENT AND APPRECIATION

Your Directors express their sincere gratitude for the assistance and co-operation extended by Banks, Government Authorities, Shareholders, Suppliers and Customers. Directors also wish to place on record their appreciation of the contribution made by the employees at their levels towards achievements of the Company's goals.

The Directors regret the loss of lives due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked his life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of the Prevest family.

On behalf of the Board of Director  
of Prevest Denpro Limited

Place: Jammu  
Dated: August 10, 2022

Sd/-  
Atul Modi  
(Managing Director)  
DIN: 00788272

Sd/-  
Namrata Modi  
(WTD & CFO)  
DIN: 00788266

**ANNEXURE – A**  
**ANNEXURES TO DIRECTORS' REPORT**  
**FORM NO. AOC-2**

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

The details of transactions entered with the related parties in form AOC-2 in terms of the provision of section 188(1) including certain arm's length transactions:

**A: Details of contract or arrangement or transactions not at arms' length basis: Nil**

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

**B: Details of contract or arrangement or transactions at arms' length basis**

Sr. No.	Name of the related party	Nature of transaction	Duration	Salient terms	Amount (in Rs.)
1	NV International	Sale	NA	NA	9,56,920.80

**For and on behalf of the Board of  
PREVEST DENPRO LIMITED**

**Sd/-**

**ATUL MODI**  
 Director  
 DIN: 00788272

**Sd/-**

**NAMRATA MODI**  
 Director  
 DIN: 00788266

Mumbai,  
 August 10, 2022

## Annexure B

**Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

**i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22**

S.No.	Name of the Director	Designation	Ratio of remuneration of each Director to median remuneration of employees
1.	Atul Modi	Managing Director	55.55
2.	Namrata Modi	Whole Time Director cum CFO	55.55
3.	Sai Kalyan Surapaneni	Executive Director	11.66
4.	Niharika Modi	Non-Executive Director	-
5.	Sudeep Murthy	Independent Director	-
6.	Nikhil Shrikant Bobade	Independent Director	-
7.	Komal Mehra	Company Secretary & Compliance Officer	1.5

**ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary or manager during the financial year 2021-22.**

S. No	Name	Designation	Percentage increase in remuneration
1.	Atul Modi	Managing Director	100%
2.	Namrata Modi	Whole Time Director cum CFO	100%
3.	Sai Kalyan Surapaneni	Executive Director	5%
4.	Niharika Modi	Non-Executive Director	-
5.	Sudeep Murthy	Independent Director	-
6.	Nikhil Shrikant Bobade	Independent Director	-
7.	Komal Mehra	Company Secretary & Compliance Officer	-

iii) The percentage increase in the median remuneration of Employees in the financial year: 20%

iv) The Company has 107 permanent employees on the rolls of Company as on 31st March 2022.

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

Your Company affirms that the remuneration of Directors and Key Managerial Personnel was as per the Remuneration Policy of the Company.

**Details of employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014. –**

Employees or managerial personnel draw salary equal to or exceeding Rs.102,00,000 p.a. or Rs.8,50,000 per month.

Employee Name	Designation	Department	Date of joining	Experience in Company	Qualification	Salary	Age on 31 <sup>st</sup> March, 2022
Mr. Atul Modi	Managing Director	Management	05/05/1999	22 years	BE(Mechanical)	10,00,000 p.m.	69
Mrs. Namrata Modi	Whole-Time Director and CFO	Management	05/05/1999	22 years	MBA	10,00,000 p.m.	64

**On behalf of the Board of Director**

**For Prevest Denpro Limited**

Place: Jammu  
Dated: August 10, 2022

Sd/-  
Atul Modi  
(Managing Director)  
DIN: 00788272

Sd/-  
Namrata Modi  
(Whole-time Director)  
DIN: 00788266

## ANNEXURE C

### Annual Report on CSR

[Pursuant to Section 134(3)(o) of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

#### 1. Brief outline on CSR Policy of the Company:

The CSR policy has been instituted based on the Corporate Social Responsibility (CSR) philosophy of Company and is committed to undertake CSR activities in accordance with the CSR Regulations. Company conducts its business in a sustainable and socially responsible manner. This principle has been an integral part of the Company's corporate values and believes that corporate growth and development should be inclusive, and every Company must be responsible and shall contribute towards betterment of the society. Company is committed to the safety and health of the employees, protecting the environment and the quality of life in all regions in which Company operates. Further, with respect to the Company's CSR philosophy, the Board has constituted the "CSR Committee" as its core CSR team, as a means of fulfilling this commitment.

The CSR activities of the Company are as per the provisions of Schedule VII of the Companies Act, 2013 and CSR Policy gives an overview of the projects and programs which are proposed to be undertaken by the Company in the coming years.

#### 2. The Composition of the CSR Committee:

Sl.No.	Name of the Director	Nature of Directorship	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Atul Modi	Executive Director	Chairperson	1	1
2	Dr. Nikhil Shrikant Bobade	Independent Director	Member	1	1
3	Mrs. Namrata Modi	WTD & CFO	Member	1	1

#### 3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

- a) CSR Committee: [www.prevestdenpro.com](http://www.prevestdenpro.com)
- b) CSR Policy: [www.prevestdenpro.com](http://www.prevestdenpro.com):
- c) CSR projects approved by the Board: [www.prevestdenpro.com](http://www.prevestdenpro.com)

#### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in lacs)	Amount required to be set-off for the financial year, if any (in lacs)
1	2020-21	0	0
2	2021-22	0	0

6. Average net profit of the Company for last three financial year as per section 135(5):

Sl. No.	Particulars	Amount (in Lacs)
1	FY 2020-21	933.52
2	FY 2019-20	613.93
3	FY 2018-19	368.77
Average net profit of the Company for last three financial year		638.74

7. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

Sl. No.	Particulars	Amount (in ` Lacs)
a	Prescribed CSR Expenditure (2% Average net profit of the Company for last three financial year as per section 135(5))	12.77
b	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	0
c	Amount required to be set off for the financial year, if any	0
d	Total CSR obligation for the financial year (7a+7b-7c)	12.77

8. Details of CSR spent during the financial year:

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

Total Amount Spent	Amount Unspent (in ` Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	Nil	NA	NA	Nil	NA

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ` Lacs)	Mode of implementation- Direct (Yes/No).	Mode of implementation- Through implementing agency.	
				State	District			Name	CSR registration number
1	Covid 19 Related Measures	Covid-19 related relief measures including Masks, Sanitizers, and equipment support to medical fraternity, community support, etc	Yes	J&K	Samba	0.22	Yes	NA	NA
2	Development and Maintenance of Public Parks	Ensuring Environmental sustainability	Yes	J&K	Samba	2.13	Yes	NA	NA
3	Crematorium and Burial ground	Rural Development Project	Yes	J&K	Jammu	5.54	Yes	NA	NA
4	Food Distribution	Eradication Hunger, Poverty, Malnutrition	Yes	J&K	Samba	0.30	Yes	NA	NA
5	Free Education	Promoting Education	Yes	J&K	Samba	0.65	Yes	NA	NA
6	Central University	Contribution made to Public funded University	Yes	J&K	Samba	1.50	Yes	NA	NA

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 10.34

Excess amount for set off if any

Sl. No.	Particular	Amount (in ` Lacs)
(i)	Two percent of average net profit of the Company as per section 135(5)	12.77
(ii)	Total amount spent for the Financial Year	10.34
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

- (a) Details of Unspent CSR amount for the preceding three financial years: 2.43 lakh

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL
- In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

There was no creation or acquisition of capital asset through CSR spent in the financial year
- Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):

The company has decided to contribute the unspent CSR Expenditure to the funds as specified under schedule 7 of Companies' act 2013.

**On behalf of the Board of Director  
of Prevest Denpro Limited**

<b>Sd/-</b> <b>Atul Modi</b> <b>(Managing Director)</b> <b>DIN: 00788272</b>	<b>Sd/-</b> <b>Namrata Modi</b> <b>(Whole-time Director)</b> <b>DIN: 00788266</b>
---	--

Date: 10/08/2022

Place: Jammu

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

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

**To**  
**The Members,**  
**Prevest Denpro Limited**  
**CIN: U85199JK1999PLC001969**  
**EPIP Kartholi, Bari Brahmana, Samba, Jammu-181133**

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by the **Prevest Denpro 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 my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filled and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, as per the information provided and records produced before me, the company has, during the audit period covering the financial year ended 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 hereinafter:

1. I have examined the books, papers, minute books, forms and returns filled, and other records maintained by the company for the financial year ended on March 31, 2022, as mentioned in **Annexure-I** and **Annexure-II** according to the provision of:

- (i) The Companies Act, 2013 (the Act) and rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulation and Bye Laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):-
  - (a) Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(Not applicable to the Company during the audit period)*
  - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018; *(Not applicable to the Company during the audit period)*
  - (f) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014; *(Not applicable to the Company during the audit period)*
  - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not applicable to the Company during the audit period)*
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not applicable to the Company during the audit period)*

- (i) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; *(Not applicable to the Company during the audit period)*

2. I further report that with respect to the compliance of the below mentioned laws, we have relied on the representations made by the Company and its officers for system and mechanism framed by the Company for compliances under the other following Specific laws applicable as mentioned hereunder:

**A. Industrial Specific Regulations**

- a. Drugs and Cosmetics Act, 1940 ("Drugs and Cosmetics Act")
- b. Drugs (Prices Control) Order, 2013 ("DPCO")
- c. Medical Device Rules, 2017 ("MDR") and Medical Devices (Amendment) Rules 2020
- d. Legal Metrology Act, 2009 (the "Legal Metrology Act") and Legal Metrology (Packaged Commodities) Rules, 2011  
(the "Packaged Commodities Rule")

**B. Environmental Laws**

- a. Environment Protection Act, 1986 (the "Environment Act")
- b. Environment (Protection) Rules, 1986 (the "Environment Rules")
- c. Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")
- d. Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")
- e. Water (Prevention & Control of Pollution) Cess Act, 1977 ("Water Cess Act") and Water (Prevention & Control of Pollution) Cess Rules, 1978 ("Water Cess Rules")

**C. Intellectual Property Rights**

- a. Trademarks Act, 1999

**D. Industrial Labour Laws**

- Factories Act, 1948 ("Factories Act")
1. Contract Labour (Regulation and Abolition) Act, 1970
  2. Employees' Compensation Act, 1923
  3. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  4. Employees' State Insurance Act, 1948
  5. Industrial Disputes Act, 1947
  6. Industrial Employment (Standing orders) Act, 1946
  7. Child Labour and Adolescent (Prohibition and Regulation) Act, 1986
  8. The Payment of Bonus Act, 1965
  9. The Minimum Wages Act, 1948
  10. The Payment of Wages Act, 1936
  11. The Equal Remuneration Act, 1976
  12. Maternity Benefit Act, 1961
  13. Apprentices Act, 1961
  14. Payment of Gratuity Act, 1972
  15. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

3. I have also examined compliance with the applicable clauses of the following to the extent applicable:

- (I) Secretarial Standard issued by the Institute of Company Secretaries of India.
- (II) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited.

During the year under review, as per the information provided and records produced before me, the Company has complied with the provisions of the Act, Rules, Regulations, guidelines above.

**I further Report that:**

- 1) The Board of Director of the Company is duly constituted with proper balance of Executive Directors, Non-Executives Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review, if any, were carried out in compliance with the provisions of the Act.
- 2) 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 exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- 3) Majority decisions were carried through and there were no instances where any director expressing any dissenting views.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

**I further report that** during the year company has increased its issued, paid up and subscribed share capital by way of Initial Public Offer and got its shares listed on SME platform of BSE in September 2021.

**I further report that** during the audit period the company had no events which had bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**Place: Jammu**  
**Date: 13/08/2022**

**For Vishal Soni & Associates**  
**Company Secretaries**  
**(A Peer Reviewed Firm)**

**SD/.**  
**Vishal Soni**  
**Proprietor**  
**C.P. No. 9876**  
**Membership No. FCS 8876**  
**UDIN: -F008876D000794210**

**ANNEXURE - I**

1. Memorandum & Articles of association of the company.
2. Annual Report for the financial year ended March 31, 2022.
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination & Remuneration Committee, along with attendance register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year ended March 31, 2022, under report.
5. Statutory Registers as per Companies Act, 2013.
6. Agenda papers submitted to all the directors/ members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to Section 149(6) & (7), section 164 and section 184 of the Companies Act, 2013 and Listing Regulations, 2015.
8. E-forms filed by the company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
9. Various Policies framed by the company required under the Companies Act, 2013 and SEBI act namely, Nomination and Remuneration Policy, Code of Conduct under Insider Trading Norms, Policy on Related Party Transactions, etc.
10. Documents pertaining to Appointment, Resignation of Directors and KMP.
11. Other relevant documents as required to be maintained and published on the website by the company.

**Limitations**

*It is to be noted that due to Covid-19 situation in the Country and in compliance of the Covid-19 norms issued by the Government of India and State Governments from time to time, I had carried out the audit virtually and the documents, registers, forms, etc. were made available to us by the company through electronic medium. Further, wherever*

*possible we have also taken confirmations from the company but the audit, as conducted, is subject to limitation of availability of documents due to continuous restrictions imposed by governments.*

**ANNEXURE - II**

**To**  
**The Members,**  
**Prevest Denpro Limited U85199JK1999PLC001969**  
**EPIP Kartholi, Bari Brahmana, Samba, Jammu-181133**

My Secretarial Audit Report of even date, for the financial year 2021-22 is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, and standards applicable to Prevest Denpro Limited (the Company) is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of Secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to me by the Company, along with explanations where so required.
3. 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 and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produce to me. I believe that the process and practices I followed, provides a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Whenever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
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.

**Place: Jammu**  
**Date: 13/08/2022**

**For Vishal Soni & Associates**  
**Company Secretaries**  
**(A Peer Reviewed Firm)**

**SD/.**  
**Vishal Soni**  
**Proprietor**  
**C.P. No. 9876**  
**Membership No. FCS 8876**  
**UDIN: -F008876D000794210**

**INDEPENDENT AUDITOR'S REPORT**  
**To The Members of PREVEST DENPRO LIMITED****REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS:****Opinion**

We have audited the accompanying financial statements of PREVEST DENPRO LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and its cash flows for the year ended on that date.

**Basis for opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to

the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Mittal & Associates  
Chartered Accountants  
Firm Registration number: 106456W

Sd/-

Hemant Bohra  
Partner  
Membership number: 165667  
UDIN: 22165667AJCOGF322

Place: Mumbai  
Date: 17<sup>th</sup> May, 2022

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

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PREVEST DENPRO LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of PREVEST DENPRO LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to

future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mittal & Associates  
Chartered Accountants  
Firm Registration number: 106456W

Sd/-

Hemant Bohra  
Partner  
Membership number: 165667

Place: Mumbai  
Date :17<sup>th</sup> May, 2022

UDIN: 22165667AJCOGF322

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PREVEST DENPRO LIMITED of even date)

In case of the Company's Property, Plant and Equipments and Intangible Assets:

1. According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
2. The Company has maintained proper records showing full particulars of intangible assets.

The Fixed Assets have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

(a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.

(b) The Company has not been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable to the Company and hence not commented upon.

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.

(a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has generally been regular in depositing undisputed statutory dues including Income-Tax, Goods and Services Tax and any other material statutory dues applicable to it with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.

(c) According to the information and explanation given to us, there are no dues of Income Tax, Goods and Services Tax, duty of customs outstanding on account of any dispute.

According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

In our opinion and according to the information and explanations given to us, the Company has not taken loan from

any bank or financial institution and also not declared willful defaulter from any bank or financial institution or government or any government authority; accordingly, the provisions of clause 3(ix) of the Order are not applicable. (a) the money raised by way of initial public offer have been applied, for the purposes for which they were obtained, other than Rs.2209.59 lakh, out of the proceeds from initial public offer received during the year which remains unutilised as of March 31, 2022. The details of the amount used during the year and unutilized fund are as follows:

Particulars	Total Estimated Cost	Total Amount Utilized Upto 31/03/2022	Balance lying with Bank
Purchase of machineries, equipments and utilities for manufacturing of proposed additional line of products, R&D unit and existing manufacturing operations	Rs 1801.80	Rs.142.79	Rs.1659.01
Issue Expenses	Rs. 282.09	Rs.282.09	Nil
General Corporate Purposes	Rs. 577.23	Rs.26.65	Rs. 550.58
Total	Rs. 2661.12	Rs.451.53	Rs. 2209.59

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally)

(a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) The company has not received any whistle blower complaints during the year (and upto the date of this report). In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment

Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

There has been no resignation of the statutory auditors of the Company during the year.

On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

The Company has required to spend Rs 12,77,479 during the year for Corporate Social Responsibility as required under subsection (5) of Section 135 of the Act. The Company has spent 8,84,244 during the year, Rs 3,93,235 remains unspent, which is yet to be transferred to special account in accordance with provisions of section 135 of the Companies Act, 2013.

The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Mittal & Associates  
Chartered Accountants  
Firm Registration number: 106456W

Sd/-  
Hemant Bohra  
Partner  
Membership number: 165667

Place: Mumbai  
Date: 17<sup>th</sup> May, 2022

UDIN: 22165667AJCOGF322

Prevest Denpro Limited with registered office at EPIP Kartholi, Bari Brahmana, Samba, Jammu 181133, Jammu & Kashmir, India is mainly owned and controlled by (i) Shri Atul Modi S/o Shri O P Modi resident of Trikuta Nagar, Jammu-180020 and Smt. Namrata Modi W/o Shri Atul Modi resident of Trikuta Nagar, Jammu-180020. The company is primarily involved in the manufacturing of Dental Preparations.

## **I. SIGNIFICANT ACCOUNTING POLICIES**

### **A) BASIS OF PREPARATION OF FINANCIAL STATEMENT**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) rules, 2015 and Companies (Accounting Standards) amendments Rules 2016 and other applicable provisions of the Act.

The preparation and presentation management to make judgements, estimates and assumptions that may impact the application of accounting policies and reported value of assets, liabilities, income, expenses and related disclosures including contingent assets and liabilities at the Balance Sheet date. The estimates and management's judgements are based on previous experience and other factors considered reasonable and prudent in the circumstances.

### **B) USE OF ESTIMATES**

The preparation of financial statements is in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

### **C) ACCOUNTING CONVENTION**

The group follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

#### **1. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### **Sale of goods**

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of GST, trade discounts and returns, as applicable.

##### **Income from services**

Revenue from services is recognised when services have been rendered and there should be no uncertainty regarding consideration and its ultimate collection.

## Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable."

## Dividend Income

Dividend Income is recognised on receipt basis.

## 2. FIXED ASSETS

- a) Fixed are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any;
- b) Costs directly attributable to acquisition are capitalized until the Fixed Assets are ready for use, as intended by the management;
- c) Subsequent expenditures relating to fixed assets are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs & maintenance costs are recognized in the Statement of profit & Loss when incurred;
- d) The cost and related accumulated depreciated are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell;
- e) Depreciation on Tangible Assets in case of company is provided in such a manner so that the cost of asset (Net of realizable value) will be amortized over their estimated remaining useful life on SLM basis as per the useful life prescribed under Schedule II to the Companies Act 2013.
- f) Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end;

## 3. IMPAIRMENT

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## 4. INVENTORIES

Inventories are valued after providing for obsolescence, as follows:

- a) Raw Materials, Stores & Spare parts and Packing Material-Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on Weighted Average Cost basis.
- b) Work-in-Progress is valued at raw material cost plus proportionate conversion cost.

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

however due to the nature of the company the own manufactured goods are valued at a Retail Method basis on a consistent basis, however the Trading Goods are valued at the lower of Cost or Net Realisable Value.

## **5. RETIREMENT BENEFITS & OTHER EMPLOYEE BENEFITS**

### **Defined-contribution plans:**

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

The Group has made provision for payment of Gratuity to its employees. This Provision is made as per the method prescribed under the Payment of Gratuity Act. The cost of providing gratuity under this plan is determined on the basis of actuarial valuation at year end. Under the Gratuity Fund Plan, the holding company contributes to a LIC administered Group Gratuity Fund on behalf of employees.

## **6. FOREIGN EXCHANGE TRANSACTIONS**

Foreign-currency denominated monetary assets and liabilities if any are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from the transactions relating to purchase of current assets like Raw Material etc. are included in the Statement of Profit and Loss. Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction.

## **7. CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

## **8. BORROWING COSTS**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. All other borrowing costs are charged to profit and loss account.

## **9. INCOME TAX**

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax is recognised for all timing differences; being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

**10. EARNINGS PER SHARE**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**11. PROVISIONS AND CONTINGENT LIABILITIES**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the likely future outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**12. CASH & CASH EQUIVALENTS**

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**13. SEGMENT REPORTING**

Company is operating under a single segment

<b>PREVEST DENPRO LIMITED</b> <b>EPIP, KARTHOLI, BARI BRAHMANA, SAMBA-181133</b> <b>CIN: U85199JK1999PLC001969</b> <b>BALANCE SHEET AS AT 31.03.2022</b>			
Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I Equity &amp; Liabilities</b>			
<b>1.Shareholders funds:</b>			
a.Share Capital	2	1,200.30	28.50
b.Reserves and Surplus	3	4,510.15	2,221.10
<b>2.Share Application Money pending Allotment:</b>		-	-
<b>3.Non-Current liabilities:</b>			
a.Long-Term Borrowings	4	136.67	139.39
b.Deferred Tax Liabilities (net)	5	28.89	24.03
c.Other Long Term Liabilities		-	-
d.Long Term Provisions		-	-
<b>4.Current Laibilities:</b>			
a.Short Term Borrowings		-	-
b.Trade Payables	6	163.73	390.65
c.Other Current Liabilities	7	366.32	193.66
d.Short Term Provisions	8	9.88	70.33
<b>Total</b>		<b>6,415.94</b>	<b>3,067.66</b>
<b>II Assets</b>			
<b>1.Non-Current Assets:</b>			
a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant & Equipment	9	671.89	536.23
(ii) Intangible Assets		-	-
(iii) Capital Work in Progress		472.15	171.13
(iv) Intangible assets under development		-	-
b.Non-Current Investments		-	-
c.Deffered Tax Assets (net)		-	-
d.Long Term Loans & Advances		-	-
e.Other Non-Current Assets		-	-
<b>2.Current Assets:</b>			
a.Current Investments	10	72.90	43.80
b.Inventories	11	326.37	127.32
c.Trade Receivables	12	232.09	374.76
d.Cash and Cash Equivalents	13	4,233.64	1,642.17
e.Short Term Loans and Advances	14	250.32	69.05
f.Other Current Assets	15	156.56	103.21
<b>Total</b>		<b>6,415.94</b>	<b>3,067.66</b>
The accompanying notes are an integral part of the financial statement			
Significant Accounting Policies	1		
Notes to the Financial Statements	2 to 30		
As per our report of even date		<i>For and on behalf of the Board of Directors</i>	
<b>For Mittal &amp; Associates</b>			
Chartered Accountant		SD/	SD/
FRN: 106456W		(Atul Modi)	(Namrata Modi)
		Managing Director	Executive Director & CFO
		DIN:00788272	DIN:00788266
SD/			
<b>Hemant Bohra</b>			
<b>Partner</b>			
<b>M.No. 165667</b>			
UDIN: 22165667AJCOGF322			
Date: 17th May 2022			
Place: Mumbai			
		SD/	
		<b>CS Komal Mehra</b>	
		<b>PAN: BUIPM7818R</b>	

<b>PREVEST DENPRO LIMITED</b> <b>EPIP, KARTHOLI, BARI BRAHMANA, SAMBA-181133</b> <b>CIN: U85199JK1999PLC001969</b> <b>STATEMENT OF PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2022</b>			
Particulars	Note No.	For The Year ended on 31.03.2022	For The Year ended on 31.03.2021
I.Revenue from Operations	16	3,762.34	2,847.60
II.Other Incomes	17	211.15	103.74
<b>III.Total Revenue (a)</b>		<b>3,973.50</b>	<b>2,951.35</b>
<b>IV.Expenses</b>			
1.Cost of Raw Materials Consumed	18	986.75	798.45
2.Purchase of Stock in Trade		-	-
3.Change in Inventories (WIP&FGs)	19	(8.84)	(9.07)
4.Employee Benefits Expenses	20	652.45	478.11
5.Finance Costs	21	10.42	18.71
6.Depreciation and amortization expenses	22	52.40	47.19
7.Other Expenses	23	675.16	684.43
<b>V.Total Expenses (b)</b>		<b>2,368.33</b>	<b>2,017.82</b>
<b>V.Profit before Exceptional Items &amp; Tax</b>	III-IV	<b>1,605.16</b>	<b>933.52</b>
VI.Exceptional Items		-	-
<b>IX.Profit before tax</b>		<b>1,605.16</b>	<b>933.52</b>
<b>X.Tax Expense</b>			
a.CurrentTax		441.31	189.55
a.CurrentTax		2.12	-
b.DeferredTax		4.86	23.31
<b>XI.Profit for the period from Continuing Operations</b>		<b>1,156.88</b>	<b>720.67</b>
XII.Profit from Discontinuing Operations		-	-
XIII.Tax Expense of Discontinuing Operations		-	-
XIV.Profit from Discontinuing Operations after Tax		-	-
<b>XV.Profit for the period</b>		<b>1,156.88</b>	<b>720.67</b>
XVI.Earning per share (equated)	24	9.64	8.16
See accompanying notes to the financial statements, as under			
For Mittal & Associates Chartered Accountant FRN: 106456W		For and on behalf of the Board of Directors	
SD/.		SD/.	SD/.
		(Atul Modi)	(Namrata Modi)
		Managing Director	Executive Director & CFO
Hemant Bohra		DIN:00788272	DIN:00788266
Partner			
M.No. 165667			
UDIN: 22165667AJCOGF322			
		SD/.	
		CS Komal Mehra	
		PAN: BUIPM7818R	

<b>PREVEST DENPRO LIMITED</b> <b>EPIP, KARTHOLI, BARI BRAHMANA, SAMBA-181133</b> <b>CASE FLOW-STATEMENT FOR THE YEAR ENDED 31.03.2022</b>		
Particulars	For the year ended March 31,2022	For the year ended March 31,2021
<b>Cash Flow From Operating Activities:</b>		
Net Profit before tax as per Profit And Loss A/c	1,605.16	933.52
<b>Adjustments for:</b>		
Depreciation & Amortisation Expense	52.40	47.19
MAT credit Earliyer Year	17.85	-
Interest Income	(131.62)	(51.29)
Finance Cost	10.42	18.71
CSR expenses	(8.84)	-
<b>Operating Profit Before Working Capital Changes</b>	<b>1,545.38</b>	<b>948.13</b>
Adjusted for (Increase)/ Decrease in:		
Short term provision	(60.45)	70.33
Trade Receivables	142.67	(159.06)
Inventories	(199.05)	(14.28)
Other current assets	(234.63)	11.43
Trade Payables	(226.92)	214.97
Other Current Liabilities	172.67	(6.34)
<b>Cash Generated From Operations</b>	<b>(405.72)</b>	<b>117.05</b>
Appropriation of Profit		
Net Income Tax paid/ refunded	443.42	189.55
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>696.23</b>	<b>189.55</b>
<b>Cash Flow From Investing Activities:</b>		
Net (Purchases)/Sales of Fixed Assets (including capital work in progress)	(489.09)	(223.18)
Interest Income	131.62	51.29
Net Increase/(Decrease) in Current Investment	(29.10)	(20.80)
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(386.57)</b>	<b>(192.69)</b>
<b>Cash Flow from Financing Activities:</b>		
Net Increase/(Decrease) in Long Term Borrowings	(2.72)	(25.08)
Proceed from Issue of share	2,661.12	-
IPO Issue expenses	(366.16)	
Gratuity provisions of earlier years	-	(13.10)
Interest on borrowings	(10.42)	(18.71)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>2,281.82</b>	<b>(56.89)</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	2,591.47	626.05
Cash & Cash Equivalents As At Beginning of the Year	1,642.17	1,016.12
Cash & Cash Equivalents As At End of the Year	<b>4,233.64</b>	<b>1,642.17</b>
The accompanying notes are an integral part of the financial statement		
As per our report of even date	<i>For and on behalf of the Board of Directors</i>	
<b>For Mittal &amp; Associates</b>		
Chartered Accountant	SD/.	SD/.
FRN: 106456W	(Atul Modi)	(Namrata Modi)
	Managing Director	Executive Director & CFO
	DIN:00788272	DIN:00788266
SD/.		
<b>Hemant Bohra</b>		
<b>Partner</b>	SD/.	
<b>M.No. 165667</b>	CS Komal Mehra	
<b>UDIN: 22165667AJCOGF322</b>	PAN: BUIPM7818R	

**PREVEST DENPRO LIMITED**
**EPIP, KARTHOLI, BARI BRAHMANA, SAMBA-181133**
**CIN: U85199JK1999PLC001969**
**Notes to the Financial Statements for the year ended 31.03.2022**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Note-2 : Share Capital</b>		
<b>1.Authorised Equity Share Capital</b>		
1a.12500000 Shares of Rs.10 each	1,250.00	1,250.00
<b>2.Issued, Subscribed &amp; Paid-Up Equity Share Capital</b>		
2a.12003000 ( 31 March 2021: 285000) Equity Shares of Rs.10 each	1,200.30	28.50
<b>Total</b>	<b>1,200.30</b>	<b>28.50</b>

**a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

<b>Number of shares outstanding at the beginning of the year</b>	Qty	3	285,000
	Value	29	2,850,000
<b>Add: Equity shares issued during the year</b>		12,002,997	-
<b>Less: Shares bought back during the year</b>		-	-
<b>Number of shares outstanding at the end of the year</b>	Qty	12,003,000	285,000
	Value	120,030,000	2,850,000

b) The Company has issued total 11718000 equity share during the year out of which 8550000 shares issue as a Bonus share in the ratio of 30 : 1 and 3168000 equity share issue by way of Initial public

**c) Terms/ rights attached to shares**

The Company has only one class of equity share having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

**d) Details of Shares held by each shareholder holding more than 5% shares**

Name of shareholders	As at 31.03.2022		As at 31.03.2021	
	% held	No. of shares	% held	No. of shares
<b>1. Atul Modi</b>	36.85	4423080	50.06	142680
<b>2. Namrata Modi</b>	36.03	4324920	48.88	139320

**e) Details of Shares held by Promoters**

Name of shareholders	% held	As at 31.03.2022	
		No. of shares	% Change
<b>1. Atul Modi</b>	36.85	4423080	-13.21
<b>2. Namrata Modi</b>	36.03	4324920	-12.85

Name of shareholders	% held	As at 31.03.2021	
		No. of shares	% Change
<b>1. Atul Modi</b>	50.06	142680	0.00
<b>2. Namrata Modi</b>	48.88	139320	0.00

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Note-3 : Reserves and Surplus</b>		
<b>[A]: Capital Reserve Account</b>		
Opening Balance	42.67	42.67
Additions during the year	-	-
<b>Closing Balance</b>	<b>42.67</b>	<b>42.67</b>
<b>[B]: Security premium</b>		
Balance as per last Financial statements	-	-
Add : Amount Received during the year	2,344.32	-
Less : Amount Utilised IPO Expenditure	(366.16)	-
<b>Closing Balance</b>	<b>1,978.16</b>	<b>-</b>
<b>[C]: Surplus Account</b>		
Opening Balance	2,178.42	1,390.17
Add: Reversal of Depreciation charged extra in earlier years	-	80.69
Less Gratuity Expenses of earlier years	-	(13.10)
CSR Expenses	(8.84)	-
MAT Credit (Earliyer Year)	17.85	-
Less Use for Bonus Issue	(855.00)	-
Add: Net Surplus during the year	1,156.88	720.67
<b>Closing Balance</b>	<b>2,489.32</b>	<b>2,178.42</b>
<b>Total of Reserves and Surplus (A+B+C)</b>	<b>4,510.15</b>	<b>2,221.10</b>

<b>Note-4 : Long Term Borrowings</b>	As at March 31, 2022	As at March 31, 2021
<b>Unsecured Loans</b>		
Loans from Directors	136.67	139.39
<b>Total of Long Term Borrowings</b>	<b>136.67</b>	<b>139.39</b>

<b>Note-5 : Deferred Tax Liability</b>	As at March 31, 2022	As at March 31, 2021
Opening Deferred Tax Liability	24.03	0.72
Addition/Subtraction during the year	4.86	23.31
<b>Closing Deferred Tax Liability</b>	<b>28.89</b>	<b>24.03</b>

**Note-6: Trade Payables**
**a. total outstanding dues of micro enterprises and small enterprises; and**
**b. total outstanding dues of creditors other than micro enterprises and small enterprises.**
**Total**

As at March 31, 2022	As at March 31, 2021
19.25	35.77
144.48	354.88
<b>163.73</b>	<b>390.65</b>

Particulars (Outstanding from due date of payment / from date of transaction)	As at March 31, 2022	As at March 31, 2021
i) MSME		
Less than 1 year	19.25	35.77
1-2 Years	-	
2-3 Years	-	
More then 3 Years	-	
	19.25	35.77
ii) Others		
Less than 1 year	141.13	348.59
1-2 Years	3.35	6.29
2-3 Years	-	
More then 3 Years	-	
	144.48	354.88
iii) Disputed dues- MSME		
Less than 1 year	-	0.00
1-2 Years	-	0.00
2-3 Years	-	0.00
More then 3 Years	-	0.00
	-	0.00
iv) Disputed dues- Others		
Less than 1 year	-	0.00
1-2 Years	-	0.00
2-3 Years	-	0.00
More then 3 Years	-	0.00
	-	0.00
<b>Total</b>	<b>163.73</b>	<b>390.65</b>

**Note-7: Other Current Liabilities**

Advances received from Customers

**Other Payable**

Statutory Liabilities

Payable for Expenses

Payable for Capital Goods

Security Deposits

**Total**

As at March 31, 2022	As at March 31, 2021
84.08	156.99
15.39	12.06
202.63	0.00
38.87	0.00
25.35	24.61
<b>366.32</b>	<b>193.66</b>

**Note-8 : Short Term Provisions**

	As at March 31, 2022	As at March 31, 2021
Provision for Income (net off advance tax and TDS) (A.Y. 2021-22)	-	70.33
Provision for Income (net off advance tax and TDS) (A.Y. 2022-23)	9.88	-
<b>Closing Balance</b>	<b>9.88</b>	<b>70.33</b>

**Note-10 : current Investment**

	As at March 31, 2022	As at March 31, 2021
<b>Quoted</b>		
Investments in Mutual Funds		
Franklin India Smaller Companies Fund	3.80	5.80
HDFC Credit Risk Debit Fund	1.30	0.20
HDFC Large and Midcap Fund	1.50	-
HDFC Low Duration Fund	5.25	0.60
ICICI Prudential Interest Fund	1.50	0.40
ICICI Prudential Saving Fund	2.25	0.60
Kotak Equity Oppertunities Fund	1.50	-
Kotak Low Duration Fund	1.50	0.40
Kotak Standard Multicap Fund	21.45	14.05
L & T Midcap Fund	4.60	4.60
Mirae Asset India Equity Fund	25.75	17.15
UTI Flexicap Fund	2.00	-
SBI Focused Equity Fund	0.50	-
<b>Total</b>	<b>72.90</b>	<b>43.80</b>
Aggregate amount of quoted investments		
Aggregate market value of quoted investments	96.26	57.11

**Note-11 : Inventories**

	As at March 31, 2022	As at March 31, 2021
Raw Materials	194.80	70.01
Work-in-Progress	2.99	2.30
Finished Goods	33.07	24.93
Packing Material	95.50	30.09
<b>Total</b>	<b>326.37</b>	<b>127.32</b>

**Note-12 : Trade Receivables**

	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, Considered Good</b>		
Aggregate amount of Trade Receivables outstanding for a period exceeding six months		10.35
Others	232.09	364.42
<b>Total</b>	<b>232.09</b>	<b>374.76</b>

### Trade Receivables ageing schedule

i) Undisputed Trade receivables – considered good

Less than 6 months	228.00	370.81
6 months - 1 year	4.09	3.95
1-2 years		
2-3 years		
More then 3 years		
	232.09	374.76

ii) Undisputed Trade receivables – considered doubtful

Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More then 3 years	-	-

iii) Disputed Trade receivables – considered good

Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More then 3 years	-	-
	-	-

## iv) Disputed Trade receivables – considered doubtful

Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More then 3 years	-	-
	-	-
	232	375

***Note-13 : Cash and Cash Equivalents***

## Balance with Banks

a. in current accounts	272.85	146.90
b. in deposit accounts	3,959.58	1,494.71

**Cash on hand**

1.21 0.56**Total**

4,233.64	1,642.17
----------	----------

***Note-14 : Short Term Trade Advances***

.Advances to Suppliers

Advances to employee

**Total**

As at March 31, 2022	As at March 31, 2021
249.51	69.05
0.81	
<b>250.32</b>	<b>69.05</b>

***Note-15 : Other Current Assets***

2. Balance with Government Authorities

3. Security Deposits with Government &amp; Other Departments

4. Interest accrued on deposits

5. Gratuity fund with LIC

6. Prepaid Insurance

7. Other Advances

**Total**

As at March 31, 2022	As at March 31, 2021
148.35	65.92
-	5.12
-	24.21
5.93	5.93
2.28	-
0.00	2.02
<b>156.56</b>	<b>103.21</b>

**Note-9 Fixed Assets**

Sr No.	Particulars	Gross Block				Accumulated Depreciation			Net Block	
		As At 31-03-2021	Addition	Deduction during the year	As At 31-03-2022	Upto 31-03-2021	For the Year	Upto 31-03-2022	As At 31-03-2022	As At 31-03-2021
	<b><u>Tangible Assets</u></b>									
1	Freehold Land 1									
2	Leased Freehold									
3	Leasehold Land	51.05	-	-	51.05	-	-	-	51.05	51.05
4	Buildings	328.28	0.74	-	329.03	87.05	10.31	97.36	231.67	241.24
5	Leased Buildings	-	-	-	-	-	-	-	-	-
6	Owned plant and machinery	241.27	68.94	-	310.21	92.47	16.08	108.55	201.66	148.80
7	Loose Tools	-	-	-	-	-	-	-	-	-
8	Furniture Fixtures	52.12	2.37	-	54.49	32.28	4.44	36.71	17.78	19.85
9	Office Equipments	58.99	4.16	-	63.15	45.62	3.28	48.90	14.25	13.37
10	Vehicles	98.27	97.86	-	196.13	54.17	12.34	66.51	129.62	44.10
11	Computers	24.65	7.41	-	32.06	18.42	3.50	21.91	10.14	6.23
12	Electric Installations	41.26	6.59	-	47.85	29.66	2.45	32.11	15.73	11.59
	<b>TOTAL (i)</b>	<b>895.90</b>	<b>188.07</b>	<b>-</b>	<b>1,083.96</b>	<b>359.67</b>	<b>52.40</b>	<b>412.07</b>	<b>671.89</b>	<b>536.23</b>
1	<b>Capital Work in Progress</b>	171.13	301.03	-	472.15	-	-	-	472.15	171.13
	<b>Sub Total (B)</b>	171.13	301.03	-	472.15	-	-	-	472.15	171.13
	<b>Total Assets</b>	<b>1,067.02</b>	<b>489.09</b>	<b>-</b>	<b>1,556.12</b>	<b>359.67</b>	<b>52.40</b>	<b>412.07</b>	<b>1,144.04</b>	<b>707.35</b>

There are no immovable properties the title deeds of which are not held in the name of the company.

**Capital work-in-progress ag Capital work-in-progress aging schedule**

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less then 1 year	1-2 Year	2-3 Year	more then 3 year	
<b>Project in Progress</b>					
Balance as at 31 March 2022	301.03	160.21	10.92	-	472.15
Balance as at 31 March 2021	160.21	10.92	-	-	171.13

There are no projects which are suspended or whose completion is overdue or has exceeded its cost compared to its original plan.

**PREVEST DENPRO LIMITED**
**EPIP, KARTHOLI, BARI BRAHMANA, SAMBA-181133**
**CIN: U85199JK1999PLC001969**
**Notes to the Financial Statements for the year ended 31.03.2022**

Particulars	For The Year ended on 31.03.2022	For The Year ended on 31.03.2021
<b><u>Note-16 : Revenue from Operations</u></b>		
1. Sale of Products	3,888.10	2,797.68
Less: Discount on Sale	125.75	53.74
2. Other Operating Revenue	-	-
Freight Charges on Sales	-	103.67
<b>Total</b>	<b>3,762.34</b>	<b>2,847.60</b>
<b><u>Note-17 : Other Incomes</u></b>		
1. Interest on Bank Deposits	131.62	51.29
2. Foreign Exchange Variation	29.80	19.30
3. Duty Draw Back Refund	25.07	17.71
4. MEIS Scrip Licence	23.72	-
5. Gain on sale of mutual fund	0.91	-
6. Remission of Creditors	-	12.81
7. Miscellaneous Income	0.04	0.08
8. Profit on sale of Fixed Assets	-	0.09
9. Benefit Under PMGKY (EPFO)	-	1.33
10. Bad Debts Recovered	-	1.14
<b>Total</b>	<b>211.15</b>	<b>103.74</b>
<b><u>Note-18 : Cost of Raw Material Consumed</u></b>		
1. Opening Stock	100.10	94.88
Add: 2. Purchases- Raw Materials & Packing Materials	1,166.03	794.00
Add: 3. Consumables	10.93	9.67
4. Sub-Total	1,176.96	803.67
Less 5. Closing Stock	290.31	100.10
<b>6. Cost of Raw Material Consumed</b>	<b>986.75</b>	<b>798.45</b>
<b><u>Note-19 : Change in Inventories</u></b>		
<b><u>Inventories at the beginning of the year</u></b>		
Work in Progress	2.30	5.48
Finished Goods	24.93	12.67
SubTotal	<b>27.22</b>	<b>18.16</b>
<b><u>Inventories at the end of the year:</u></b>		
Work in Progress	2.99	2.30
Finished Goods	33.07	24.93
SubTotal	<b>36.06</b>	<b>27.22</b>
<b>Net Changes</b>	<b>(8.84)</b>	<b>(9.07)</b>

## Note-20: Employee Benefits Expenses

Salaries and Wages	385.39	313.52
Director Remuneration	245.20	140.13
Company's Contribution to Provident and other fund	20.10	15.13
Staff welfare Expenses	1.76	9.33

<b>Total</b>	<b>652.45</b>	<b>478.11</b>
--------------	---------------	---------------

## Note-21: Finance Cost

1.Interest on Unsecured Loans	9.98	17.62
2.Interest on Vehicle Loan	-	1.06
3.Interest paid on late deposit of TDS & GST	0.44	0.03

<b>Total</b>	<b>10.42</b>	<b>18.71</b>
--------------	--------------	--------------

## Note-22: Depreciation & Amortization

1.Depreciation as per Note-10	52.40	47.19
-------------------------------	-------	-------

<b>Total</b>	<b>52.40</b>	<b>47.19</b>
--------------	--------------	--------------

## Note-23: Other Expenses

Power and Fuel	29.94	28.19
Freight, Packing & Forwarding	147.66	254.95
Repair & Maintenance	47.83	74.70
Advertisement	9.82	11.38
Rates & Taxes	84.94	49.68
Insurance	11.08	9.48
Traveling Expenses	36.78	10.81
Business Promotion Expenses	86.62	51.08
Legal & Professional Expenses	85.12	42.15
Bank Charges	16.63	6.73
Housekeeping and Security Charges	13.81	9.91
Comission Charges	9.10	16.21
Fees & Subscription	41.95	24.74
Auditor remuneration*	3.00	1.90
Rent	4.95	5.03
Labortary Expenses	4.35	18.43
Printing & Stationery	6.52	11.33
Software Expenses	3.38	8.12
Telephone & Internet Expenses	4.24	3.85
Discount	-	6.61
Miscellenous Expenses	27.43	39.16
<b>Total of Other Expenses</b>	<b>675.16</b>	<b>684.43</b>

## **Auditor Remuneration\***

As Statutory Audit Fees	3.00	1.90
-------------------------	------	------

## Note-24: Earning Per Share

Net Profit after tax as per statement of Profit and Loss attributable to Equity Shareholders	1156.88	720.67
--	---------	--------

Weighted Average number of equity shares used as denominator for calculating EPS*	120.03	88.35
---	--------	-------

<b>Basic &amp; Dilluted Earning per share</b>	<b>9.64</b>	<b>8.16</b>
---	-------------	-------------

\* As on 27-04-2021, the Company had issued bonus shares in the ratio 30:1 and hence the same has been considered in the weighted average number of shares

Note-25							
Related Party Disclosures							
(a). List of Related Parties							
Detail of Related Parties with whom transactions have been taken place during the year							
Key Managerial Personnel							
Shri Atul Modi				Managing Director			
Smt. Namrata Modi				Executive Director			
Shri Sai Kalyan Surapaneni				Executive Director			
Associate Enterprises							
NV International				Partnership firm of Mr. Atul Modi and Mrs. Niharika Modi			
Dentstal India				Partnership firm of Mr. Atul Modi and Mrs. Namrata Modi			
(b). Transactions with related parties							
Particulars				Shri Atul Modi	Smt. Namrata Modi	Shri Sai Kalyan Surapaneni	NV International
(1)Salary				110.00	110.00	25.20	-
(2)Interest				6.03	3.95	-	-
(3)Rent				-	4.80	-	-
(4) Sale				-	-	-	9.57
Total				116.03	118.75	25.20	9.57
(c) Balances outstanding at the end of the year:-							
Sr. No.	Particulars					31.03.2022	
1	Loan o/s from shri Atul Modi					83.27	
2	Loan o/s from smt Namrata					53.39	
Total						136.67	

Amount in Rs.

<i>Note: 26 Corporate Social Responsibilities</i>						31st March, 2022
<b>Corporate Social Responsibilities</b>						
Gross amount required to be spent by the company during the year						1,277,479
Amount approved by the Board to be spent during the year						1,277,479
<b>Amount spent during the year on:</b>						
Amount spent on - Cremation Ground						553,951
Construction / acquisition of any asset						-
On purposes other than above						330,293
Details of related party transactions						-
<b>Details of un-spent amount</b>						
Opening Balance						-
Amount deposited in Specified Fund of Sch. VII within 6 months						-
Amount required to be spent during the year						1,277,479
Amount spent during the year						884,244
Closing Balance						393,235

### Details of ongoing projects:

Financial Year ending on	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
31st March, 2022	393,235	-	-	-	-	393,235	

### Details of Provision for CSR Expenses

Financial Year ending on	Opening Balance	Provision during the year	Amount spent out of provision	Closing Balance of provision
31st March, 2022	393,235	-	-	393,235

### Computation of amount to be spent on CSR activities

Particulars	FY 18-19	FY 19-20	FY 20-21
Profit After Tax	29,014,852	51,155,555	72,066,718
Add: Income Tax	7,861,805	10,237,210	21,285,673
Profit Before Tax	36,876,657	61,392,765	93,352,391
Average			63,873,938
2% of profit			1,277,479

<b>Note-27 EMPLOYEE BENEFITS</b>		
The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:		
<b>Details of Gratuity Expenses</b>	<b>2021-22</b>	<b>2020-21</b>
<b><u>Profit and loss account for the period</u></b>		
Current service cost	3.09	2.17
Interest on obligation	1.05	1.10
Expected return on plan assets	-	-
Net actuarial loss/(gain)	-1.72	-1.83
Recognised Past Service Cost-Vested	-	-
Loss (gain) on curtailments	-	-
<b>Total included in 'Employee Benefit Expense'</b>	<b>1.04</b>	<b>1.39</b>
prior year charge	-	-
<b>Total Charge to P&amp;L</b>	<b>1.04</b>	<b>1.39</b>
<b><u>Reconciliation of defined benefit obligation</u></b>		
Opening Defined Benefit Obligation	14.53	15.71
Transfer in/(out) obligation		
Current service cost	3.09	2.17
Interest cost	1.05	1.10
Actuarial loss (gain)	-1.72	-1.83
Past service cost	-	-
Benefits paid	-	-2.61
prior year charge	-	-
<b>Closing Defined Benefit Obligation</b>	<b>16.95</b>	<b>14.53</b>
<b><u>Table of experience adjustments</u></b>		
Defined Benefit Obligation	16.95	14.53
Plan Assets	24.08	20.35
<b>Net liability/(assets) recognise in balance sheet</b>	<b>-7.13</b>	<b>-5.81</b>
<b><u>Reconciliation of plan assets</u></b>		
Opening value of plan assets	20.35	-
Transfer in/(out) plan assets	2.36	20.31
Expenses deducted from the fund	-	-
Expected return	1.48	-
Actuarial gain/(loss)	-0.10	0.04
Contributions by employer	-	-
Benefits paid	-	-
<b>Closing value of plan assets</b>	<b>24.08</b>	<b>20.35</b>

<i>Details of Gratuity Expenses</i>	<i>2021-22</i>	<i>2020-21</i>
<b><u>Reconciliation of net defined benefit liability</u></b>		
Net opening provision in books of accounts	16.95	14.53
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense	-	1.39
Benefits paid by the Company	-	-2.61
Contributions to plan assets	24.08	20.31
<b>Closing provision in books of accounts</b>	<b>-</b>	<b>-</b>
<b><u>Bifurcation of liability</u></b>		
Current Liability	-	-
Non-Current Liability	-	-
<b>Net Liability</b>	<b>-</b>	<b>-</b>
<b><u>Principle actuarial assumptions</u></b>		
Discount Rate	7.25%	7%
Expected Return on Plan Assets	7.25%	7%
Salary Escalation Rate	5%	5%
Withdrawal Rates	5.00% p.a	5.00% p.a
Discount Rate	7.25%	7%
Expected Return on Plan Assets	7.25%	7%
Salary Escalation Rate	5%	5%
Withdrawal Rates	5.00% p.a	5.00% p.a

Note-28 Ratio and Its Elements		Amount in Rs.	
		31st March, 2022	31st March, 2021
<b>Note:</b>			
<b>(1) Ratio Analysis</b>			
<b>A. Current Ratio</b>			
Current Assets		5,272	2,360
Current Liabilities		540	655
Current ratio		976%	361%
Increase / (Decrease) in ratio		171%	
Reason for Increase / (Decrease)		The company has seen sharp increase in Current assets as there is a sharp increase in fixed deposits with the bank by the company as company is come with the Initial public offer and all the unused proceed from IPO is with Fixed Deposit	
<b>B. Debt Equity Ratio</b>			
Long term borrowings		137	139
Short term borrowings		-	-
Total Debt		137	139
Share Capital		1,200	29
Reserves & Surplus		4,510	2,221
Money received against Share Warrants		0	0.00
Shareholder's Equity		5710.45	2249.60
Debt Equity Ratio		2.39%	6.20%
Increase / (Decrease) in ratio		-61.45	
Reason for Increase / (Decrease)		Company's equity has been increased due to issuance of share by way of IPO at premium and generation of higher profit, whereas debt has not been increased resulting in lower debt equity ratio.	
<b>C. Debt Service Coverage Ratio</b>			
Profit after taxes		1,157	721
Add: Interest		10	19
Depreciation & Amortization		52	47
Earnings available for debt service		1,220	787
Interest		10	19
Short term borrowings		-	-
Debt Service		10	19
Debt Service Coverage Ratio		11704%	4204%
Increase / (Decrease) in ratio		178%	
Reason for Increase / (Decrease)		Company's equity has been increased due to issuance of share by way of IPO at premium and generation of higher profit, whereas debt has not been increased resulting in improvement in debt service coverage ratio.	
<b>D. Return on equity</b>			
Net profit after taxes		1,157	721
Equity (As defined in Debt Equity Ratio)		5,710	2,250
Return on equity ratio		20.26%	32.04%
Increase / (Decrease) in ratio		(36.76)	
Reason for Increase / (Decrease)		Although company has earned higher profit but due to issuance of share by way of IPO at premium, Total Equity of the company has increased drastically resulting in lower return on equity.	

## E. Inventory Turnover Ratio

Cost of Goods Sold	978	789
Opening stock	127	113
Closing stock	326	127
Average Inventory	227	120
Inventory Turnover Ratio	431%	657%
Increase / (Decrease) in ratio	(34.37)	
Reason for Increase / (Decrease)	Company's Turnover has increased by 32 % during the year, resulting in lower Inventory turnover ratio.	

## F. Trade Receivables turnover Ratio

Revenue from Operations	3,762	2,848
Average Trade Receivables	303	295
Trade Receivable Turnover ratio (in days)	1239.95%	964.53%
Increase / (Decrease) in ratio	28.55%	
Reason for Increase / (Decrease)	Company's Turnover has increased by 32 % during the year, whereas the debtors have increased marginally, resulting in higher debtor turnover ratio.	

## G. Trade Payables Turnover Ratio

Total Purchase	1,166	794
Average Trade Payables	277	283
Trade Payables Turnover Ratio (in days)	420.66%	280.40%
Increase / (Decrease) in ratio	50.02%	
Reason for Increase / (Decrease)	Company's purchases has increased by 47 % during the year, whereas the Creditors have decreased marginally, resulting in higher debtor turnover ratio.	

## H. Net Capital turnover ratio

Revenue from Operations	3,762	2,848
Current assets - Current Liabilities	4,732	1,706
Net Capital turnover ratio	79.51%	166.95%
Increase / (Decrease) in ratio	(52.38)	
Reason for Increase / (Decrease)	The Current assets of the company has increased more as the reason stated earlier, hence capital Turn over ratio is decreased.	

## I. Net Profit Ratio

Net Profit	1,157	721
Revenue from Operations	3,762	2,848
Net Profit Ratio	30.75%	25.31%

## J. Return on capital employed

Profit before taxes	1,605	934
Add: Interest	10	19
Profit before interest and taxes	1,616	952
Share Holders Funds	5,847	2,389
Add: Borrowings		
Total Capital Employed	5,847	2,389
Return on capital employed	27.63%	39.86%
Increase / (Decrease) in ratio	-30.68%	
Reason for Increase / (Decrease)	Although company has earned higher profit but due to issuance of share by way of IPO at premium, Total Equity of the company has increased drastically resulting in lower return on capital employed.	

## K. Return on Investment

Profit / (loss) after tax attributable to owners of the company	1,157	721
Equity shareholders' fund	5,710	2,250
<b>Return on Investment</b>	<b>20.26%</b>	<b>32.04%</b>
Increase / (Decrease) in ratio	-36.76%	
Reason for Increase / (Decrease)	Although company has earned higher profit but due to issuance of share by way of IPO at premium, Total Equity of the company has increased drastically resulting in lower return on capital employed.	

### Note-29 Additional Regulatory Information

<b>Details of Benami Property held</b>				
The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any				
<b>Details of Loans and advances</b>				
The company has not granted any loans and advances to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment.				
<b>Wilful Defaulter</b>				
The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.				
<b>Relationship with Struck off Companies</b>				
The Company do not have any transactions with companies struck off.				
<b>Registration of charges or satisfaction with Registrar of Companies (ROC)</b>				
The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.				
<b>Compliance with number of layers of companies</b>				
The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.				
<b>Compliance with approved Scheme(s) of Arrangements</b>				
There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act,				
<b>Discrepancy in utilization of borrowings</b>				
The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings.				
<b>Utilisation of Borrowed funds and share premium:</b>				
(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).				
(B) the company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).				
The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:				
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or				
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;				
The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:				
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;				
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.				

### Note-30 Additional Information:

<b>Undisclosed income</b>				
The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).				
<b>Details of Crypto Currency or Virtual Currency</b>				
The company has not traded or invested in Crypto currency or Virtual Currency.				