



# 39<sup>th</sup> ANNUAL REPORT 2021-22

**PAN ELECTRONICS  
(INDIA) LIMITED**

CIN: L00309KA1982PLC004960

Email: [info@panelectronicsindia.com](mailto:info@panelectronicsindia.com)

Website: [www.panelectronicsindia.com](http://www.panelectronicsindia.com)

**Regd. Office:** #16B, Peenya Industrial Area  
Phase – 1, Pipeline Road, Bengaluru,  
Karnataka 560058

**Factory:** #1E, Peenya industrial Estate 1<sup>st</sup>  
Main Road, Peenya 2<sup>nd</sup> Phase, Bengaluru,  
Karnataka 560058



# TABLE OF CONTENTS

Corporate Information	3
Message from the Chairperson	4
Notice Of The 39th Annual General Meeting	5
Board's Report	19
Independent Auditors' Report	36
Financial for F.Y 2021-22	47

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Shri. Gullu Gellaram Talreja	Chairman & Managing Director
Shri. Abhishek Prakash Talreja	Whole Time Director
Smt. Ambusaravan Asha	Director (Independent)
Shri. Nitesh Nanik Rohera	Director (Independent)
Shri. Anil Hargobind Khilnani	Chief Financial Officer (KMP)
Shri. Bharath K L	Company Secretary & Compliance Officer (KMP)

### STATUTORY AUDITORS

M/s. B N Subramanya & Co., Chartered Accountants, Bengaluru

### BANKERS

Punjab National Bank – Peenya Branch, Bengaluru

### REGISTRARS & SHARE TRANSFER AGENTS

Integrated Registry Management Services Private Limited,  
30 Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru 560 003

### REGISTERED OFFICE

16B, 1st Phase, Peenya Industrial Area, Bengaluru – 560 058

### FACTORY

1E, Peenya Industrial Estate , 1st Main Road, Peenya 2nd Phase , Bangalore – 560058

### Website

<http://www.panelectronicsindia.com/investors>

### Looking Ahead

*“We recognize the impact that a business like ours can deliver in elevating communities globally, and we continue to improve our efforts and take decisive actions that benefit people and planet”*



### **Message from the Chairperson**

Dear Shareholders,

As we emerge from this once-in-a-century pandemic, we are navigating a phase of global supply chain disruptions, geopolitical conflicts, and deglobalization. Within some of these trends are several opportunities, especially in digital, cloud, and engineering, as technology becomes an essential part of our lives and a force for good.

At PAN Electronics, we have continued to learn, build and grow efficiently while expanding our client base and growing our share of wallet. With the depth and breadth of our portfolio, our strategy of establishing nearshore presence, and deep relationships with our clients, we remain well positioned to leverage these emerging opportunities.

Ethical and sustainable business practices are of paramount importance to us and are embedded into everything we do at PAN Electronics. We recognize the impact that a business like ours can deliver in elevating communities globally, and we continue to improve our efforts and take decisive actions that benefit people and planet.

I would like to thank and express my humble gratitude to our shareholders for always believing in us. Together, we shall continue to drive our growth strategy and build on the achievements of FY22.

# PAN ELECTRONICS (INDIA) LIMITED

CIN: L00309KA1982PLC004960

Registered & Corporate Office: 16B, 1st Phase, Peenya Industrial Area Peenya

Bangalore KA 560058 IN

Website [www.panelectronicsindia.com](http://www.panelectronicsindia.com), Email: [cs@panelectronicsindia.com](mailto:cs@panelectronicsindia.com)

## NOTICE

### **NOTICE OF THE 39TH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Thirty-Ninth (39) Annual General Meeting of the Members of PAN ELECTRONICS (INDIA) LIMITED will be held Monday, September 26, 2022 at 3:30 P.M IST through video conferencing/ other audio-visual means to transact the following business:

#### **ORDINARY BUSINESS:**

#### **Item No. 1 – ADOPTION OF FINANCIAL STATEMENTS ALONG WITH THE REPORTS OF THE BOARD OF DIRECTORS AND OF THE AUDITORS THEREON**

To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and of the Auditors thereon, and in this regard, pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and of the Auditors thereon be and are hereby received, considered, and adopted.”

#### **Item No. 2 – TO APPOINT A DIRECTOR IN PLACE OF MR. ABHISHEK PRAKASH TALREJA (DIN: 05007867), WHO RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT**

To re-appoint Mr. Abhishek Prakash Talreja (DIN: 05007867), who retires by rotation and being eligible, offers herself for re-appointment as a Director, liable to retire by rotation, and pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Abhishek Prakash Talreja (DIN: 05007867), who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

#### **Item No. 3 – RE-APPOINTMENT OF M/S. SUBRAMANYA & CO. CHARTERED ACCOUNTANTS, BANGALORE AS THE STATUTORY AUDITORS OF THE COMPANY AND FIXATION OF REMUNERATION.**

To consider and if thought fit, to pass, with or without modification (s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit & Auditors) Rules, 2014, as amended from time to time and pursuant to the

recommendations of the Audit Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded to the re-appointment of M/s. Subramanya & Co. (Firm Registration No. 02116S) Chartered Accountants, Flat No, 101, R.V. 15, E Block, 6<sup>th</sup> Main, Malleshwaram, Bangalore – 560 003, Karnataka as the Statutory Auditors of the Company for 5 (five) consecutive Financial Years commencing from 2022 – 2023 to 2026 – 2027 and to hold office from the conclusion of 39th Annual General Meeting to the conclusion of 44th Annual General Meeting for the Financial Year ending March 31, 2027.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps, as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings, that may be required, on behalf of the Company, including filing of necessary forms and returns with the Ministry of Corporate Affairs, Reserve Bank of India and other concerned Authorities and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to the resolution.”

#### **SPECIAL BUSINESS:**

##### **Item No. 4 – CONTINUATION OF Mr. GULLU GELLARAM TALREJA AS CHAIRMAN AND MANAGING DIRECTOR UPON ATTAINING AGE OF SEVENTY YEARS**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded for continuation of holding of office of Chairman and Managing Director by Mr. Gullu Gellaram Talreja (DIN: 01740145) upon attaining the age of 70 (Seventy) years on 12 March, 2023.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Mr. Gullu Gellaram Talreja as a Chairman and Managing Director within the overall limits under the Act subject to such other approval that may be necessary and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

##### **Item No. 5 – RE-APPOINTMENT OF MR. GULLU GELLARAM TALREJA AS CHAIRMAN AND MANAGING DIRECTOR**

To consider and if deemed fit, pass with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** based on the recommendation of the Nomination and Remuneration Committee, Board of Directors, pursuant to the provisions of Sections 196, 196(3), 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Schedule V thereto and the Rules made thereunder including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and the Articles of Association of the company and subject to such other approvals as may be necessary, the consent of the Company be and is hereby accorded for the re-appointment of Mr. Gullu Gellaram Talreja as a Chairman and Managing Director of the Company who has attaining the age of 70 years, for a period of 5 years commencing from 1st April, 2023 to 31st March 2028, at a remuneration not exceeding as per applicable provisions of the Act read with rules thereof as amended from time to time AND THAT he shall not be liable to retire by rotation, on the terms and conditions including payment of remuneration as contained in the draft amendment to service/employment agreement laid before this meeting and initialed by the Chairman for the purpose of identification with liberty and authority to the Board of Directors to revise the remuneration every year and/or alter and vary the terms and conditions within the applicable provisions of the Companies Act, 2013;”

**“RESOLVED FURTHER THAT** where in any financial year during the tenure of the said Chairman and Managing Director, the Company has no profits or its profit are inadequate, the remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration;”

**“RESOLVED FURTHER THAT** the Board of Directors (including its Nomination and Remuneration Committee thereof) be and is hereby authorized to modify the terms and conditions of appointment / remuneration or the scale or any other perquisites payable within the limit permitted as they may deem fit and proper from time to time;

**“RESOLVED FURTHER THAT** any one of the Directors of the Company be and is hereby authorized to sign and execute agreement / amendment and other necessary papers as regards to the amendment of the Service / Employment Agreement of Mr. Gullu Gellaram Talreja, Chairman and Managing Director of the Company and to do all such acts, deeds, matters and things including but not limited to filing of requisite application/forms/reports etc with the Ministry of Corporate Affairs or with such other Statutory Authorities as may be required to give effect to the said resolution.”

By Order of the Board  
**PAN Electronics (India) Limited**

**SD/-**

**GULLU GELLARAM TALREJA**

Managing Director | DIN 01740145

**Bangalore**

**12/08/2022**

**Notes:**

1. In the View of Ongoing COVID-19 pandemic, Social distancing is a norm to followed and pursuant to the circular No.14/2020 dated 8th April 2020, Circular No. 17/2020 dated 13<sup>th</sup> April 2020, issued by Ministry of Corporate Affairs (MCA) followed by circular No.20/2020 dated 5th May 2020, physical attendance of the members to the AGM venue is not required and Annual General Meeting (AGM) will be held through video conferencing (VC) or other audio visual means (OAVM). Hence Members can attend and participate in the ensuring AGM though VC/OAVM and no physical presence at the meeting required.
2. Since this AGM is being held through VC/OAVM, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy form, Attendance slip, and Route map are not Annexed to the Notice.

3. The members can join the AGM in the VC/OAVC mode 15 minutes before and after the scheduled time for the commencement of the meeting by the following procedure mentioned in the Notice. The facility to participate in the AGM through VC/OAVC will be made available to 1000 members on the first come first served basis. However, this number shall not include the large shareholders holding 2% or more share capital, Promoters, Institutional investors, Director, Key managerial Personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Auditors, Secretarial Auditors, Scrutinizers, ect., who are allowed to attend the AGM without restriction on account of first come first served basis.
4. 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.
5. 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 MCA dated 8th April, 2020, 13th April, 2020 and 5th May, 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 made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, and independent agency for providing necessary platform for Video Conference/ OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote evoting system as well as e-voting on the day of the AGM will be provided by CDSL.
6. The Notice calling the AGM along with complete Annual Report has been uploaded on the website of the Company. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd. at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and providing necessary platform for Video Conference/OAVM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. In compliance with the MCA Circulars and the Securities and Exchange Board of India ('SEBI') Circular No. SEBI/HO/CFD/CMDI/CIR/P/ 2020/79 dated May 12, 2020, Notice of the 39th AGM along with the Annual Report for Financial Year 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / National Securities Depository Limited and Central Depository Services (India) Limited (the Depositories'). To receive shareholders' communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their e-mail address with the Company and their respective depository participant, where shares are held in electronic form. A copy of this Notice along the Annual Report for Financial Year 2021-22 is uploaded on the Company's website [www.panelectronicsindia.com](http://www.panelectronicsindia.com), websites of the Stock Exchange i.e. The BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of Central Depository Services (India) Limited (CDSL) at [www.evotingindia.com](http://www.evotingindia.com).
8. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their voting again.
9. In the case of shares held in demat mode, the shareholders may contact the Depository Participant (DP) and register the e-mail address in the demat account as per the process followed and advised by the DP.
10. A brief profile of the Director retiring by rotation and proposed to be re-appointed at the AGM, nature of his expertise in specific functional areas, names of companies in which he holds directorship and membership/chairmanship of Board Committee(s), shareholding and relationship between directors inter-



se as stipulated under Regulation 36 of SEBI Listing Regulation and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings are provided in Annexure – I to this Notice.

11. The Register of Members and the Share Transfer books of the Company will remain closed from September 17, 2022, to September 26, 2022 (both days inclusive).
12. Securities and Exchange Board of India (SEBI) vide its notification dated November 30, 2018 has prohibited transfer of shares in physical form. Hence with effect from April 01, 2019, the shareholders who intend to transfer the physical shares required to dematerialize it before such transfer. The Company had sent necessary reminder to the shareholders to this effect.

For any further information relating to physical shares, shareholders are requested to contact the Company's Registrar and Share Transfer Agent (RTAs), Integrated Registry Management Services Private Limited situated at No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003, Phone : +91-80-23460815 to 818, Fax: +91-80-23460819, E-mail: [irg@integratedindia.in](mailto:irg@integratedindia.in)

Shareholders, whose shareholdings are in electronic format are requested to direct change of address notification(s), registration of email address and updation of bank account detail to their respective depository participants.

13. Relevant documents referred to, in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company during normal business hours (9.00 A.M. to 5.00 P.M.) on all working days except Saturdays and Sundays, up to the conclusion of Annual General Meeting of the Company.
14. In case of joint holders attending the Meeting, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
15. Members seeking any information with regard to the Annual Accounts, are requested to write to [cs@panelectronicsindia.com](mailto:cs@panelectronicsindia.com) the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
16. The notice of the Annual General Meeting along with the Annual Report 2021-22 are by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted modes.

Any person, who acquires shares of the Company and becomes the Member of the Company after dispatch of the Annual Report and holding shares as on the cut-off date (i.e. September 16, 2022), may contact the RTAs or email to [irg@integrated.in](mailto:irg@integrated.in) and obtain copy of the Annual Report.

17. The Equity Shares of the Company are available for trading in dematerialized form (electronic form) through depository participants. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). ISIN Code No. INE648E01010. All Shareholders holding Shares in physical form are requested to make use of this facility. Members are requested to open Demat account with any of the depository participants to enable transacting in the Stock Exchanges.
18. Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 mandates the companies to transfer dividend that has remained unclaimed for a period seven years from the unpaid dividend account to Investor Education and Protection Fund (IEPF). Further, the rules also mandate the transfer of Shares with respect to the Dividend, which has not been paid or claimed for seven consecutive years of more to IEPF. Accordingly, there is no dividend remains unclaimed as on date and/or past seven years.
19. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Integrated Registry Management Services Private Limited /Depositories.

20. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
21. 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 MCA Circulars 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/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
22. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available to at least 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 EGM/AGM without restriction on account of first come first served basis.
23. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
24. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
25. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.panelectronicsindia.com](http://www.panelectronicsindia.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
26. The AGM/EGM 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 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- i) The voting period begins on 23rd September, 2022 (09:00 A.M) and ends on 25th September, 2022 (05:00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16<sup>th</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) 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>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> 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 able to see the e-Voting</li> </ol>

	option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) 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 "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	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 and 22-23058542-43.

Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	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
---	--

- v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**xvi) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@panelectronicsindia.com](mailto:cs@panelectronicsindia.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. 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 atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM/EGM 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 available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
11. Join Zoom Meeting <https://zoom.us/j/3835991604?pwd=d3BqNXF2Sms4c1ZlYWlRRG9lYWwFuUT09>  
Topic: 39TH AGM PAN ELECTRONICS (INDIA) LIMITED  
Time: Sep 26, 2022 03:30 PM India  
Meeting ID: 383 599 1604  
Passcode: INDIA

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

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

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE ACT**

**Item No. 4 – CONTINUATION OF MR. GULLU GELLARAM TALREJA (DIN: 01740145) AS WHOLE TIME DIRECTOR UPON ATTAINING AGE OF SEVENTY YEARS**

The Shareholders of the Company approved reappointment of Mr. Gullu Gellaram Talreja (DIN: 00995523) as a Chairman & Managing Director of the Company for a period of five years which is ending 31 March, 2023 through a Special Resolution under the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Articles of Association of the Company. Mr. Gullu Gellaram Talreja, Whole Time Director will attain the age of 70 years on 12 March, 2023. The Company seeks consent of the members by way of special resolution for continuation of their holding of existing office after the age of 70 years during the occurrence of his term of appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013. The Board therefore recommends the Special Resolutions for your approval.

Mr. Gullu Gellaram Talreja, aged 69, is a prominent and successful Industrialist with a wide and varied experience in the management of business and industry. Accordingly, looking at his expertise and long experience of business and corporate management, the Board of Directors recommends the Special resolution set out at Item No.4 of the accompanying Notice for the approval of the Members. The Board is of the view that the continued association of Mr. Gullu Gellaram Talreja, would benefit the Company, given the knowledge, experience and performance of Mr. Gullu Gellaram Talreja, and contribution to Board processes by him. In the opinion of the Board, Mr. Gullu Gellaram Talreja, fulfills the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for appointment as an Whole Time Director.

The Details required under Regulations 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an Annexure – I to the notice.

This explanatory statement and the resolution at Item no. 4 may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Except Mr. Gullu Gellaram Talreja, none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 4.

#### **Item No. 5 – RE-APPOINTMENT OF MR. GULLU GELLARAM TALREJA (DIN: 01740145) AS CHAIRMAN AND MANAGING DIRECTOR**

Re-appointment of Mr. Gullu Gellaram Talreja as Chairman and Managing Director, The shareholders of the Company at their General Meeting of the Company ('GM') had accorded approval for the re-appointment of Mr. Gullu Gellaram Talreja , Chairman and Managing Director of the Company for a period of five years with effect from till 31<sup>st</sup> March 2023, not liable to retire by rotation, by passing an special resolution pursuant to the provisions of Sections 2(54), 196,197 and 203 read with Schedule V and other applicable Rules and provisions of the Act. The terms and conditions of the above appointment were within the overall limits of Schedule V of the Companies Act, 2013.

Since the present tenure of Mr. Gullu Gellaram Talreja, Chairman and Managing Director of the Company expires on 31<sup>st</sup> March 2023, it is proposed to reappoint Mr. Gullu Gellaram Talreja as Chairman and Managing Director of the Company, not liable to retire by rotation for a further period of five years with effect from 1<sup>st</sup> April 2023 up to 31<sup>st</sup> March 2028 upon the terms and conditions including the remuneration as recommended by the Nomination and Remuneration Committee.

ANNEXURE – I

ADDITIONAL DETAILS OF DIRECTOR RECOMMENDED FOR RE-APPOINTMENT AS REQUIRED UNDER THE LISTING REGULATIONS AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

<b>Name of Director</b>	<b>Mr. ABHISHEK PRAKASH TALREJA</b>
Date of Birth	26-July-1980
Age	46 Years
Date of first Appointment on the Board	25/09/2015
Qualifications	MBA from the ETH Zurich.
Nature of expertise in specific functional area	Mr. Abhishek Prakash Talreja has expertise in Management, Strategy & Social Enterprise.



Past Remuneration	NIL
Terms and conditions of appointment / re-appointment including Remuneration to be paid	Re-appointment as an Executive Non-Independent Director, liable to retire by rotation. Mr. Abhishek Prakash Talreja would not be paid any fixed remuneration. Mr. Abhishek Prakash Talreja would be entitled to the sitting fee for attending the Board / Committee meetings. He would also be entitled to the commission, as may be approved by the Board, in terms of the provisions of the Companies Act, 2013.
Shareholding in PAN ELECTRONICS (INDIA) LIMITED as on PAN ELECTRONICS (INDIA) LIMITED March 31, 2022	NIL
Relationship with other Directors / KMPs	Mr. Abhishek Prakash Talreja is the son of Mr. GULLU GELLARAM TALREJA, MD & Chairperson of the Company.
Directorships / Committee Membership and Chairpersonship held in other Listed Companies	None
Resignation from Listed entities in the past three years	None
No. of Board Meetings attended during the Financial year ended March 31, 2022	10 Board Meetings were held during the Financial Year 2021 - 22. All these meetings were attended by him.

<b>Name of Director</b>	<b>Mr. GULLU GELLARAM TALREJA</b>
Date of Birth	12-March-1953
Age	69 Years
Date of first Appointment on the Board	06/01/2015
Qualifications	Graduate
Nature of expertise in specific functional area	Mr. Gullu Gellaram Talreja has expertise in Textile & Garments, Electronics, Management and Strategy.
Past Remuneration	NIL
Terms and conditions of appointment / re-appointment including Remuneration to be paid	Re-appointment as an Executive, Non-Independent Director, (Managing director) Mr. Gullu Gellaram Talreja would not be paid any fixed remuneration. Mr. Gullu Gellaram Talreja would be entitled to the sitting fee for attending the Board / Committee meetings. He would also be entitled to the commission, as may be approved by the Board, in terms of the provisions of the Companies Act, 2013.
Shareholding in PAN ELECTRONICS (INDIA) LIMITED as on PAN ELECTRONICS (INDIA) LIMITED March 31, 2022	70.67%
Relationship with other Directors / KMPs	Mr. Gullu Gellaram Talreja is the Father of Mr. Abhishek Prakash Talreja, (WTD) of the Company.

Directorships / Committee Membership and Chairpersonship held in other Listed Companies	None
Resignation from Listed entities in the past three years	None
No. of Board Meetings attended during the Financial year ended March 31, 2022	10 Board Meetings were held during the Financial Year 2021 - 22. All these meetings were attended by him.

**PAN ELECTRONICS (INDIA) LTD** STANDS AS ONE OF THE LEADING HIGH-QUALITY CAPACITOR MANUFACTURERS IN INDIA, WE PRODUCE VARIOUS TYPES OF HIGHLY ADVANCED CAPACITORS. OUR CAPACITORS ARE HIGHLY RELIABLE, OUR ROBUST TESTING AND INTERNATIONAL QUALITY RAW MATERIAL ENSURE WE STAND ABOVE ALL IN TERMS OF PRODUCT DURABILITY IN INDIA.

WE ALSO MANUFACTURE PP FILMS FOR CAPACITORS SINCE 1986. AN AIM TO SERVE THE ELECTRONIC CAPACITOR INDUSTRIES WORLDWIDE BY PRODUCING EXCELLENT QUALITY METALLISED POLYPROPYLENE FILM, WE HAVE SOPHISTICATED AND FULLY AUTOMATED MANUFACTURING FACILITIES FOR METALLISING ALONG WITH GERMAN MACHINERY. OUR PLANT IS SITUATED IN BENGALURU. WITH PROPER INFRASTRUCTURE, WE HAVE ONE OF THE ROBUST RESEARCH & DEVELOPMENT TEAM AND "STATE-OF-THE-ART TECHNOLOGY".

### OUR PRODUCTS

#### METALLISED PP FILMS



#### CAPACITORS



Years of Trust

## BOARD'S REPORT

Your Directors have pleasure in presenting their Thirty-Ninth Annual Report and the Audited Financial Statements for the financial year ended March 31, 2022 together with the Independent Auditor's Report.

### 1. FINANCIAL RESULTS:

Particulars	Not e No.	31-Mar-22	31-Mar-21
<b>REVENUE</b>			
Revenue from operations	19	2,20,58,269	-
Other Income	20	3,09,843	5,61,63,708
<b>Total Revenue</b>		<b>2,23,68,112</b>	<b>5,61,63,708</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	21	2,41,95,531	-
Changes in inventories	22	(29,49,448)	-
Employee benefit expenses	23	1,30,35,281	49,55,772
Finance costs	24	51,81,875	45,99,374
Depreciation and amortization	3	89,53,931	69,89,334
Other Expenses	25	1,10,70,389	58,20,102
<b>Total Expenses</b>		<b>5,94,87,560</b>	<b>2,23,64,581</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(3,71,19,448)</b>	<b>3,37,99,126</b>
Exceptional items		-	-
<b>Profit/(loss) before tax</b>		<b>(3,71,19,448)</b>	<b>3,37,99,126</b>
Tax expense:			
1. Current tax		-	-
2. Deferred tax		-	-
<b>Profit/(loss) for the period from continuing operations</b>		<b>(3,71,19,448)</b>	<b>3,37,99,126</b>
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from discontinued operations (after tax)		-	-
<b>Profit/(loss) for the period</b>		<b>(3,71,19,448)</b>	<b>3,37,99,126</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified into profit and loss			
-Actuarial (Loss)/Gain-Gratuity		70,433	-
<b>Total Comprehensive Income and Other Comprehensive Income for the period</b>		<b>(3,70,49,015)</b>	<b>3,37,99,126</b>
Earnings per equity share (for continuing operation)			
Weighted average no. of equity shares			
Basic (in Rs.)		(9.2799)	8.4498
Diluted (in Rs.)		(9.2799)	8.4498
Earnings per equity share (for continuing and discontinued operation)			
Basic (in Rs.)		(9.2799)	8.4498
Diluted (in Rs.)		(9.2799)	8.4498

## 2. BUSINESS OVERVIEW AND STATE OF AFFAIRS

Management Discussion and Analysis Report for the year under review, as stipulated in Regulation 34 (2) (e) of SEBI Listing Regulations is given as a separate part of the annual report. It contains a detailed write up and explanation about the performance of the company.

## 3. DIVIDEND

There is no dividend was declared or paid during the year under report.

## 4. TRANSFER TO RESERVES

During the financial year the Company has not transferred any amount to General Reserves due to loss incurred during the financial year.

## 5. SHARE CAPITAL

During the financial year there were no changes in the Authorized Share Capital and Paid-up share capital of the Company.

As on March 31, the Authorized Share Capital of the Company was Rs. 10,00,00,000 (Rupees Ten Crores) and the Paid-up Share Capital was Rs. 4,00,00,000/- (Rupees Four Crores only)

## 6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report in terms of Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), is attached and forms part of this Annual Report.

## 7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There is no subsidiaries, associates and joint ventures

## 8. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

## 9. DIRECTORS AND KEY MANAGERIAL PERSONNEL PARTICULARS OF EMPLOYEES

The composition of the Board of Directors of the Company is in conformity with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year there were changes in the Board of Directors.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of The composition of the Board of Directors of the Company as on the date of this report is as below:

- 1 GULLU GELLARAM TALREJA – Managing Director
- 2 ABHISHEK PRAKASH TALREJA – Whole-time Director
- 3 NITESH NANIK ROHERA – Director (Independent) (Appointed – 30.05.19)
- 4 AMBUSARAVAN ASHA – Director (Independent)
- 5 BHARATH K L – Company Secretary
- 6 ANIL HARGOBIND KHILNANI – CFO (KMP)

## 10. NUMBER OF MEETINGS OF THE BOARD

Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. During the financial year under review, 10 (Ten) Meetings were held on

1. June 30, 2021
2. August 14, 2021
3. August 20, 2021
4. September 04, 2021
5. September 30, 2021
6. October 15, 2021
7. November 14, 2021
8. November 25, 2021
9. February 12, 2022
10. March 23, 2022

Name of the Director	Category	Board Meetings held	Board Meetings Attended	Attended Last AGM
Mr. GULLU GELLARAM TALREJA	Managing Director	10	10	Yes
Mr. ABHISHEK PRAKASH TALREJA	Whole time Director	10	10	Yes
Mrs. AMBUSARAVAN ASHA	Director	10	10	Yes
Mr. NILESH RATHNAKAR DESHPANDE	Additional Director (Independent)	10	10	Yes

## 11. COMMITTEES MEETINGS

### Audit Committee

The Company has complied with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to the composition of the Audit Committee. During the year, the composition of the Audit Committee was as follows –

1. Nitesh Nanik Rohera – Chairman
2. Abhishek Prakash Talreja – Member
3. Ambusaravan Asha – Member

Chairman, Managing Director, Chief Financial Officer, Chief Operating Officer, Internal Auditors and Statutory Auditors are invitees to the Meeting. Company Secretary of the Company acts as the Secretary to the Committee Meetings.

The Audit Committee Meetings were held at regular intervals with a time gap of not more than 120 days between two consecutive meetings. During the year, the Audit Committee has met 04 (Four) times on 30 June 2021, 14 August 2021, 14 November 2021, and 12 February 2022.

The attendance details of each Member of the Committee are as below:

Name of the Director	No. of Meetings held	No. of Meetings attended
Nitesh Nanik Rohera	4	4
Abhishek Prakash Talreja	4	4

Ambusaravan Asha	4	4
------------------	---	---

### Nomination and Remuneration Committee (NRC)

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted Nomination and Remuneration Committee.

The terms of reference of the Committee inter alia, the following:

- (a) Chairman: Chairman of the Committee shall be an Independent Director as may be elected by the members of the Committee.
- (b) Quorum: Quorum for Meeting of the Committee shall be a minimum of two members provided one of them shall always be an Independent Director.
- (c) Frequency of Meetings: The Committee may meet at such times as may be deemed necessary.
- (d) Role: The Role of the Committee shall include inter-alia the following:

- Formulation of 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;
- Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every Director's performance;
- Devising a Policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board for their appointment and removal.
- Such other matters as may be prescribed under the Companies Act, 2013, listing agreement and by the Board of Directors of the Company from time to time.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

(e) Invitees: The Committee may invite such executives of the Company and such other persons as it may consider appropriate.

(f) Secretary to the Committee: The Company Secretary shall be the Secretary of the Committee who shall flag actions and serve as executive support to the Committee.

The composition of the Committee during the year was as follows:

1. Nitesh Nanik Rohera – Chairman
2. Abhishek Prakash Talreja – Member
3. Ambusaravan Asha – Member

During the financial year Once (1) Meeting of the Committee were held on 22nd February 2022 The attendance details of each Member of the Committee are as below:

Name of the Director	No. of Meetings held	No. of Meetings attended
Nitesh Nanik Rohera	1	1
Abhishek Prakash Talreja – Whole-time Director	1	1
Ambusaravan Asha – Director (Independent)	1	1

Details of the sitting fees fixed by the Board for attending the Board / Committee Meetings are as below:

Board Meeting	Rs. 2,500
Audit Committee Meeting	Rs. 2,500
Investor Grievance Committee	Rs. 2,500
Other Committee Meeting	Rs. 2,500

### Stakeholders' Relationship Committee

During the year, the composition of the Stakeholders' Relationship committee was as follows:

1. Abhishek Prakash Talreja – Chairman
2. Ambusaravan Asha – Member

This Committee monitors and addresses investors complaints, transfer of Shares, transmission etc. based on the information provided by the Company's Registrars and Share Transfer Agents. No queries/complaints were received from the Shareholders during the period except change of address and non-receipt of dividend warrants and non-receipt of share certificates. All of them have been addressed to the satisfaction of the Shareholders. As of March 31, 2021, no complaints were pending.

During the financial year Once (1) Meeting of the Committee were held on 23rd February 2022.

### Independent Director

During the year under review, the Independent Directors met on 22nd February 2022 , inter alia, and transacted the following business:

- Evaluation of the performance of the Non-Independent Directors and the Board in general
- Evaluation of the performance of the Chairman of the Company taking into account the views of the Executive and Non- Executive Directors
- Evaluation of the process of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties

All the Independent Directors were present in the Meeting.

The composition of the Committee during the year was as follows:

1. Nitesh Nanik Rohera – Chairman
2. Ambusaravan Asha – Member

## 12. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and corporate governance requirements as prescribed by SEBI Listing Regulations.

The performance of the Board was evaluated by the Board seeking inputs from all directors on the basis of criteria such as adequacy of the composition of the Board and its Committees, Board culture, effectiveness of board processes and performance of specific duties, obligations and governance. The performance of the Committees was evaluated by the Board on the basis of criteria such as composition of committees, effectiveness of committee meetings, etc,. The individual Directors were evaluated on parameters such as level of engagement and contribution of the individual director to the Board and committee meetings, independence of judgment, etc,.

In a separate meeting of the independent directors held on 22nd February 2022, performance of the non-independent directors and Board as a whole was reviewed and performance of Chairman of the Company was reviewed after taking into account views of Executive Director. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

### **13. STATUTORY AUDITORS AND STATUTORY AUDITORS' REPORT**

M/s. B. N. Subramanya & Co., (Firm Registration No: 004142S) Chartered Accountants, hold office until the conclusion of the five-year period. As required by the provisions of the Companies Act, 2013, the auditors to be re-appointed by members at this AGM.

Certificate of the Statutory Auditors, regarding COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE forms part of the Annual report.

There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any explanation from the Board of Directors. The Statutory Auditors have expressed an unmodified opinion in the audit reports in respect of the Audited standalone and consolidated Financial Statements for the financial year ended March 31, 2022.

### **14. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

The Board has appointed Mr. Vivek Bhat, a Practicing Company Secretary (Membership No. FCS-7708) as the Secretarial Auditor as per the provisions of Section 204 of the Companies Act, 2013 for the financial year 2021-22. The Secretarial Audit Report issued by him is enclosed as "Annexure – I" to this Report.

There are qualification and adverse remarks mention in Secretarial Auditor Report, company consider the same and taking proactive steps to make it proper and some of the compliance we are not able to complete due to incurring loss and negative net worth.

### **15. MAINTENANCE OF COST RECORDS**

The maintenance of cost records and requirement of cost audit as prescribed by the Central Government under the provisions of the Section 148(1) of the Act are not applicable to the business activities carried out by the Company. Accordingly, such cost accounts and records are not maintained by the Company.

### **16. ANNUAL RETURN**

Pursuant to the provisions of the Sections 92(3) and 134(3) (a) of the Act, the Annual Return of the Company for FY 2021-22 is available on the website of the Company at <https://panelectronicsindia.com/investors/>.

### **17. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company. During the year there no such employees applicable.

### **18. RISK MANAGEMENT POLICY**

The Company has Risk Management Policy in place. To oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.



The development and implementation of Risk Management Policy has been covered in the management discussion and analysis, which forms part of this report. The Company has taken Directors' and Officers' Liability Insurance Policy.

**19. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls with reference to the financial statements. During the year, such controls were evaluated and no reportable deficiency in the design or operation of such controls were observed.

**20. SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**21. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees and investments have been disclosed in the financial statements which forms part of this Annual Report.

**22. TRANSACTIONS WITH RELATED PARTIES**

The particulars of transactions entered into with the related parties referred to in Section 188(1) and applicable rules of the Act, have been given in Annexure – III to this Report in Form AOC-2.

**23. CORPORATE SOCIAL RESPONSIBILITY**

The provisions Corporate Social Responsibility is not applicable to the company.

**24. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the financial year.

**25. CORPORATE GOVERNANCE REPORT**

in accordance with Regulation 15(2) (a) of the SEBI (LODR) Regulations, 2015, the compliance with the corporate governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24,24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub regulation (2) of regulation 46 and para-C, D and E of Schedule V shall not apply, in respect of –

The listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty-five crore, as on the last day of the previous financial year.

Since the paid-up Equity Share Capital and Net-worth of the Company as on the last day of the previous financial year was below the stipulated limits as prescribed under Regulation 15 (2) (a) of SEBI (LODR) Regulations, 2015, the Company has claimed exemption under the said Regulation. Accordingly, the Company is not required to submit the Corporate Governance Report as required under Regulation 27(2) of SEBI (LODR), Regulations, 2015.

As required under Schedule V (C) of SEBI Listing Regulations, Management Discussion and Analysis Report is attached and forms part of this report.

**26. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outflow as required to be disclosed under Section 134 (m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 is annexed herewith as Annexure – IV to this Report.

**27. DIRECTORS' RESPONSIBILITY STATEMENT**

In pursuance of Section 134 (3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirms and submits that:

- i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there have been no material departure;
- ii) the selected accounting policies were applied consistently and the judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profits 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 the Companies Act, 2013 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) adequate system of internal financial controls has been laid down and the said system is operating effectively; and
- vi) Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and are operating effectively.

**28. STATEMENT OF EMPLOYEES PURSUANT TO RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company. During the year there no such employees applicable.

**29. OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

The Company complies with applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

**30. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

Summary of sexual harassment complaints received and disposed off during the financial year 2021-22:

No. of complaints received: NIL

No. of complaints disposed off: NA

**31. CAUTIONARY NOTE:**

Management Discussion and Analysis forming part of this Report is in compliance with Corporate Governance Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges and such statements may be "forward looking" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets/currency fluctuations in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

### 32. HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION (HSE)

The Company's efforts towards reinforcing a positive safety culture have resulted in injury free atmosphere. Further, during the financial year, no occupational illness case was reported. Due to continued efforts to conserve water and energy, specific water and energy consumption also got reduced.

### 33. ACKNOWLEDGEMENTS

The Directors place on record their appreciation for valuable contribution made by employees at all levels, active support and encouragement received from various Governmental agencies, Company's Bankers, Customers, vendors, distributors, Business Associates and other Acquaintances.

Your Directors recognize the continued support extended by all the Shareholders and gratefully acknowledge with a firm belief that the support and trust will continue in the future.

Bangalore  
12/08/2022

By Order of the Board  
**PAN Electronics (India) Limited**  
SD/-  
**GULLU GELLARAM TALREJA**  
Chairperson

## ANNEXURE – I TO BOARD'S REPORT

### Form No. MR-3

### SECRETARIAL AUDIT REPORT

For the Financial Year ended 31<sup>st</sup> March 2022

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

To,  
The Members  
M/s Pan Electronics (India) Limited  
16B, 1st Phase, Peenya Industrial Area  
Bangalore- 560058.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s PAN ELECTRONICS (INDIA) LIMITED (CIN: L00309KA1982PLC004960)** (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, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Pan Electronics (India) Limited for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- I) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of investment in overseas subsidiary 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 and Disclosure Requirements) Regulations, 2015;
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- VI) Other laws applicable to the Company including Factories Act, 1948 The Payment of Gratuity Act, Environment Protection Act, 1986 and other applicable Economic and Commercial Laws etc.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above. Certain non-material findings made during the course of the audit

relating to the provisions of Companies Act, Secretarial Standards, Labour Laws were addressed suitably by the Management.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below

1. ***The Company has not given paper advertisement for Board meeting Notice, AGM Notice and for financial Results.***
2. ***The Company has not appointed Internal Auditor during the year.***
3. ***There was a delay in filing of Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Shareholding Pattern) for the quarter ended 30<sup>th</sup> June 2021.***
4. ***The Appointment of Independent Directors are not complied with the provisions of the act.***

**I further report that**

The Board of Directors of the Company is not duly constituted. There was no proper balance of Non- Executive Directors and Independent Directors during the reporting period. The Changes in the composition of the Board of Directors and Company Secretary that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and conducted a board meeting in shorter Notice with consent whenever its required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**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.

Place: Bengaluru  
Date: 4<sup>th</sup> August, 2022

Vivek Bhat  
Practicing Company Secretary  
UDIN: F007708D000744554

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

**ANNEXURE – A**

To,  
The Members  
M/s Pan Electronics (India) Limited  
16B, 1st Phase, Peenya Industrial Area  
Bangalore- 560058.

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 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: Bengaluru  
Date: 4<sup>th</sup> August, 2022

Vivek Bhat  
Practicing Company Secretary  
UDIN: F007708D000744554

## ANNEXURE – II TO BOARD’S REPORT

### Form No. AOC-2

*[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]*

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

#### **1. Details of contracts or arrangements or transactions not at arm’s length basis:**

The Company has not entered into any contracts or arrangements or transactions with its related parties which is not at arm’s length basis during the financial year 2021-22.

#### **2. Details of material contracts or arrangement or transactions at arm’s length basis:**

SN	Particulars	Details
i)	Name(s) of related party and nature of relationship:	Not applicable
ii)	Nature of contracts/arrangements/transactions:	Not applicable
iii)	Duration of the contracts/arrangements/transactions:	Not applicable
iv)	Salient terms of the contracts/ arrangements/ transactions including value, if any:	Not applicable
v)	Date (s) of approval by the Board, if any:	Not applicable
vi)	Amount paid as advances, if any :	Not applicable

Note: There were no material contracts or arrangements or transactions with related parties at arm's length basis during the financial year 2021-22 as per the limits prescribed under Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as may be amended from time to time.

Bangalore  
12/08/2022

By Order of the Board  
**PAN Electronics (India) Limited**  
SD/-  
**GULLU GELLARAM TALREJA**  
Chairperson

### ANNEXURE –III TO BOARD'S REPORT

#### Particulars of Employees

*[Information as per Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014 as may be amended]*

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr Gullu Gelleram Talreja Chairman & Managing Director	Nil
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr Gullu Gelleram Talreja Chairman & Managing Director	Nil
	Mr. Anil Hargobind Khilnani Chief Financial Officer	Nil
	Mr. Bharath KL * Company Secretary *Appointed with effect from 25th October 2021	Nil
(iii) the percentage increase in the median remuneration of employees in the financial year;	Nil	
(iv) the number of permanent employees on the rolls of company;	10	
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average increase in salaries of employees other than managerial personnel in 2021-22 (in % annually)	8.33
	% increase in remuneration of Chairman & Managing Director	Nil
	% increase in remuneration of CFO	Nil
(vi) affirmation that the remuneration is as per the remuneration policy of the company.	The Company affirms that the remuneration is as per the remuneration policy of the company	

Bangalore  
12/08/2022

By Order of the Board  
**PAN Electronics (India) Limited**  
SD/-  
**GULLU GELLARAM TALREJA**  
Chairperson

**ANNEXURE – IV TO BOARD’S REPORT**

*[Information pursuant to Section 134 (m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014]*

**A. Conservation of energy:**

- (i) Steps taken or impact on conservation of energy:
  1. Electricity consumption of the company is controlled with efficient monitoring mechanism and employee training in energy conservation.
  2. Electrical infrastructure in the company is fully geared to automatically conserve the valuable energy resources.
  3. Electricity consumption has always been under control with judicious consumption.
- (ii) Steps taken by the company for utilizing alternate sources of energy: None
- (iii) Capital Investment on energy conservation equipment's: None

**B. Technology absorption:**

- (i) Efforts made towards technology absorption: Nil
- (ii) Benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year): -N.A
  1. Details of Technology imported;
  2. Year of import;
  3. Whether the technology has been fully absorbed;
  4. If not fully absorbed, areas where absorption has not taken place and the reasons thereof;
- (iv) the expenditure incurred on Research & Development :
  1. Capital : Nil
  2. Recurring : Nil
  3. Total : Nil

**C. Foreign exchange earnings and outgo:**

Total foreign exchange earnings during the year (in terms of INR): Nil Total foreign exchange used for operations (in terms of INR) : Nil

Bangalore  
12/08/2022

By Order of the Board  
**PAN Electronics (India) Limited**  
SD/-  
**GULLU GELLARAM TALREJA**  
Chairperson



## ANNEXURE-V TO BOARD'S REPORT

### Management Discussion and Analysis Report

*Pursuant to Regulation 34(3) and Para B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the amendments thereof, details of the Management discussion and analysis are given below:*

#### Industry Structure & Development

In a world of technological innovation, the electronic components industry is vital. In order to manufacture a readily available supply of electronic products that consumers now expect, it is important that the industry continues to grow and be supported by effective supply chains.

Thankfully, despite fears about shortages in the industry, the global market is predicted to grow and reach values reach values of high millions by the end of the forecast period of 2018-2023.

Passive components, active components and PCBs are all in high demand in various industries, including medical electronics, industrial robotics and portable electronics. We've taken a closer look at some of the trends that are driving the growth of the electronic components industry.

What's driving it?

Explosion of new products and markets

New product development is more innovative than ever, from smartphones to fitness devices to virtual assistants. With so many new, interconnected devices being designed and released on a regular basis, there has been a huge spike in consumer demand.

The potential issue with this is that component suppliers simply will not be able to meet such huge demand. Manufacturers must learn to adapt to periods of shortages and create flexible long-term plans.

#### *Internet of Things*

The Internet of Things (IoT) has seen an explosion in the past few years. All of the devices mentioned above – smartphones, fitness watches and even smart meters – require constant connection and communication between them. This technology requires a variety of intricate electronic components at its heart.

#### *Continued demand for industry solutions*

Many important industries are developing and looking for new technological solutions, particularly healthcare and aerospace. These areas require active, passive and PCB components for all manner of things, from navigation systems in aircrafts to healthcare tracking technologies.

#### *Electric cars*

As we discussed in a previous article, electric vehicles are set to soon be as affordable as their counterparts and many manufacturers are keen to move to the forefront of this industry. This will place an increased demand on suppliers.

Related article: The Increasing Popularity of Electric Vehicle Components Overall, the electronic components industry is continuing to grow but it may face issues with supply chain pressure and shortages in the face of demand.

As an independent electronic component distributor, we can source the components you need from around the world, and at the best prices.

### **Opportunities and Challenges, Risks and Concerns**

Technology changes extremely fast. This creates challenges for those responsible for the creation of electronic devices. In order to remain successful in today's market, electronics companies need to be both flexible and quick. They must also be able to overcome existing and future challenges in the electronics market.

The electronics industry remains one of the most competitive markets in the world. Global competition combined with emerging innovations and technology continue to drive prices down, reducing operating margins significantly. In order to remain profitable, companies must continuously improve processes and become more cost-efficient.

Companies often source components from several different sources. In fact, it's not uncommon for components to visit multiple countries before reaching their final destination. This creates challenges for electronics manufacturers that must prove compliance with national standards. As technology changes so do consumer preferences. In order to keep up, electronics manufacturers need to have effective New Product Introduction (NPI) processes in place.

Consumer demand fluctuates all the time. Economic downturn can cause reduced sales and decreased demand for new products. Alternatively, consumer preference can cause spikes in demand, making it difficult for electronics manufacturers to keep up. It's crucial that electronics manufacturers have efficient lean capacities in place to keep inventory aligned with consumer demand.

Electronics companies today must consider multiple factors when designing new products. As consumers and government agencies focus more on product disposal and its impact on the environment, companies need to consider complete product lifecycles.

### **Product-wise performance**

During the year under review, the Company generated revenue through selling capacitors and MMP films.

### **Outlook**

With industry-standard accuracy in analysis and high data integrity, the report makes a brilliant attempt to unveil key opportunities available in the global Electronic Components market to help players in achieving a strong market position. Buyers of the report can access verified and reliable market forecasts, including those for the overall size of the global Electronic Components market in terms of revenue.

Electronic Components Market 2022 delivers a comprehensive overview of the crucial elements of the industry and elements such as drivers, restraints, current trends of the past and present times, supervisory scenarios, and technological growth.

The management has initiated steps to revive the company with various other business opportunities with

positive economic outlook and improvement in industrial growth in forthcoming years.

### Internal Control Systems

Internal control systems continued to function as effectively as in the past. Top management and the Board of Directors and the Committees thereof continue to be actively involved in ensuring that all controls work as intended.

### Financial and Operations Performance

The Company's revenue from operations for the year under review is Rs. 2,20,58,269 as compared to Rs. 0 in the previous year signifying an increase. The increase in revenue during the year under review is attributed to the increase in the sales of capacitors and MPP films. The operating profit has also seen a significant jump during the year under review.

The Company has identified the following as Key Financial Ratios:-

Sl. No.	Key Financial Ratios	2021-22	2020-21
1.	Debtors Turnover Ratio	2.76	0.00
2.	Net Profit Margin (%)	-1.68	0.00
3.	Current Ratio	2.26	5.60
4.	Return on Net Worth	29.36%	-205.14%
5.	Debt Equity Ratio	-0.07	-1.86

Ratios where there has been a significant change from FY 2020-21 to FY 2021-22 are explained below :-

1. Efficient collection practices has resulted in the higher Debtors Turnover Ratio.
2. Increased operating margin and net profit margin is owing to the increase in the operating revenue.
3. Current ratio is indicative of the Company's abilities to meet its short-term obligations.
4. Increase in profit has resulted in the higher Return on Net Worth.

### Human Resource Development

There have been no material developments in the Human Resource.



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF M/s. PAN ELECTRONICS (INDIA) LIMITED**

Report on the Audit of the Standalone Financial Statements

**Opinion**

We have audited the standalone financial statements of M/s. PAN ELECTRONICS (INDIA) LIMITED ("hereinafter referred to as "the Company"), which comprise the standalone balance sheet as at 31st March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and Loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We did not find any significant matter during the course of the audit and the same has been communicated to the management of the company. Accordingly, it has been determined that nothing has been found to report under this heading.

**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

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

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

### **Auditor's Responsibilities for the Audit of the 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 standalone financial statements.

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

- a. 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.

- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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.
- e. 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 factor 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 the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013.
  - e. On the basis of written representations received from the directors as on March 31st 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st 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 B";
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigation which would impact its financial position;
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
    - iv.
      - I. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, 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 on behalf of the Ultimate Beneficiaries.
      - II. Based on the audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause(I) and (II) contain any material misstatement.
3. As our opinion and according to the information and explanations provided to us, no dividend was declared or paid during the year by the Company as per section 123 of the Companies Act, 2013.
  4. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act, in our opinion and according to the information and explanation given to us, the remuneration paid during the year by the Company to its directors is in accordance with the provisions of Section 197 of the Act.

**For B N Subramanya & Co.,**

Chartered Accountants

Firm Reg. No. 004142S

\_\_\_SD/-\_\_\_\_\_

**Girish Hoysala**

Partner

Membership No. 220210

UDIN: 22220210AKBMNL6060

Place: Bengaluru

Date: 27th May, 2022

**Annexure A to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2022, we report that:

**i) Fixed Assets**

## a) Maintenance of Records

(A) The Company has maintained proper records of fixed assets showing full particulars, including quantitative and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; Which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or Intangible assets or both during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, paragraph 3(i)(e) of the Order is not applicable.

**ii) Inventory**

a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of



such verification by the Management is appropriate, having regard to the size of the Company and the nature of its operations. No discrepancies in excess of 10% or more in aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, paragraph 3(ii)(b) of the Order is not applicable.

**iii) Investment in or guarantee or granted loans or advances in nature of loans.**

In our opinion, based on the information and explanations given to us, the Company has not made investments in, nor provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, clause 3(iii) of the Order is not applicable.

**iv) Loans/Investments/Guarantees/Security**

According to the information and explanations given to us and on the basis of our examination of the records, The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

**v) Acceptance of Deposits**

According to the information and explanation given to us, the company has not accepted any amounts which are deemed to be deposits, consequently directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed thereunder are not applicable to the company. Hence, reporting under clause (v) of the Order is not applicable to the Company.

**vi) Cost records**

The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

**vii) Statutory Dues**

- a) The Company is irregular in depositing with the appropriate authorities undisputed statutory dues relating to Income tax. The company has the following arrears of statutory dues as at the balance sheet date which were outstanding for more than 6 months from the date they became payable

Name of Statute	Nature of the dues	Amount in Rs.	Period to which the amount relates	Due date
Income Tax Act, 1961	Tax Deducted at Source(Sec-194C)	Rs.6,925	April, 2021	7 <sup>th</sup> of Subsequent month
Income Tax Act, 1961	Tax Deducted at Source(Sec-194J)	Rs.15,280	April, 2021 to September, 2021	7 <sup>th</sup> of Subsequent month

However, the company is regular in depositing with appropriate authorities other undisputed statutory dues including PF, ESI, Income Tax, Goods and service tax, custom duty, cess and other material statutory dues applicable to it.

- b) According to the records of the Company, there are no dues of Income tax or Sales tax or Service tax or Goods and Services tax or duty of customs which have not been deposited on account of any dispute.

**viii) Surrender or disclosure of transactions not disclosed in books of accounts**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

**ix) Repayment of Loans**

- a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or other borrowings or in the payment of interest thereon to any lender. Hence reporting under clause 3(ix) (a) of the Order is not applicable.
- b) In our opinion and according to the information and explanations given to us, the Company is not declared as a willful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations given to us, the term loans obtained during the year were applied for the purpose for which they were availed.
- d) In our opinion and according to the information and explanations given to us, the funds raised on short term basis have, prima facie, not been utilized during the year for long term purposes by the Company.
- e) The Company does not have any subsidiaries/ associates/ joint-ventures and accordingly, clause 3(ix) (e) of the Order are not applicable.
- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix) (f) of the Order is not applicable.

**x) Diversion of Funds**

- a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer during the year. Accordingly, clause 3(x) (a) of the Order is not applicable.
- b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x) (b) of the Order is not applicable.

**xi) Frauds noticed / Detected**

- a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable. Hence, no comment is required.

- 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) To the best of our knowledge and according to the information and explanations given to us, no whistleblower complaints, have been received by the Company during the year.

**xii) Nidhi Company**

The company is not a Nidhi Company as mentioned in section 406 of the Companies Act, 2013 and hence the provisions of clause 3 (xii) of the order is not applicable.

**xiii) Related Party Transactions**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of the transactions have been disclosed in the Financial Statements as required by the Indian accounting standards and The Companies Act, 2013.

**xiv) Internal Audit System**

- a) In our opinion the Company does not have an internal audit system commensurate with the size and the nature of its business.
- b) Since, the Company does not have an internal audit system, no report were provided to us during the course of our audit process for our consideration.

**xv) Non-cash transactions**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Consequently, no comment is required under paragraph 3(xv) of the Order.

**xvi) Certification for Non-Banking Financial Institution**

The Company is not a Non-Banking Financial Institution, hence registration under section 45-IA of the Reserve Bank of India Act, 1934 is not required. Hence, no comment is required under paragraph 3(xvi) of the Order.

**xvii) Cash losses**

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

**xviii) Resignation of Statutory Auditors**

There has been no resignation of the statutory auditors of the Company during the year. Accordingly, no comment is required under paragraph 3(xviii) of the Order.

**xix) Material Uncertainty**

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities indicating that the Company is capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the date of balance sheet.

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 audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**xx) Transfer of Unspent Amount**

In our opinion the Company does not satisfy the limits specified under section 135 of the Companies Act for applicability of CSR provisions and accordingly the said provisions do not apply to the Company. Hence, reporting under clause 3 (xx) of the Order is not applicable.

**xxi) Qualification or Adverse remark on consolidated financial statements**

The Company does not have investments in subsidiaries or associates or joint venture companies. Accordingly, paragraph 3 (xxi) of the Order is not applicable.

**For B N Subramanya & Co.,**

Chartered Accountants

Firm Reg. No. 004142S

\_\_\_\_Sd/-\_\_\_\_\_

**Girish Hoysala**

Partner

Membership No. 220210

UDIN: 22220210AKBMNL6060

Place: Bengaluru

Date: 27th May, 2022

## **Annexure B to Auditors' report**

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

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

#### **Auditors' Responsibility**

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

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

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

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 B N Subramanya & Co.,**

Chartered Accountants  
Firm Reg. No. 004142S

\_\_\_Sd/-\_\_\_\_\_

### **Girish Hoysala**

Partner  
Membership No. 220210

UDIN: 22220210AKBMNL6060

Place: Bengaluru  
Date: 27th May, 2022

**Pan Electronics (India) Limited**  
**No.16B, 1st Phase,Peenya Industrial Estate,**  
**Peenya, Bengaluru-560 058**  
**CIN : L00309KA1982PLC004960**

**BALANCE SHEET AS AT**

Particulars	Note No.	31-Mar-22	31-Mar-21
<b>ASSETS</b>			
<b>1. Non-current assets</b>			
a. Property, Plant and Equipment	3	6,17,84,747	6,25,58,848
b. Capital work-in-progress		-	-
c. Investment Property		-	-
d. Goodwill		-	-
e. Other Intangible Assets		-	-
f. Intangible Assets under development		-	-
g. Biological Assets under development		-	-
h. Financial Assets			
i. Investments	4	4,80,168	2,94,257
ii. Trade Receivables		-	-
iii. Loans		-	-
iv. Others		-	-
i. Deferred tax assets (net)	5	-	-
j. Other non-current assets		-	-
<b>2. Current Assets</b>			
a. Inventories	6	1,07,68,382	78,33,337
b. Financial assets			
i. Investments		-	-
ii. Trade receivables	7	1,51,50,499	8,50,662
iii. Cash and cash equivalents	8	1,12,928	19,05,269
iv. Bank balances other than (iii) above	9	12,27,500	-
v. Loans		-	-
vi. Others		-	-
c. Current Tax assets (net)		3,03,750	3,03,750
d. Other Current assets	10	2,78,93,057	2,62,40,568
<b>Total Assets</b>		<b>11,77,21,031</b>	<b>9,99,86,691</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a. Equity Share Capital	11	4,00,00,000	4,00,00,000
b. Other equity	12	(18,49,52,041)	(14,79,03,026)
<b>LIABILITIES</b>			

<b>1. Non-current liabilities</b>			
a. Financial liabilities			
i. Borrowings	13	23,74,04,110	19,99,70,346
ii. Trade Payables		-	-
iii. Other financial liabilities		-	-
b. Provisions	14	7,10,508	12,92,353
c. Deferred tax liabilities (net)		-	-
d. Other non-current liabilities		-	-
<b>2. Current liabilities</b>			
a. Financial liabilities			
i. Borrowings	15	1,00,41,009	-
ii. Trade Payables	16		
(a) total outstanding dues of micro enterprises and small enterprises; and		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		88,94,965	35,13,646
iii. Other financial Liabilities		-	-
b. Other current liabilities	17	53,82,132	31,05,509
c. Provisions	18	2,40,348	7,864
d. Current tax liabilities (net)		-	-
<b>Total Equity and Liabilities</b>		<b>11,77,21,031</b>	<b>9,99,86,691</b>

Significant accounting policies

2

Notes to accounts

3 to 38

The notes referred to above form an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

**For B.N. Subramanya & Co.**

Chartered Accountants

FRN: 004142S

Sd/-

**Girish Hoysala**

Partner

M.No: 220210

**For and on behalf of the Board of Directors**

Sd/-

**Gullu G Talreja**

Chairman & Managing Director

DIN: 01740145

Sd/-

**Abhishek P Talreja**

Director

DIN: 05007867

Place: Bangalore

Date: 27th May, 2022

Sd/-

**Bharath K Linganna**

Company Secretary

PAN: AKIPL9767F



**Pan Electronics (India) Limited**  
**No.16B, 1st Phase,Peenya Industrial Estate,**  
**Peenya, Bengaluru-560 058**  
**CIN : L00309KA1982PLC004960**

[All amounts in INR]

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED**

Particulars	Note No.	31-Mar-22	31-Mar-21
<b>REVENUE</b>			
Revenue from operations	19	2,20,58,269	-
Other Income	20	3,09,843	5,61,63,708
<b>Total Revenue</b>		<b>2,23,68,112</b>	<b>5,61,63,708</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	21	2,41,95,531	-
Changes in inventories	22	(29,49,448)	-
Employee benefit expenses	23	1,30,35,281	49,55,772
Finance costs	24	51,81,875	45,99,374
Depreciation and amortization	3	89,53,931	69,89,334
Other Expenses	25	1,10,70,389	58,20,102
<b>Total Expenses</b>		<b>5,94,87,560</b>	<b>2,23,64,581</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(3,71,19,448)</b>	<b>3,37,99,126</b>
Exceptional items		-	-
<b>Profit/(loss) before tax</b>		<b>(3,71,19,448)</b>	<b>3,37,99,126</b>
Tax expense:			
1. Current tax		-	-
2. Deferred tax		-	-
<b>Profit/(loss) for the period from continuing operations</b>		<b>(3,71,19,448)</b>	<b>3,37,99,126</b>
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from discontinued operations (after tax)		-	-
<b>Profit/(loss) for the period</b>		<b>(3,71,19,448)</b>	<b>3,37,99,126</b>
<b>Other Comprehensive Income</b>		-	-
Items that will not be reclassified into profit and loss			
-Actuarial (Loss)/Gain-Gratuity		70,433	-

<b>Total Comprehensive Income and Other Comprehensive Income for the period</b>	<b>(3,70,49,015)</b>	<b>3,37,99,126</b>
Earnings per equity share (for continuing operation)		
Weighted average no. of equity shares		
Basic (in Rs.)	(9.2799)	8.4498
Diluted (in Rs.)	(9.2799)	8.4498
Earnings per equity share (for continuing and discontinued operation)		
Basic (in Rs.)	(9.2799)	8.4498
Diluted (in Rs.)	(9.2799)	8.4498

Significant accounting policies

1

Notes to accounts

3 to 38

The notes referred to above form an integral part of the financial statements.

This is the Statement of Profit & Loss referred to in our report of even date.

**For B.N. Subramanya & Co.**

**For and on behalf of the Board of Directors**

Chartered Accountants

FRN: 004142S

Sd/-

Sd/-

Sd/-

**Girish Hoysala**

**Gullu G Talreja**

**Abhishek P Talreja**

Partner

Chairman & Managing Director

Director

M.No: 220210

DIN: 01740145

DIN: 05007867

Place: Bangalore

Sd/-

Date: 27th May, 2022

**Bharath K Linganna**

Company Secretary

PAN: AKIPL9767F

**Pan Electronics (India) Limited**  
**No.16B, 1st Phase,Peenya Industrial Estate,**  
**Peenya, Bengaluru-560 058**  
**CIN : L00309KA1982PLC004960**

[All amounts in INR]

Particulars	31-Mar-22		31-Mar-21	
<b>A Cash flows from operating activities</b>				
Net Profit Before Taxation and Extraordinary item	(3,71,19,448)		3,37,99,126	
<b>Adjustments for:</b>				
Depreciation	89,53,931		69,89,334	
Revaluation of Investments	(1,85,911)		(83,722)	
Provisions	-		(5,60,46,847)	
<b>Operating Profit Before Working Capital Changes</b>		<b>(2,83,51,428)</b>		<b>(1,53,42,109)</b>
Increase/ (decrease) in trade payables	53,81,319		29,68,747	
Increase/ (decrease) in other current liabilities	22,76,623		(9,88,218)	
Decrease / (increase) in trade receivables	(1,42,99,836)		(8,752)	
Decrease / (increase) in inventories	(29,35,045)		(9,25,133)	
Decrease / (increase) in provisions	(2,78,928)		10,01,348	
Decrease / (increase) in Current Assets, Loans & Advances	(16,52,490)		78,95,240	
Working Capital changes		(1,15,08,357)		99,43,232
<b>Cash Generated from operations</b>		<b>(3,98,59,785)</b>		<b>(53,98,877)</b>
Income Tax (including Fringe Benefit Tax)		-		-
<b>Cash Flow Before Extraordinary Item</b>		<b>(3,98,59,785)</b>		<b>(53,98,877)</b>
Extra-ordinary items		-		-
<b>Net cash from operating activities</b>		<b>(3,98,59,785)</b>		<b>(53,98,877)</b>

<b>B</b>	<b>Cash flows from Investment activities</b>			
	Additions to Fixed Assets	(81,79,828)		(4,21,56,722)
	Advance for purchase of Fixed assets	-		4,05,00,000
	Investment in Fixed Deposits	(12,27,500)		-
	<b>Net cash from Investing activities</b>		<b>(94,07,328)</b>	<b>(16,56,722)</b>
<b>C</b>	<b>Cash flows from financing activities</b>			
	Proceeds of Other Long Term Liabilities	4,74,74,773		83,77,686
	<b>Net cash from Financing activities</b>		<b>4,74,74,773</b>	<b>83,77,686</b>
	Net Increase / Decrease in cash and cash equivalents		(17,92,341)	13,22,087
	Cash and cash equivalents at beginning of period		19,05,269	5,83,182
	<b>Cash and cash equivalents at end of period</b>		<b>1,12,928</b>	<b>19,05,269</b>

**Notes to the cash flow statement:**

- Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 : "Statement of Cash Flows" as specified in Section 133 of the Companies Act, 2013.
- Components of Cash and Cash equivalents as per Ind AS 7 is as under:

Particulars	31-Mar-22	31-Mar-21
Cash in hand	87,928	9,27,870
Bank Balance		
In Current account	25,000	9,77,399
In Cash Credit	-	-
<b>Total</b>	<b>1,12,928</b>	<b>19,05,269</b>

- The previous year's figure have been recast, restated wherever necessary to confirm to the current presentation.

This is the Cash Flow Statement referred to in our Audit report of even date.

**For B.N. Subramanya & Co.**  
Chartered Accountants

**For and on behalf of the Board of Directors**

FRN: 004142S

Sd/-

**Girish Hoysala**

Partner

M.No: 220210

Sd/-

**Gullu G Talreja**

Chairman &amp; Managing Director

DIN: 01740145

Sd/-

**Abhishek P Talreja**

Director

DIN: 05007867

Sd/-

Place: Bangalore

**Bharath K Linganna**

Date: 27th May, 2022

Company Secretary

PAN: AKIPL9767F

Note-3

Description	GROSS BLOCK ( AT COST)				DEPRECIATION				NET BLOCK		
	As on	Additions	Deletions	Adjusted against revaluation Reserve	As on	As on	Additions	Deletions	As on	As on	As on
	01.04.2021				31.03.2022	01.04.2021			31.03.2022	31.03.2022	31.03.2021
<b>Tangible Assets</b>											
Lease Hold Land	-	-	-	-	-	-	-	-	-	-	-
Lease Hold Right	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-
Plant and Machinery	23,84,10,449	75,14,152	-	-	24,59,24,601	17,58,52,104	89,43,732	-	18,47,95,836	6,11,28,765	6,25,58,345
Electrical Installation	34,17,741	-	-	-	34,17,741	34,17,741	-	-	34,17,741	-	-
Furniture and Fixtures	3,44,435	-	-	-	3,44,435	3,44,435	-	-	3,44,435	-	-
Office Equipment	11,71,849	-	-	-	11,71,849	11,71,344	505	-	11,71,849	-	505
Computer	28,07,796	5,83,086	-	-	33,90,882	28,07,796	7,816	-	28,15,612	5,75,270	-
Vehicle	9,21,863	82,590	-	-	10,04,453	9,21,863	1,878	-	9,23,741	80,712	-
<b>Total</b>	<b>24,70,74,133</b>	<b>81,79,828</b>	<b>-</b>	<b>-</b>	<b>25,52,53,961</b>	<b>18,45,15,283</b>	<b>89,53,931</b>	<b>-</b>	<b>19,34,69,214</b>	<b>6,17,84,747</b>	<b>6,25,58,848</b>
<b>Previous year Figures</b>	<b>43,59,46,938</b>	<b>4,21,56,722</b>	<b>1,43,76,007</b>	<b>21,66,53,520</b>	<b>24,70,74,133</b>	<b>20,74,48,803</b>	<b>69,89,334</b>	<b>2,99,22,854</b>	<b>18,45,15,283</b>	<b>6,25,58,848</b>	<b>22,84,98,135</b>

**4 Non-current Assets- Investments**

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in Equity Instruments		
<u>Quoted</u>		
Investment carried at Fair Value through Profit or Loss [1,23,120 (31 March 2021: 1,23,120) Equity Shares of Rs.5/- each fully paid in M/s. Venlon Enterprises Limited]	4,80,168	2,94,257
<b>Total</b>	<b>4,80,168</b>	<b>2,94,257</b>

**6 Inventories**

Particulars	As at 31 March 2022	As at 31 March 2021
Raw Materials	76,58,697	76,73,100
Finished Goods	31,09,685	1,60,237
<b>Total</b>	<b>1,07,68,382</b>	<b>78,33,337</b>

**7 Current Assets - Trade Receivables**

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, Considered Good Trade receivables	1,51,50,499	8,50,662

<b>Total</b>	<b>1,51,50,499</b>	<b>8,50,662</b>
--------------	--------------------	-----------------

### 8 Cash & Cash Equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash in hand	87,928	9,27,870
Balance with Bank In Current account	25,000	9,77,399
<b>Total</b>	<b>1,12,928</b>	<b>19,05,269</b>

### 9 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Balances with Banks</b> held as margin money	12,27,500	-
<b>Total</b>	<b>12,27,500</b>	<b>-</b>

### 10 Other Current Assets

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Others</b> <i>Unsecured, Considered good</i>		
Advance to Suppliers	1,00,14,492	1,12,15,709
Interest Receivable	30,900	-
Staff Advances	9,26,384	3,60,201
Statutory / Government Authorities	1,69,21,281	1,46,64,658
<b>Total</b>	<b>2,78,93,057</b>	<b>2,62,40,568</b>

### 11 Share Capital

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Authorised Capital</b> 1,00,00,000 Equity shares of Rs.10/- each (Previous Year 1,00,00,000 Equity shares of Rs.10/- each)	10,00,00,000	10,00,00,000
<b>Equity Shares with Voting Rights</b> Issued, Subscribed and fully Paid up shares 40,00,000 Equity shares of Rs.10/- each fully paid up (Previous Year 40,00,000 Equity shares of Rs.10/- each)	4,00,00,000	4,00,00,000

	4,00,00,000	4,00,00,000
--	-------------	-------------

**(a) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period.**

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Value of shares	Number of shares	Value of shares
At the beginning of the period	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Shares Issued during the period	-	-	-	-
Capital Reduction during the Period	-	-	-	-
Outstanding at the end of the period	40,00,000	4,00,00,000	40,00,000	4,00,00,000

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividend in indian rupees.

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% shares in the company**

Name	31 March 2022		31 March 2021	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Gullu G. Talreja	28,26,827	70.67%	28,26,827	70.67%

(d) No shares are reserved for issue under options or contracts/commitments for the sale of shares/ dis-investment.

(e) There are no calls unpaid by directors or officers of the company.

(f) No Shares has been held by holding company/ ultimate holding company/subsidiaries/associates.

**(d) Details of shares held by the Promoters**

Particulars	As at 31 March 2022	As at 31 March 2021







Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	(21,66,53,520)	-	-	-	(21,66,53,520)
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	3,37,99,126	-	-	-	-	-	-	-	3,37,99,126
Balance at the end of the reporting period	-	-	15,00,000	92,99,600	2,33,63,512	(21,11,56,138)	-	-	-	2,90,90,000	-	-	-	(14,79,03,026)

#### 14 Non Current Liabilities- Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits</b>		
Leave Encashment	1,99,344	1,22,124
Gratuity	5,11,164	3,25,564
Other provisions	-	8,44,665
<b>Total</b>	<b>7,10,508</b>	<b>12,92,353</b>

#### 15 Current Liabilities - Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Secured Loan</b>		
- from Punjab National bank	1,00,41,009	-
<b>Total</b>	<b>1,00,41,009</b>	<b>-</b>

#### 16 Current Liabilities - Trade Payables

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Dues to</b>		
Micro and Small Enterprises	-	-
Others	88,94,965	35,13,646

<b>Total</b>	<b>88,94,965</b>	<b>35,13,646</b>
--------------	------------------	------------------

(Refer Note No - 27)\*

#### 17 Other Current Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Statutories Payable	32,76,781	31,05,509
Salary And Wages Payable	17,02,271	-
Water Charges Payable	9,746	-
Electricity Charges Payable	3,93,334	-
<b>Total</b>	<b>53,82,132</b>	<b>31,05,509</b>

#### 18 Short Term Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits</b>		
Leave Encashment	2,34,567	2,064
Gratuity	5,781	5,800
<b>Total</b>	<b>2,40,348</b>	<b>7,864</b>

#### 19 Revenue from Operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale-Capacitor	1,30,18,381	-
Revenue from sale of goods	89,11,888	-
Sale of Service	1,28,000	-
<b>Total</b>	<b>2,20,58,269</b>	-

#### 20 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balances Written Back	58,172	33,139
Interest from Fixed Deposit	37,560	-
Discount Received	28,200	-
Profit on Sale of Asset	-	5,60,46,847
Restatement of Investments	1,85,911	83,722

<b>Total</b>	<b>3,09,843</b>	<b>5,61,63,708</b>
--------------	-----------------	--------------------

**21 Cost of Raw material consumed**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventory at the beginning of the year	76,73,100	67,47,967
Add: Purchases	2,41,81,128	9,25,133
	3,18,54,228	76,73,100
Less: Inventory at the end of the year	76,58,697	76,73,100
<b>Total</b>	<b>2,41,95,531</b>	-

**22 Changes in inventories**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventory at the end of the year	31,09,685	1,60,237
Inventory at the beginning of the year	1,60,237	1,60,237
<b>Total</b>	<b>(29,49,448)</b>	-

**23 Employee benefits Expense**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	1,19,38,087	47,72,317
Staff Welfare	1,68,128	-
Bonus	3,63,329	-
Gratuity	2,56,014	1,83,455
Leave Encashment	3,09,723	-
<b>Total</b>	<b>1,30,35,281</b>	<b>49,55,772</b>

**24 Finance Charges**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Bank charges	44,269	1,18,163
Bank Guarantee/Letter of Credit Charges	51,884	-
Loan Processing charges	2,26,832	2,65,694
Interest Expenses	48,58,890	42,15,517
<b>Total</b>	<b>51,81,875</b>	<b>45,99,374</b>

**25 Other Expenses**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
AGM Expenses	29,000	1,21,400

Audit Fees	1,25,000	1,25,000
Balances Written Off	-	1,86,768
Custody Fee - NSDL	-	9,000
Domain Renewal Charges	-	2,300
Dematerialisation Charges	777	-
Foreign Exchanges Loss	33,420	-
Freight charges	-	84,272
Hotel Expenses	2,32,589	31,748
Insurance	1,04,922	81,191
Listing Charges	3,49,894	3,25,165
Licence Fees & Taxes	-	3,94,310
Printing & Stationery	20,566	1,330
Professional Charges	4,23,020	1,21,500
Postage & Courier Charges	3,744	-
Power, Fuel & Water Charges	33,35,840	9,08,235
Repairs - Machinery	10,30,300	24,14,496
Repairs - Other assets	9,22,240	5,29,802
Rates & Taxes	19,66,789	2,19,313
Rent Factory	8,93,022	-
Security charges	68,266	2,56,000
Sales Promotion	11,52,245	-
Travelling & Conveyance	3,69,719	-
Telephone and Internet Charges	9,036	8,271
<b>Total</b>	<b>1,10,70,389</b>	<b>58,20,102</b>

## 26 - Ageing Schedule for Trade Receivables

a) As at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	<6 Months	6m-1 Year	1-2 Years	2-3 Years	>3 Years	
<u>(I) Considered Good - Secured</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(II) Considered Good - Unsecured</u>						
a) Undisputed Trade receivables	1,42,44,389	55,448	-	-	8,50,662	1,51,50,499
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-

<u>(III) Trade Receivables which have significant increase in credit risk</u>							
a) Undisputed Trade receivables	-	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-	-
<u>(IV) Trade Receivables – credit impaired</u>							
a) Undisputed Trade receivables	-	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>14244389</b>	<b>55,448</b>	-	-	<b>8,50,662</b>	<b>1,51,50,499</b>	

b) As at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	<6 Months	6m-1 Year	1-2 Years	2-3 Years	>3 Years	
<u>(I) Considered Good - Secured</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(II) Considered Good - Unsecured</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	8,50,662	8,50,662
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(III) Trade Receivables which have significant increase in credit risk</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-
<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<u>(IV) Trade Receivables – credit impaired</u>						
a) Undisputed Trade receivables	-	-	-	-	-	-
b) Disputed Trade receivables	-	-	-	-	-	-

<b>Less:</b> Allowance for bad and doubtful debts/ Allowance for expected credit loss	-	-	-	-	-	-
<b>TOTAL</b>	-	-	-	-	<b>8,50,662</b>	<b>8,50,662</b>

**Note - 27- Ageing Schedule for Trade Payables**

**a As at 31st March, 2022**

Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				Total
			< 1 Year	1-2 Years	2-3 Years	> 3 Years	
<u>(i) Dues to Micro, Small and Medium Enterprise (MSME)</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	-	-	-	-	-
<u>(ii) Dues to Others</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	86,73,208	43,183	50,499	1,28,075	88,94,965
<b>TOTAL (i+ii)</b>	-	-	<b>86,73,208</b>	<b>43,183</b>	<b>50,499</b>	<b>1,28,075</b>	<b>88,94,965</b>

**b As at 31st March, 2021**

Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				Total
			< 1 Year	1-2 Years	2-3 Years	> 3 Years	
<u>(i) Dues to Micro, Small and Medium Enterprise (MSME)</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	-	-	-	-	-
<u>(ii) Dues to Others</u>							
a) Disputed Dues	-	-	-	-	-	-	-
b) Undisputed Dues	-	-	18,42,221	10,38,559	4,68,678	1,64,188	35,13,646

<b>TOTAL (i+ii)</b>	-	-	<b>18,42,221</b>	<b>10,38,559</b>	<b>4,68,678</b>	<b>1,64,188</b>	<b>35,13,646</b>

Note: Balances of trade payables and classification of MSME are subject to confirmation by the concerned parties.

## 28 Disclosures in respect of Micro and Small Enterprises

The Management is in continuous process of obtaining confirmations from its vendors regarding their registrations under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Under the MSMED Act, 2006 which came into force with effect from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of information and records available with the company, none of the vendors have informed the Company that they are Small Scale Industrial Undertakings. Hence, information regarding dues to such undertakings is not furnished. The Company has not received any claim for interest from any supplier under the said Act.

### Note - 29 - Disclosure pursuant to Ind AS 1 "Presentation of financial statements":

1. Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

Particulars	Note	As at 31-03-2022			As at 31-03-2021		
		Within Twelve months	After Twelve months	Total	Within Twelve months	After Twelve months	Total
Current Assets							
(a) Inventories	6	1,07,68,382	-	1,07,68,382	78,33,337	-	78,33,337
(b) Financials Assets							
i. Investments		-	-	-	-	-	-
ii. Trade receivables	7	1,51,50,499	-	1,51,50,499	8,50,662	-	8,50,662
iii. Cash and Cash equivalents	8	1,12,928	-	1,12,928	19,05,269	-	19,05,269
iv. Bank balances other than (iii) above	9	12,27,500	-	12,27,500	-	-	-
v. Loans		-	-	-	-	-	-
vi. others		-	-	-	-	-	-
(c) Current Tax Assets (Net)		-	3,03,750	3,03,750	3,03,750	-	3,03,750
(d) Other current assets	10	2,78,93,057	-	2,78,93,057	2,62,40,568	-	2,62,40,568
<b>Total</b>		<b>5,51,52,366</b>	<b>3,03,750</b>	<b>5,54,56,116</b>	<b>3,71,33,586</b>	<b>-</b>	<b>3,71,33,586</b>

2. Current Liabilities expected to be paid within twelve months and after twelve months from the reporting date:

Particulars	Note	As at 31-03-2022			As at 31-03-2021		
		Within Twelve months	After Twelve months	Total	Within Twelve months	After Twelve months	Total
Current Liabilities							
(a) Financial Liabilities							
i. Borrowings	17	1,00,41,009	-	1,00,41,009	-	-	-



ii.Trade payables	18	88,94,965	-	88,94,965	35,13,646	-	35,13,646
(b)Other current Liabilities	19	53,82,132	-	53,82,132	31,05,509	-	31,05,509
(c)Provisions	20	2,40,348	-	2,40,348	7,864	-	7,864
(d)Current Tax Liabilities(Net)	21	-	-	-	-	-	-
<b>Total</b>		<b>2,45,58,454</b>	<b>-</b>	<b>2,45,58,454</b>	<b>66,27,019</b>	<b>-</b>	<b>66,27,019</b>

### Note - 30- Operating Segment Information

The Company's operations predominantly consist of manufacture of BOPP Films and Capacitors; and other sales does not contribute to 10% or more of the Company's total sales. Hence there are no reportable segments under Ind AS-108 'Segment Reporting'.

The Chairman and Managing directors of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

### Note - 31 - The disclosure as per Indian Accounting Standard 19 "Employee Benefits" are given below

#### a) Defined Benefit Plans

Particulars	Gratuity	
	2021-22	2020-21
<b>Components of Employer Expenses</b>		
Current Service cost	2,33,842	1,07,686
Past service cost - Plan Amendment	-	-
Interest on Obligations	22,171	9,984
Expected Return on Plan Assets	-	-
Net actuarial loss/ (gain) recognized during the year	-	-
<b>Total Expenses recognised in the Statement of Profit &amp; Loss</b>	<b>2,56,013</b>	<b>1,17,670</b>
<b>Net asset/(liability) recognised in the Balance Sheet</b>		
Present Value of defined benefit Obligation	5,16,945	3,31,365
Fair value of plan assets	-	-
Funded status[Surplus/(deficit)]	-	-
Unrecognised past service costs	-	-
<b>Change in defined benefit obligations(DBO) during the year</b>		
Present Value of DBO at beginning of the year	3,31,365	1,47,909
Current Service Cost	2,33,842	1,07,686
Interest Cost	22,171	9,984
Prior Service Costs	-	-
Actuarial(Gains)/Losses due to change in financial assumptions	(23,125)	-

Actuarial(Gains)/Losses due to experience adjustments	(47,308)	65,786
Benefits Paid	-	-
Present Value of DBO at end of the year	5,16,945	3,31,365
<b>Change in fair value of assets during the year</b>		
Plan Assets at Beginning of the year	-	-
Expected Return on Plan Assets	-	-
Employer Contribution	-	-
Actuarial Gains/(Losses)	-	-
Benefits Paid	-	-
Plan Assets at End of the Year	-	-
Actual Return on Plan Assets	-	-
<b>Actuarial assumptions</b>		
Discount Rate	7.10%	6.75%
Expected Return on Plan Assets	0.00%	0.00%
Salary Escalation	5.00%	5.00%
Withdrawal Rates	1% at all ages	1% at all ages

Particulars	Leave Encashment	
	2021-22	2020-21
<b>Changes in Defined Obligations</b>		
Obligations at period beginning - Current	2,064	2,507
Obligations at period beginning - Non Current	1,22,124	1,48,453
Service Cost	1,68,433	1,07,847
Interest on Defined benefit obligation	8,313	10,190
Benefits settled	-	(5,483)
Actuarial (gain)/loss	1,32,977	(1,39,326)
<b>Obligations at period end</b>		
Current Liability (within 12 months)	2,34,567	2,064
Non Current Liability	1,99,344	1,22,124
<b>Changes in Plan Assets</b>		
Plans assets at period beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	-	-
Benefits settled	-	-
Plans assets at period end, at fair value	-	-
<b>Funded Status</b>		
Closing PBO	4,33,911	1,24,188
Closing Fair value of plan assets	-	-

Closing Funded status	-	-
Net Asset/(Liability) recognized in the Balance Sheet	4,33,911	4,33,911
<b>Expenses recognized in the P&amp;L account and Other Comprehensive Income</b>		
Service cost	1,68,433	1,07,847
Interest cost	8,313	10,190
Benefits paid	-	-
Actuarial (Gain)/Loss	1,32,977	(1,39,326)
<b>Assumptions</b>		
Discount factor	7.10%	6.75%
Estimated rate of return on plan assets	0.00%	0.00%
Salary increase	5.00%	5.00%
Attrition rate	1% at younger ages reducing to 0% at older ages	1% at younger ages reducing to 0% at older ages

## Note - 32 - Ind AS 107 - Financial Instruments : Disclosures

### **FINANCIAL RISK MANAGEMENT**

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial asset includes loan , trade and other receivables, and cash and short-term deposits that arise directly from its operations.

#### **1 MARKET RISK MANAGEMENT**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

##### **i. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

*The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:*

Particulars	As at 31st March,2022	As at 31st March,2021
Floating rate borrowings	1,00,41,009	9,36,862
<b>Total Borrowings</b>	<b>1,00,41,009</b>	<b>9,36,862</b>

As at the end of reporting period, the company had the following variable rate borrowings.

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Weighted Avg Interest rate	Balance	% of Total Loans	Weighted Avg Interest rate	Balance	% of Total Loans
Cash Credit	8.40%	1,00,41,009	100.00%	8.40%	9,36,862	100.00%
<b>Net exposure to cash flow interest rate risk</b>		<b>1,00,41,009</b>	<b>100.00%</b>		<b>9,36,862</b>	<b>100.00%</b>

#### Sensitivity

A hypothetical 50 basis point shift in respective currency MIBORs and other benchmarks on the unhedged loans would result in a corresponding increase/decrease in interest cost for the Company on a yearly basis as follows:

Particulars	Impact on Profit and Loss after Tax		Impact on Equity	
	2021-22	2020-21	2021-22	2020-21
Interest rates -increase by 0.5% in INR interest rate*	-	-	-	-
Interest rates -Decrease by 0.5% in INR interest rate*	50,205	4,684	50,205	4,684
Interest rates -Decrease by 0.5% in INR interest rate*	50,205	4,684	50,205	4,684

\*Holding all other variables constant

#### **ii. Liquidity Risk Management:**

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth project. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company

manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

As at March 31,2022	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings	24,74,45,119	-	1,00,41,009	23,74,04,110	-	24,74,45,119
Trade Payables	88,94,965	-	88,94,965	-	-	88,94,965
Other Current Liabilities	53,82,132	-	53,82,132	-	-	53,82,132
Provisions	9,50,856	-	9,50,856	-	-	9,50,856
Current Tax Liabilities	-	-	-	-	-	-
<b>Total</b>	<b>26,26,73,072</b>	<b>-</b>	<b>2,52,68,962</b>	<b>23,74,04,110</b>	<b>-</b>	<b>26,26,73,072</b>

As at March 31,2021	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings	19,99,70,346	-	-	19,99,70,346	-	19,99,70,346
Trade Payables	35,13,646	-	35,13,646	-	-	35,13,646
Other Current Liabilities	31,05,509	-	31,05,509	-	-	31,05,509
Provisions	13,00,217	-	13,00,217	-	-	13,00,217
Current Tax Liabilities	-	-	-	-	-	-
<b>Total</b>	<b>20,78,89,717</b>	<b>-</b>	<b>79,19,372</b>	<b>19,99,70,346</b>	<b>-</b>	<b>20,78,89,717</b>

#### Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of reporting period:

Particulars	As at 31st March,2022	As at 31st March,2021

Cash Credit	13,218	90,63,138
<b>Total</b>	<b>13,218</b>	<b>90,63,138</b>

**Note - 33 - Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Significant accounting policies of the Company.

**a) Financial assets and liabilities**

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2022 and March 31, 2021

**As at March 31,2022**

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value
<b>Financial Assets</b>				
i.Investments - other than investments in subsidiary	-	4,80,168	-	4,80,168
ii.Trade receivables	-	-	1,51,50,499	1,51,50,499
iii.Cash and Cash equivalents	-	-	1,12,928	1,12,928
iv.Bank balances other than (iii) above	-	-	12,27,500	12,27,500
v. Loans	-	-	-	-
vi.others - Investment in subsidiary	-	-	-	-
<b>Total</b>		<b>4,80,168</b>	<b>1,64,90,927</b>	<b>1,69,71,095</b>
<b>Financial Liabilities</b>				
i.Borrowings	-	-	24,74,45,119	24,74,45,119
ii.Trade payables	-	-	88,94,965	88,94,965
<b>Total</b>	-	-	<b>25,63,40,084</b>	<b>25,63,40,084</b>

**As at March 31,2021**

Particulars	Fair value through other comprehensive income	Fair value through statement of profit or loss	Amortised cost	Total carrying value
<b>Financial Assets</b>				
i. Investments - other than investments in subsidiary	-	2,94,257	-	2,94,257
ii. Trade receivables	-	-	8,50,662	8,50,662
iii. Cash and Cash equivalents	-	-	19,05,269	19,05,269
iv. Bank balances other than (iii) above	-	-	-	-
v. Loans	-	-	-	-
vi. others - Investment in subsidiary	-	-	-	-
<b>Total</b>	<b>-</b>	<b>2,94,257</b>	<b>27,55,931</b>	<b>30,50,188</b>
<b>Financial Liabilities</b>				
i. Borrowings	-	-	19,99,70,346	19,99,70,346
ii. Trade payables	-	-	35,13,646	35,13,646
<b>Total</b>	<b>-</b>	<b>-</b>	<b>20,34,83,991</b>	<b>20,34,83,991</b>

**Note - 34- Ratios**

(i)

Particulars	Formula	31-03-2022			31-03-2021			% Variance	Reason for Variance
		Numerator (Amount)	Denominator (Amount)	Ratio	Numerator (Amount)	Denominator (Amount)	Ratio		
Current Ratio	Current assets/ Current liabilities	5,54,56,116	2,45,58,454	2.26	3,71,33,586	66,27,019	5.60	-60%	Company has commenced the operation during the year.
Debt-equity ratio	Total debt/ Total Equity	1,00,41,009	14,49,52,041	-0.07	20,11,94,205	10,79,03,027	-1.86	-96%	Company has commenced the operation during the year.

Debt service coverage ratio	Earnings available for debt service/ Debt Service	- 2,33,06,627	48,58,890	0.00	4,50,03,977	42,15,517	10.68	-100%	Company has commenced the operation during the year.
Return on equity ratio	[Net Profits after taxes – Preference Dividend (if any)]/ Average Shareholder's Equity	- 3,71,19,448	- 12,64,27,534	29.36%	3,37,99,126	- 1,64,75,830	- 205.14%	-114%	Company has commenced the operation during the year.
Inventory turnover ratio	Cost of goods sold OR sales/ Average Inventory	2,12,46,083	93,00,860	2.28	-	73,70,771	0.00	-	Company has commenced the operation during the year.
Trade receivables turnover ratio	Net Credit Sales/ Average Accounts Receivable	2,20,58,269	80,00,581	2.76	-	8,46,286	0.00	-	Company has commenced the operation during the year.
Trade payables turnover ratio	Net Credit Purchases/ Average Trade Payables	4,26,54,668	62,04,305	6.88	3,77,60,718	20,29,272	18.61	-63%	Company has commenced the operation during the year.
Net capital turnover ratio	Net Sales/ Working Capital	2,20,58,269	3,08,97,662	0.71	-	3,05,06,567	0.00	-	Company has commenced the operation during the year.
Net profit ratio	Net Profit/ Net Sales	- 3,71,19,448	2,20,58,269	-1.68	3,37,99,126	-	0.00	-	Company has commenced the operation during the year.
Return on capital employed	Earning before interest and taxes/ Capital Employed	- 2,33,06,627	10,24,93,078	- 22.74%	4,50,03,977	9,20,67,319	48.88%	- 146.52%	Company has commenced the operation during the year.
Return on Investment	Income generated from current investments / Average invested funds in current investments	-	-	63.40%	-	-	39.89%	58.92%	Company has commenced the operation during the year.



**Note - 35 - Related Party Disclosures**

i) List of Related Parties where control exists:

<b><u>Name</u></b>	<b><u>Nature of Relationship</u></b>
Mr. Gullu Gellaram Talreja	Significant share holder

ii) Names of the related parties with whom transactions were carried out during the year and description of relationship:

<b><u>Name</u></b>	<b><u>Relationship</u></b>
Mr. Gullu Gellaram Talreja	Significant share holder
Mr. Abhishek Prakash Talreja	Director
M/s Gemini Dyeing & Printing Mills Ltd	Common Directors
M/s Maanay Roller Flour Mills Private Ltd	Common Directors
M/s Gemini Infrastructures	Director is a partner

iii) Transaction with related parties:

<b>Name</b>	<b>Nature of Transaction (Net)</b>	<b>Amount of Transactions for the FY 2021-22</b>	<b>Amount of Transactions for the FY 2020-21</b>
M/s Gemini Dyeing & Printing Mills Ltd	Loan Taken	70,77,764	1,82,04,571
M/s Gemini Dyeing & Printing Mills Ltd	Loan Repaid	10,45,056	(3,15,52,190)
M/s Gemini Infrastructures	Loan Taken	1,00,000	5,00,000
M/s Gemini Infrastructures	Loan Repaid	(50,000)	-
Mr. Gullu Gellaram Talreja	Loan Taken	3,38,62,998	1,10,00,498
Mr. Gullu Gellaram Talreja	Loan Repaid	(59,94,000)	(77,31,047)

v) Closing balances as on the year end:

<b>Name</b>	<b>Nature of Transaction (Net)</b>	<b>Balance as on 31.03.2022 Receivable/(Payable)</b>	<b>Balance as on 31.03.2021 Receivable/(Payable)</b>
M/s Gemini Dyeing & Printing Mills Ltd	Common Directors	(12,60,16,734)	(11,99,84,026)
M/s Maanay Roller Flour Mills Private Ltd	Common Directors	(1,36,00,000)	(1,36,00,000)
M/s Gemini Infrastructures	Director is a partner	(7,55,119)	(7,05,119)
Mr. Gullu Gellaram Talreja	Significant share holder	(4,12,68,103)	(1,33,99,105)

**Note 36- Litigation**

The Company is subject to legal proceedings and claims which have arisen in respect of the rights in and/or title to two immovable properties of the Company and such legal proceedings are pending and being litigated.

The Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operation or financial position.

**Note 37- Additional regulatory information**

**(i) Details of Benami property held**

No Proceedings has been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) ) and Rules made thereunder.

(ii) The Company has made borrowings from banks on the basis of security of current assets. There are certain differences in the statement of security filed with bank and books of account of the company. The Company has included the advance paid towards the purchase of stock for the purpose of this computation, which has been subsequently rectified.

**(ii) Relationship with struck off companies**

The Company has no transactions with the companies struck off under companies Act, 2013 or Companies Act, 1956.

**(iii) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under section 2(87) of the companies Act, 2013 read with Companies ( Restriction of number of layers) Rules, 2017.

**(iv) Compliance approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(v) Undisclosed Income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(vi) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(vii) Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**(viii) Other Regulatory information**

**Registration of charges or satisfaction with Registrar of Companies**

There are no changes or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**Note 38-** The previous year's figure have been regrouped/ recast / restated wherever necessary to confirm to the current presentation.

**For B.N. Subramanya & Co.**

Chartered Accountants  
FRN: 004142S

Sd/-

**Girish Hoysala**

Partner

Membership No. 220210

Place: Bangalore

Date: 27th May, 2022

**For and on behalf of the Board of Directors**

Sd/-

**Gullu G Talreja**

Chairman & Managing Director

DIN: 01740145

Sd/-

**Bharath K Linganna**

Company Secretary

PAN: AKIPL9767F

Sd/-

**Abhishek P Talreja**

Director

DIN: 05007867

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Note 1

#### Basis of preparation of Financial Statements

The Accompanying financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention and on accrual basis except for certain financial instruments which are measured in fair value, applicable provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with rule 3 of the Companies ( Indian Accounting Standards) Rules, 2015 and Companies ( Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### Note 2

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

##### 2. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Expenditure which are of a Capital nature are Capitalized at cost, which comprises purchase price (net of rebates and discounts), duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

### 3. Depreciation and Amortisation

- (i) Up to 31st March, 2014, depreciation is provided from the date the assets have been installed and put to use, on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- (ii) With effect from 1st April, 2014, depreciation on assets carried at historical cost is provided on Straight Line Method based on useful life as under:

Category of the Asset	No of useful life in years
Building	30
Plant and Machinery	15
Electrical Installations	10
Furniture and Fixtures	10
Office Equipment	5
Computer and Accessories	3
Vehicles	8

- (iii) The carrying value of the assets as on April 1st, 2014, is depreciated over the remaining useful life of the asset determined based on useful life mentioned in clause (ii) supra.
- (iv) Where the useful life of the asset is NIL as on 1<sup>st</sup> April, 2014, the carrying value as on 1<sup>st</sup> April, 2014, has been added to the opening balance of deficit in the Statement of Profit and Loss in accordance with Schedule II of the Companies Act, 2013.

### 4. Inventories:

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport & handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost remains as follows:

- a) Raw material, Packing Material – at actual cost.
- b) Stores & spares: at actual cost.
- c) Work-in-progress: Cost of input plus overhead upto the stage of completion.
- d) Finished Goods: Cost of input plus appropriate overhead

### 5. Financial Instruments

#### (i) Financial Assets

##### Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

### Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories:-

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss or recognized in other comprehensive income.

A financial asset that meets the following two conditions is measured at **amortized cost**.

- **Business Model Test:** The objective of the company's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through **Other Comprehensive Income**:-

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss. All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

### Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

- 12 months expected credit losses, or
  - Lifetime expected credit losses
- depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### (ii) Financial Liabilities

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

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

#### **6. Borrowing costs:**

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

#### **7. Segment Reporting:**

The Companies monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

#### **8. Foreign Currency Transactions:**

All foreign currency transactions are recorded at the rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss.

#### **9. Income taxes:**

Tax expense comprising current tax and deferred tax are recognised in the Profit and Loss Statement for the period. Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the tax laws.

Deferred tax asset or liability is recognised for timing differences between the profit/(loss) as per financial statements and the profit/(loss) offered for income tax, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only if there is virtual certainty in the opinion of the Board of Directors of the Company that sufficient future taxable income will be available against which such assets can be realised in future. The carrying amount of deferred tax assets is reviewed at the end of each financial year and adjusted to the extent that it is no longer probable that sufficient taxable income will be available in future to allow in part or whole of the deferred tax asset to be utilised.

#### **10. Cash & Cash Equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

### 11. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The diluted earnings per share is calculated after considering adjustments for the effect of all dilutive potential equity shares.

### 12. Leases

- **Operating Lease:** Leases of assets where all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense with reference to lease terms and other considerations.
- **Finance Lease:** Leases of assets other than operating leases are classified as finance lease. The Lower of assets and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to profit and loss account.

### 13. Provisions, Contingent Liabilities, Contingent Assets and Capital Commitments:

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax Excise etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability.

No contingent asset is recognized but disclosed by way of notes to accounts.

### 14. Impairment of assets

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount/Value in use.

Recoverable amount is determined:

- a. In the case of an individual asset, a higher of the net selling price and the value in use;
- b. In the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at higher of the cash generating unit's selling price and the value in use.

Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.



**15. Cash flow statement:**

Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7: "Statement of Cash Flows" as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

**For B.N. Subramanya & Co.**

Chartered Accountants  
FRN: 004142S

Sd/-

**Girish Hoysala**

Partner

M.No: 220210

**For and on behalf of the Board of Directors**

Sd/-

**Gullu G Talreja**

Chairman & Managing Director

DIN: 01740145

Sd/-

**Abhishek P Talreja**

Director

DIN: 05007867

Place: Bangalore

Date: 27th May, 2022

Sd/-

**Bharath K Linganna**

Company Secretary

PAN: AKIPL 9767 F