



Date: 14<sup>th</sup> August, 2019

To,  
The Listing Manager,  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001

**Sub: Annual Report 2018-19.**

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the financial year 2018-19.

Yours Faithfully,

PAN Electronics (India) Limited

**GULLU GELLARAM TALREJA**  
Managing Director | DIN 01740145

**REGISTERED OFFICE**

PAN ELECTRONICS (INDIA) LTD. CIN: L00309KA1982PLC004960  
16B, Peenya Industrial Area, Phase - 1, Bangalore - 560058, INDIA, Tel : +91-80-28396227/28/29,  
E-mail : [info@panelectronicsindia.com](mailto:info@panelectronicsindia.com), [www.panelectronicsindia.com](http://www.panelectronicsindia.com)



**36<sup>th</sup>**

**ANNUAL REPORT**

**PAN ELECTRONICS (INDIA) LIMITED**

**2018 – 2019**

## CORPORATE INFORMATION

### **BOARD OF DIRECTORS**

Shri. Gullu Gellaram Talreja	Chairman & Managing Director
Shri. Abhishek Prakash Talreja	Whole Time Director
Smt. Ambusaravan Asha	Director (Independent) (from 04 June 2018)
Shri. Nitesh Nanik Rohera	Additional Director (from 01 June 2019)
Shri. Anil Hargobind Khilnani	Chief Financial Officer (KMP)

### **STATUTORY AUDITORS:**

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

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Smt. VEENA TANDUR

### **BANKERS:**

Shamrao Vithal Co-Operative Bank Limited, Yeshwanthpur Branch, Bengaluru

### **REGISTERED OFFICE:**

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

### **REGISTRARS & SHARE TRANSFER AGENTS:**

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

### **FACTORY:**

New Municipal No.7, 16B, 1st Phase, Peenya Industrial Area, Bengaluru – 560 05

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

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## **NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Thirty Six Annual General Meeting of the Members of PAN ELECTRONICS (INDIA) LIMITED will be held on Monday 30<sup>th</sup> September, 2019 at 3:30 P.M at Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Financial Statement as at 31st March 2019, and reports of the Board of Directors, Corporate Governance and Auditors thereon.
2. To appoint Shri. ABHISHEK PRAKASH TALREJA (DIN: 05007867), Director, who retires by rotation and being eligible, offer himself for re-appointment.

### **SPECIAL BUSINESS**

#### **3. To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, not exceeding Rs. 15 Crores:**

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

**“RESOLVED THAT** in supersession of all earlier resolutions passed on the matter and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), and the relevant regulations/directions as may be prescribed by the Reserve bank of India from time to time (including any amendment(s), modification(s) thereof) and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors or to such person/s or such committee (by whatever name called), as may be authorized by the Board in this regard, to borrow at any time or from time to time by obtaining loans, overdraft facilities, lines of credit, commercial papers, non-convertible debentures, external commercial borrowings (loans/bonds), INR denominated offshore bonds or in any other forms from Banks, Financial Institutions, Insurance Companies, Mutual Funds or other Corporates or other eligible investors, including by way of availing credit limits through Non-Fund based limits i.e. Bank Guarantee, Letter of Credit, etc. or by any other means as deemed fit by it, against the security of term deposits, movables, immovable or such other assets as may be required or as unsecured, at any time or from time to time, any sum or sums of money(ies) which together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of paid-up share capital of the Company, its free reserves and Securities Premium, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 15 crores (Rupees Fifteen Crores only).”

**RESOLVED FURTHER THAT** the Board of Directors or such person/s or such committee (by whatever name called), as may be authorized by the Board in this regards, be and are hereby authorized to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all other acts, deeds, matters and things as may be deemed necessary and incidental for giving effect to the above, including execution of all such documents, instruments and writings, as may be required.”

**4. To appoint Mr. NITESH NANIK ROHERA (DIN- 01071604) as an Independent Director of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 160 of the Companies Act, 2013 and the Rules made there under and other applicable laws, if any, Mr. NITESH NANIK ROHERA (DIN- 01071604), who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 01, 2019 and who holds office until the date of this AGM in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company for a period of Five (5) years with effect from June 01, 2019.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company are hereby severally authorized to do such acts, deeds, things as may be required to give effect to the above resolution.

**5. Authorization to sell certain property held in the name of PAN Electronics (India) Limited.**

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

**“RESOLVED THAT** pursuant to section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and the relevant rules made thereto including any statutory modifications or re-enactments thereof and corporate governance requirements, consent of the shareholders of the company be and is hereby accorded, to the board of directors of the company to sell/transfer/dispose of whole/part of the property, including land and building, situated at PLOT NO. 83 PHASE 1 SIPCOT INDUSTRIAL COMPLEX HOSUR TAMIL NADU 635126, held in the name of PAN ELECTRONICS (INDIA) LIMITED, on such terms and conditions as the board may deem fit.

**RESOLVED FURTHER THAT** the board be and is hereby authorized to do all such other acts, deeds, matters, and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitations, to settle any questions, difficulties, doubts that may arise in regard to sale/transfer of the property as they may in their absolute discretion deem fit.”

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

Bangalore  
14/08/2019

SD/-  
**GULLU GELLARAM TALREJA**  
Managing Director | DIN 01740145

**NOTES**

1. A Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty Members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member.  
The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authorization letter, as applicable.

3. The Register of Members and the Share Transfer books of the Company will remain closed from September 23, 2019 to September 29, 2019 (both days inclusive).
4. 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, 4<sup>th</sup> 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.
5. Members are requested to quote the Folio Numbers or Demat Account Numbers and Depository Participant ID (DPID) in all correspondence to the RTAs of the Company.
6. Members holding Shares in physical form in identical orders of names in more than one folio are requested to send to the Company or RTAs, the details of such folio together with the Shares Certificates for consolidating their holding in one folio. A consolidated Share Certificate will be returned to such Members after making requisite changes thereon.
7. 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.
8. 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.
9. Members seeking any information with regard to the Annual Accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
10. The notice of the Annual General Meeting along with the Annual Report 2018-19 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 22, 2019), may contact the RTAs or email to [irg@integrated.in](mailto:irg@integrated.in) and obtain copy of the Annual Report.
11. The Equity Shares of the Company are available for trading in dematerialized form (electronic form) through depository participants. The Company has entered in to 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.
12. 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.
13. **Details of the Directors proposed to be appointed/re-appointed pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :**

The details of Directors proposed to be appointed/re-appointed at the Annual General Meeting are produced below, in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**i. MR. NITESH NANIK ROHERA**

Mr. NITESH NANIK ROHERA. He has more than 20 years of experience in the industry.

**Additional information:**

Name	<b>NITESH NANIK ROHERA</b>
Age	<b>47</b>
Date of Appointment	<b>01 June 2019</b>
Relationship between Directors inter-se	<b>Nil</b>

Names of listed entities in which the person holds the directorship	<b>Nil</b>
Membership of Committees of the Board of other listed entity	<b>Nil</b>
No. of shares held in the Company	<b>Nil</b>

14. 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.

15. Voting through Electronic means:

- A. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, the Company is pleased to provide remote e-voting facility to its members to exercise their vote on Resolutions proposed to be passed in the Thirty Six Annual General Meeting by electronic means.
- B. The facility for voting through ballot paper shall be made available at the Meeting and the members attending the Meeting who have not cast their votes by remote e-voting shall be able to vote at the Meeting.
- C. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The voting period begins on September 27, 2019 (9.00 a.m.) and ends on September 29, 2019 (5.00 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 of i.e, September 22, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

16. **The instructions for Shareholders voting electronically are as under:**

- i. The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on Shareholders / Members
- iii. 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) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. 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 voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <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 as mentioned in instruction (iii).</li> </ul>

vii. After entering these details appropriately, click on "SUBMIT" tab.

viii. Members holding Shares in physical form will then directly reach the Company selection screen. However, Members 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 the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- ix. For Members 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 PAN ELECTRONICS (INDIA) LIMITED 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.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If a demat account holder has forgotten the changed 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.
- xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xviii. Note for Non – Individual Shareholders and Custodians**
  - Non-Individual Shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - 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 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.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- xx. Further, Members may note the following:
  - a. Remote e-voting shall not be allowed beyond the said date and time.
  - b. The Company is providing facility to vote on a poll to the Members present at the meeting.
  - c. The Members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
  - d. A person whose name is recorded in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the General Meeting.
21. Mr. Vivek Bhat, Practicing Company Secretary (Membership No. FCS-7708), Bengaluru has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within 48 (Forty Eight) hours from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses who are not in the employment of the Company and make his report of the votes cast in favour or against and shall submit to the Chairman of the Meeting.
22. The results of the Annual General Meeting shall be declared within 48 (Forty Eight) hours from the conclusion of the Annual General Meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL and shall be communicated to BSE Limited (BSE).



## STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

### Item No. 3:

Section 180 (1) (c) of the Companies Act, 2013 permits the Company to borrow money along with the money already borrowed by the Company, except the temporary loans obtained from the Companies banker in ordinary course of business, beyond the paid –up capital and free reserve of the Company, only if the same is approved by the Members of the Company.

Hence, members of the Company are requested to give their approval to borrow the money along with the money already borrowed by the Company in excess of its paid –up capital and free reserve i.e. Up to Rs. 15 Crores.

None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution except to the extent of their shareholding, if any, in the Company.

### Item Nos. 4:

NITESH NANIK ROHERA (DIN- 01071604) was appointed as an Additional Director on the Board of the Company on June 01, 2019. In terms of Section 149 and other applicable provisions of the Companies Act, 2013.

The Company has received intimation in Form DIR-8 from NITESH NANIK ROHERA that, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI Listing Regulations and his consent to continue as an Independent Director.

NITESH NANIK ROHERA (aged 47 years), provides objective independent judgement on corporate affairs, business plans, major capital expenditures and strategic initiatives. It will be in the best interests of the Company him as a Board member for a period of five years.

None of the Directors or Key Managerial Personnel of the Company and / or their relatives except NITESH NANIK ROHERA, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

### Item Nos. 5:

The company owned leased land situated at PLOT NO. 83 PHASE 1 SIPCOT INDUSTRIAL COMPLEX HOSUR TAMIL NADU 635126.

Since plant is shifted to Peenay Industrial Area and the property will not be used for any purpose, the board of directors of the company, as its meeting held on 14<sup>th</sup> August 2019 has approved and recommended to sell/transfer/dispose off wholly/part of the property, subject to the consent of the shareholders by way of Special Resolution.

In compliance with the, Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 and as per the corporate governance requirements, directors recommended the Special Resolution as set out at item no.5 of the accompanying Notice, for members approval.

None of the directors and key managerial personnel of the company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in company.

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

Bangalore  
14/08/2019

SD/-  
**GULLU GELLARAM TALREJA**  
Managing Director | DIN 01740145

## BOARD'S REPORT

Your Directors have pleasure in presenting their Thirty Six Annual Report and the Audited Financial Statements for the financial year ended March 31, 2019 together with the Independent Auditor's Report.

### FINANCIAL RESULTS:

(Rs. in Actuals)

FINANCIAL RESULTS	31.03.2019 [Rupees]	31.03.2018 [Rupees]
<b>01 REVENUE FROM OPERATIONS</b>		
Net Revenue from Operations	77,324	(252,551)
<b>02 OTHER INCOME</b>		2,812,206
<b>03 TOTAL REVENUE [ 1 + 2 ]</b>	77,324	2,559,655
<b>04 EXPENSES</b>		
Cost of Material Consumed	0	133,390
Changes in Inventories of Finished Goods, WIP & Stock in Trade	77,324	1,050,021
Employee Benefit Expenses	5,077,546	4,664,342
Finance cost	18,018	955,238
Depreciation and Amortization Expenses	6,306,303	6,108,059
Other Expenses	3,894,237	1,855,142
<b>Total Expenses</b>	<b>15,373,428</b>	<b>14,766,192</b>
<b>05 PROFIT / (LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX [3-4]</b>	(15,296,104)	(12,206,537)
<b>06 EXCEPTIONAL ITEMS</b>		-
<b>07 PROFIT / (LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX [5-6]</b>	(15,296,104)	(12,206,537)
<b>08 EXTRAORDINARY ITEMS</b>		-
<b>09 PROFIT / (LOSS) BEFORE TAX [ 7 - 8 ]</b>	(15,296,104)	(12,206,537)
<b>10 TAX EXPENSES</b>		
1. Current Tax [MAT]	-	-
Less: MAT Credit entitlement	-	-
Net Current Tax	-	-
2. Deferred Tax: Asset/(Liability)		
<b>11 PROFIT / [ LOSS] FOR THE PERIOD FROM CONTINUING OPERATIONS [9-10]</b>	(15,296,104)	(12,206,537)
<b>12 PROFIT / [LOSS] FROM DISCONTINUING OPERATIONS</b>	-	-
<b>13 TAX EXPENSES OF DISCONTINUING OPERATIONS</b>	-	-
<b>14 PROFIT / [LOSS] FROM DISCONTINUING OPERATIONS [AFTER TAX] [12-13]</b>	-	-
<b>15 PROFIT / [LOSS] FOR THE PERIOD [11+14]</b>	(15,296,104)	(12,206,537)
<b>16 EARNING PER EQUITY SHARE ( Basic and Diluted)</b>	(3.8240)	(3.0516)

### 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.

### DIVIDEND:

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

### PARTICULARS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED (RETIRED) DURING THE FINACIAL YEAR ENDED MARCH 31, 2019:

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 Directors at its meeting held on May 30, 2019, has appointed Mr. NITESH NANIK ROHERA as Additional Directors (Independent) of the Company with effect from June 01, 2019.

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 – Additional Director (Independent) (Appointed – 30.05.19)
- 4 AMBUSARAVAN ASHA – Director (Independent)
- 5 HARI NAUNMAL TARACHANDANI – Director (Independent) (Resigned – 14.11.18)
- 6 VEENA TANDUR – Company Secretary
- 7 ANIL HARGOBIND KHILNANI – CFO (KMP)

### 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, 2019, 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).

### DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS AND/ OR ISSUE OF SWEAT EQUITY SHARES

During the year under review, the Company has not issued any Shares with Differential voting Rights and / or any Sweat Equity Shares.

### CHANGE IN NATURE OF BUSINESS:

There were no changes in the nature of business during the financial year.

### OPERATIONS – MANAGEMENT DISCUSSION AND ANALYSIS:

A	Industry structure and developments.	Electronic Metallized Polypropylene and Polyester film industry is well organized in India. The market domestically has been growing at about 5-10% per annum.
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B	Opportunities and threats.	The Company faces excessive competition resulting in reduction in margins and fluctuations in product price.
C	Segment wise or product wise performance.	There are no segmental operations as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India.
D	Outlook for the company.	The Company has successfully paid Financial Institutions all dues. The Company has started commercial production to improve profitability.
E	Risks and concerns.	The opening up of the Indian economy consequent to India becoming a member of WTO may adversely impact the market scenario.
F	Internal control system and their adequacy.	The internal Control Systems of the Company are adequate and are constantly reviewed and supported by internal audit.
G	Discussion of financial performance with respect of operational performance.	The negative financial performance of the Company is mainly due to its operational performance. Benefits from write backs of Financial Institution has resulted in positive Net profit.
H	Material development in human resources / industrial relations front, including number of people employed	The Company continues to give thrust to human resource development and industrial relations. The Company effected reduction, maximum of its employees during the year, by paying suitable compensation as per Law. Permanent Employees: 3

#### **FRAUD REPORTED BY THE AUDITORS DURING THE YEAR:**

Not applicable as there were no such instances during the year.

#### **DEPOSITS:**

During the year the Company has not given any deposits nor taken, hence there no transactions towards deposits as on March 31, 2019.

#### **MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:**

There were no material changes and commitments between the end of the financial year and the date of the Report, which affect the financial position of the Company.

#### **EXTRACT OF THE ANNUAL RETURN:**

The extract of the annual return in Form MGT-9 is enclosed as a part of this report in compliance with Section 134 (3) of the Companies Act, 2013 as **Annexure – 1**.

#### **PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY:**

During the year the Company has not provided any loan/ guarantee / security which fall under the provisions of Section 186 of the Companies Act, 2013.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013:**

All related party transactions which were entered into during the financial year were on at arm's length basis and were in the ordinary course of business and with the omnibus approval of the Audit Committee. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions, wherever applicable, are placed before the Audit Committee. The quarterly disclosures of transactions with related parties are made to the Audit Committee. In compliance with the provisions of Section 134(3) of the Companies Act, 2013, particulars of contracts or arrangements with related parties referred to in the provisions of Section 188(1) of the Companies Act, 2013 are enclosed, in the Form AOC-2, as part of this report as "**Annexure – 2**".

#### **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

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, 5 (Five) Meetings were held on May 25, 2018, June 04, 2018, August 14, 2018, November 14, 2018 and February 12, 2019.

Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

#### **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, 2019 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.

#### **CORPORATE GOVERNANCE AND BUSINESS RESPONSIBILITY REPORT:**

Being a Listed Company, necessary measures are taken to comply with SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) as amended from time to time. A report

on Corporate Governance, along with a certificate of compliance from a Practicing Chartered Accountant, forms part of this report.

The Business Responsibility Report is not required.

#### **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.

#### **CONSERVATION OF ENERGY:**

Conservation of energy is one of the highest priority measures directly supervised by the senior management of the Company. During the year manufacture activity stopped due to transferring plant from Hosur to Peenya.

#### **RESEARCH AND DEVELOPMENT, TECHNOLOGY, ABSORPTION, ADAPTATION & INNOVATION:**

- a) Research and Development (R&D): During the year company not done any manufacture or any commercial activity due to transferring plant Hosur to Peenya.
- b) **Expenditure on Research and Development: Nil**
- c) **Technology Absorption, Adaptation, Innovation and particulars of imported technology:**
  - 1) The Company has not imported any technology during the financial year.
  - 2) The Company has not developed, innovative and path-breaking products.

#### **GREEN INITIATIVES:**

The Company has initiated a sustainability initiative with the aim of going green and minimizing our impact on the environment. Like the previous years, this year too, the Company is publishing only the statutory disclosures in the print version of the Annual Report.

#### **FOREIGN EXCHANGE EARNINGS AND OUTFLOW:**

The Company earnings **Nil** and outflow **Nil** during the financial year under review.

#### **INDUSTRIAL RELATIONS:**

Industrial relations have been cordial and constructive, which have helped your Company to achieve production targets.

#### **DECLARATION BY THE INDEPENDENT DIRECTORS:**

The Company has received necessary declarations from each Independent Directors pursuant to the provisions of Section 149(7) of the Companies Act, 2013, that he meets the criteria of Independence laid down in the provisions of Section 149(6) of the Companies Act, 2013.

Further, the Board hereby confirms that all the Independent Directors of the Company fulfill the conditions as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and all the Independent Directors are independent of the management.

## **BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

## **COMPOSITION OF AUDIT COMMITTEE:**

Your Company has an Audit Committee comprising of Mr. Hari Naunmal Tarachandani, as Chairman of the Committee (Resigned on 14-11-2018), Mr. Abhishek Prakash Talreja and Mr. Ambusaravan Asha, as other Members of the Committee. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013. Reconstitution of the Committee was undertaken post retirement of two Directors and as on date of this report, the composition of the Committee is as follows:

1. Hari Naunmal Tarachandani – Chairman (Resigned on 14-11-2018)
2. Abhishek Prakash Talreja – Whole-time Director
3. Ambusaravan Asha – Director (Independent)

## **AUDITORS:**

### **i. Statutory Auditors:**

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 appointed by members at the AGM.

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

### **ii. Secretarial Auditor:**

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 2018-19. The Secretarial Audit Report issued by him is enclosed as “**Annexure – 3**” to this Report.

## **QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE STATUTORY AUDITORS**

### **i. Statutory Auditors:**

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, 2019.

### **ii. Secretarial Auditor:**

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.

## **REGULATORY / COURT ORDERS:**

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its future operations.

## **DISCLOSURE UNDER THE 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 2018-19:

No. of complaints received: NIL

No. of complaints disposed off: NA

**PARTICULARS OF EMPLOYEES:**

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.

**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.

**ACKNOWLEDGEMENT:**

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.

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

Bangalore  
14/08/2019

SD/-  
**GULLU GELLARAM TALREJA**  
Managing Director | DIN 01740145



**ANNEXURE TO THE BOARD'S REPORT  
REPORT ON CORPORATE GOVERNANCE  
MANDATORY REQUIREMENTS**

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's philosophy is sustained profitable growth and increase in stakeholders' value. This will be done through proper transparency and disclosures, adequate internal controls in its business practices and risk management, proper communication and good standards in safety, health, environment management, highest standards in accounting fidelity, product and service quality. The Company complies with the listing requirements of the Stock Exchanges, where its Shares are listed and endeavors to meet necessary listing guidelines. The Company has complied with all the provisions of Companies Act, SEBI guidelines/regulations and also those of the Stock Exchanges guidelines and is committed to good Corporate Governance. The Board fully understands and takes responsibility for its commitments to stakeholders, employees, vendors, customers and the communities where it operates. The primary objective of customer satisfaction is relentlessly pursued. Following is a report on the status and progress on various aspects of Corporate Governance of the Company.

**2. BOARD OF DIRECTORS:**

**a. THE BOARD OF DIRECTORS AND THE MEETINGS ATTENDED BY RESPECTIVE DIRECTORS DURING THE YEAR AS UNDER:**

Name of the Director	Category	Board Meetings held	Board Meetings Attended	Attended Last AGM
Mr. GULLU GELLARAM TALREJA	Managing Director	5	5	Yes
Mr. ABHISHEK PRAKASH TALREJA	Whole time Director	5	5	Yes
Mrs. AMBUSARAVAN ASHA	Director	5	5	Yes
Mr. Hari Naunmal Tarachandani	Independent Director	3	2	NO
Mr. Nitesh Nanik Rohera	Additional Director (Independent)	NA	NA	NA

\* Mr. NITESH NANIK ROHERA as Additional Director (Independent) of the Company with effect from June 01, 2019.

**Skills / Expertise / Competencies of the Board of Directors:**

The following is the list of core skills / expertise / competencies identified by the Board of Directors:

- i. Knowledge on Company's businesses , policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates;
- ii. Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making;
- iii. Financial and Management skills

- iv. Technical / Professional skills and specialized knowledge in relation to Company's business

**Certificate from Practicing Company Secretary:**

A Certificate from Mr. Vivek Bhat, Practicing Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority is enclosed as Annexure – 4.

**b. DETAILS OF THE BOARD MEETINGS HELD DURING THE FINANCIAL YEAR:**

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. The Board of Directors duly met 5 (Five) times during the year on:

1. May 25, 2018
2. June 04, 2018
3. August 14, 2018
4. November 14, 2018
5. February 12, 2019

None of the Non-Executive Directors has any material pecuniary relationship or transactions with the Company.

**3. OUTSIDE DIRECTORSHIPS / COMMITTEE POSITIONS AS ON MARCH 31, 2019:**

Name of the Directors	In Listed Companies	Name of the Listed Entity and category	In Unlisted Public Limited Companies	As Chairman / Member of Board Committees
Mr. GULLU GELLARAM TALREJA	Nil	NA	GEMINI DYEING AND PRINTING MILLS LIMITED	Nil
Mr. ABHISHEK PRAKASH TALREJA	Nil	NA	Nil	Nil
Mr. NITESH NANIK ROHERA	Nil	NA	Nil	Nil
Mrs. AMBUSARAVAN ASHA	Nil	NA	Nil	Nil

**Notes:**

- a. Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 are excluded for the above purpose.
- b. None of the Directors is a member in neither more than 10 Committees, nor a Chairman in more than 5 Committees across all Companies in which he is a Director.

**4. 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. Hari Naunmal Tarachandani – Chairman (Resigned on 14-11-2018)
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 4 (Four) times on 25 May 2018, 14 August 2018, 14 November 2018, and 12 February 2019

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

<b>Name of the Director</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Hari Naunmal Tarachandani	3	2
Abhishek Prakash Talreja	4	4
Ambusaravan Asha	4	4

The terms of reference / role of the Audit Committee cover the matters specified for Audit Committees under Regulation 18 and Part C of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as well as the provisions of Section 177 of the Companies Act, 2013. The brief description of the terms of reference of the Audit Committee is given below:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed Company;
- c. Approval of payment to the Statutory Auditors for any other services rendered by them;
- d. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval,
- e. Reviewing, with the management, the quarterly financial results before submission to the board for approval;
- f. Reviewing the statement of significant related party transactions;
- g. Discussion with internal auditors of any significant findings;

### 5. **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. Hari Naunmal Tarachandani – Chairman (Resigned on 14-08-2018)
2. Abhishek Prakash Talreja – Member
3. Ambusaravan Asha – Member

During the financial year Once (1) Meeting of the Committee were held on May 30, 2018

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

<b>Name of the Director</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Hari Naunmal Tarachandani – Chairman	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

## 6. INDEPENDENT DIRECTORS' MEETING & PERFORMANCE EVALUATION:

During the year under review, the Independent Directors met on February 12, 2019, *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.

## 7. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

1. Abhishek Prakash Talreja – Chairman Member
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, 2019, no complaints were pending.

## 8. SHARES HELD BY NON-EXECUTIVE DIRECTORS:

The Non-Executive Directors as on March 31, 2019, no one hold the shares in PAN Electronics (India) Limited, are as under:

## 9. GENERAL MEETINGS:

The details of holding of last three Annual General Meetings of the Company are given below:

### Annual General Meetings:

Year	Date	Time	Location
2015-16	29/09/2016	03.00 p.m	Vijay Nagar club, Vijay Nagar, Bengaluru
2016-17	27/09/2017	03.00 p.m	Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015
2017-18	29/09/2018	03 .00 p.m	Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015

### Special Resolutions passed in the previous three Annual General Meetings (AGM):

Date of AGM	Special Resolutions
24.09.2016	Nil
27.09.2017	Nil
29.09.2018	To appoint Mrs. Ambusaravan Asha (DIN: 08147485) as an Independent Director in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution

## 10. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT PURSUANT TO SEBI CIRCULAR NO. SEBI/LAD-NRO/GN/2015-16/013, DATED 2<sup>ND</sup> SEPTEMBER, 2015:

As per the above mentioned Circular, there are "Nil" Shares in the Demat Suspense Account or Unclaimed Suspense Account.

However the Company proposes to transfer unclaimed shares to the Suspense Account in the current year, after complying with necessary procedures as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 11. NAME AND DESIGNATION OF THE COMPLIANCE OFFICER:

Mrs. Veena Tandur Company Secretary is the Compliance Officer of the Company. She can be contacted for any investors' related matters of the Company. E-mail: cs@panelectronicsindia.com.

#### 12. OTHER DISCLOSURES:

##### **Related party transactions:**

During the year, the Company had not entered into any material related party transaction. Details of related party transaction are disclosed along with the compliance report on Corporate Governance.

The Company continued to comply with the requirements of the Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other Statutory Authorities on all matters related to capital markets during the last three years. No penalties have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities relating to the above.

##### **Accounting Treatment:**

The Financial Statement of the Company is prepared as per the prescribed Accounting Standards and reflects true and fair view of the business transactions in the Corporate Governance.

##### **Details of fees paid by the Company its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part as per Clause 10 (k), Part C of Schedule V of SEBI (LODR) Regulations, 2015:**

Below are the details of fees paid (on a consolidated basis) by the Company to B.N. Subramanya & Co, Statutory Auditors and other network entities, which they are part:

(INR)	
Fees paid to B.N. Subramanya & Co, for Audit and related services	1,25,000
<b>Total</b>	<b>1,25,000</b>

##### **Disclosure of transaction with any person or entity belonging to the Promoter or Promoter Group, who holds 10 % or more:**

Mr. GULLU GELLARAM TALREJA in the capacity of Chairman and Managing Director, during the year, the Company has not entered in to any transaction with Mr. GULLU GELLARAM TALREJA, Promoters and holding more than 10% of the shareholding of the Company. Details of remuneration are already disclosed in this report.

##### **CFO Certification:**

Director and Chief Financial Officer have certified to the Board of Directors, Inter alia, the accuracy of Financial Statements and adequacy of Internal Controls for the Financial

Reporting purpose as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2019.

**Code of Conduct:**

The Company has adopted a Code of Conduct and is available on the website of the Company at [www.panelectronicsindia.com](http://www.panelectronicsindia.com)

**13. MEANS OF COMMUNICATION:**

These results are uploaded on the website of the Stock Exchanges immediately after the Board approves the same. Half yearly results were sent to each Shareholder along with a review of the business. The website of the Company i.e., [www.panelectronicsindia.com](http://www.panelectronicsindia.com)

**14. MANDATORY / NON-MANDATORY REQUIREMENTS:**

The Company has complied with the requirements relating to Corporate Governance as mandated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**15. CERTIFICATE ON CORPORATE GOVERNANCE:**

The Company has obtained the Certificate from a Practicing Chartered Accountant regarding compliance with the provisions relating to Corporate Governance as set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**16. GENERAL SHAREHOLDER INFORMATION:**

**a. Thirty Six Annual General Meeting :**

Date	Time	Venue
September 30, 2019	3:30 p.m	Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015

**Financial Calendar:**

Financial Year	-	April 2018 to March 2019
First Quarter Results	-	In August 2018
Half Yearly Results	-	In November 2018
Third Quarter Results	-	In February 2019
Results for the year ended 31 <sup>st</sup> March	-	By May 2019
Book Closure Date	-	September 23, 2019 to September 29, 2019 (both days inclusive)
Scrip Code	-	BSE- 517397
Stock Exchange	-	BSE Limited, Mumbai
International Securities Identification Number (ISIN) for National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL): <b>INE-399C01030.</b>		

**b. Share Transfer System:**

The Company's Registrars and Share Transfer Agents, Integrated Registry Management Services Private Limited has adequate infrastructure to process the share transfers. Periodically, a Practising Company Secretary audits the system and a Certificate to that effect is issued and the same is filed with the Stock Exchanges. Additionally, reconciliation on Share Capital audits and Dematerialization related scrutiny are conducted quarterly by a

Practising Company Secretary.

With effect from April 01, 2019, transfer of shares in physical form is not allowed. Shareholders are requested to contact our RTA for more details.

**c. Dematerialization of Shares and Liquidity:**

Equity Shares of the total Equity Capital are held in dematerialized form with NSDL and CDSL.

**d. Registered Office / Address for correspondence:**

16B, 1st Phase, Peenya Industrial Area Peenya  
Bangalore KA 560058 IN  
E-mail: cs@panelectronicsindia.com

**e. Shareholding Pattern as on March 31, 2019:**

	CATEGORY	No. of Shares held	% of Shareholding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	2817560	70.44
	- Foreign Promoters	-	-
	Promoters		
2	Persons acting in concert	-	-
	<b>Sub-Total (1+2)</b>	<b>2817560</b>	<b>70.44</b>
B	Non-Promoters Holding		
3	Institutional Investors		
a.	Mutual Funds and UTI	-	-
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions, Non-government Institutions)	3200	0.08
c.	FIs	-	-
	<b>Sub-Total (3a+b+c)</b>	<b>3200</b>	<b>0.08</b>
4	Others		
a.	Private Corporate Bodies	28847	0.72
b	Indian Public	1106393	27.66
c.	NROs/NRIs/OCBs	41800	1.05
d.	Clearing Members	2200	0.06
	<b>Sub-Total (4a+b+c+d)</b>	<b>1179240</b>	<b>29.48</b>
	<b>Grand Total</b>	<b>4000000</b>	<b>100.00</b>

Shareholders holding Shares in electronic mode should address all their correspondence to their respective Depository Participant (DP).

**f. Distribution of shareholding according to size class as on March 31, 2019:**

**DISTRIBUTION OF HOLDINGS**

No. of share Holders	% of Total	Shareholding of Nominal of Rs.10/-		No. of shares	Amount Rs.	% of total
2230	86.80		Up to 5,000	392619	3926190	9.82
202	7.86	5,001	10,000	173015	1730150	4.33



74	2.88	10,001	20,000	110694	1106940	2.77
27	1.05	20,001	30,000	66907	669070	1.67
15	0.58	30,001	40,000	53652	536520	1.34
5	0.19	40,001	50,000	23615	236150	0.59
10	0.39	50,001	1,00,000	69251	692510	1.73
6	0.23	1,00,001	& above	3110247	31102470	77.76
<b>2569</b>	<b>100.00</b>	<b>TOTAL</b>		<b>4000000</b>	<b>40000000</b>	<b>100.00</b>

**g. Shares held in Physical and Electronic mode as on March 31, 2019:**

Category	No. of share holders	No. of Shares	% to total shareholding
Physical Shares	1662	629195	15.73
Electronic Shares	907	3370805	84.27
<b>Total</b>	<b>2569</b>	<b>4000000</b>	<b>100.00</b>

**h. Listing of Shares:**

The Company's Shares are listed at:

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

**i. Registrar and Share Transfer Agent:**

Integrated Registry Management Services Private Limited  
No. 30, Ramana Residency, 4th Cross, Sampige Road  
Malleswaram, Bangalore - 560 003  
Tel: +91-80-23460815  
Fax: +91-80-23460819  
E-mail: [irg@integratedindia.in](mailto:irg@integratedindia.in)

**j. Nomination Facility:**

The provisions of Section 72 of the Companies Act, 2013, introduced the concept of nomination by securities holders. The facility is mainly useful for all holders holding the Shares in single name. Investors are advised to avail this facility, especially investors holding securities in single name, to avoid the lengthy process of transmission formalities.

The nomination form may be obtained from the Company/ Registrars and Share Transfer Agents on request.

However, if the Shares are held in dematerialized form, the nomination has to be conveyed by the Shareholders to their respective Depository Participant (DP) directly, as per the format prescribed by them.

**k. Shareholders' Rights:**

Upon the approval of quarterly and annual Financial Results by the Board of Directors, these are sent to the Stock Exchanges with whom the Shares of the Company are listed.

## 17. MANAGEMENT DISCUSSION & ANALYSIS REPORT

A	Industry structure and developments.	Electronic Metallized Polypropylene and Polyester film industry is well organized in India. The market domestically has been growing at about 5-10% per annum.
B	Opportunities and threats.	The Company faces excessive competition resulting in reduction in margins and fluctuations in competitive price.
C	Segment wise or product wise performance.	There are no segmental operations as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India.
D	Outlook for the company.	The Company has successfully paid Financial Institutions all dues. The Company has started commercial production to improve profitability.
E	Risks and concerns.	The opening up of the Indian economy consequent to India becoming a member of WTO may adversely impact the market scenario.
F	Internal control system and their adequacy.	The internal Control Systems of the Company are adequate and are constantly reviewed and supported by internal audit.
G	Discussion of financial performance with respect of operational performance.	The negative financial performance of the Company is mainly due to its operational performance. Benefits from write backs of Financial Institution has resulted in positive Net profit.
H	Material development in human resources / industrial relations front, including number of people employed	The Company continues to give thrust to human resource development and industrial relations. The Company effected reduction, maximum of its employees during the year, by paying suitable compensation as per Law. Permanent Employees: 3

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

Bangalore  
14/08/2019

SD/-  
**GULLU GELLARAM TALREJA**  
Managing Director | DIN 01740145

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on March 31, 2019**  
**(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies**  
**(Management and Administration Rules, 2014)**

**I REGISTRATION & OTHER DETAILS:**

i.	CIN	L00309KA1982PLC004960
ii.	Registration Date	20/09/1982
iii.	Name of the Company	PAN ELECTRONICS (INDIA) LIMITED
iv.	Category/Sub-category of the Company	Non-govt company
v.	Address of the Registered office & contact details	16B, 1ST PHASE, PEENYA INDUSTRIAL AREA, PEENYA, BANGALORE – 560058
vi.	Whether listed company	YES
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED, NO-30, RAMANA RESIDENCY, GR FLOOR, 4TH CROSS, SAMPIGE ROAD, MALLESWARAM, BANGALORE-560003

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Metallised Plastic Films	99887590	Nil
2	Capacitor Elements	99887590	Nil

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
	NA				

**SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year - 01.04.2018				No. of Shares held at the end of the year - 31.03.2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									

(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	2817560	-	2817560	70.44	2817560	-	2817560	70.44	-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/Fl	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL:(A) (1)</b>	<b>2817560</b>	<b>-</b>	<b>2817560</b>	<b>70.44</b>	<b>2817560</b>	<b>-</b>	<b>2817560</b>	<b>70.44</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>2817560</b>	<b>-</b>	<b>2817560</b>	<b>70.44</b>	<b>2817560</b>	<b>-</b>	<b>2817560</b>	<b>70.44</b>	<b>-</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	3000	200	3200	0.08	3000	200	3200	0.08	-
c) Cenntal govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	<b>3000</b>	<b>200</b>	<b>3200</b>	<b>0.08</b>	<b>3000</b>	<b>200</b>	<b>3200</b>	<b>0.08</b>	<b>-</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	6347	24300	30647	0.77	4547	24300	28847	0.72	-0.05
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	330364	522502	852866	21.32	350511	504695	855206	21.38	0.06

ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	151187	100000	251187	6.28	151187	100000	251187	6.28	-
c) Others (specify)									
NRI	41600	-	41600	1.04	41800	-	41800	1.05	0.00
Clearing Member	2940	-	2940	0.07	2200	-	2200	0.06	-0.01
<b>SUB TOTAL (B)(2):</b>	<b>532438</b>	<b>646802</b>	<b>1179240</b>	<b>29.48</b>	<b>550245</b>	<b>628995</b>	<b>1179240</b>	<b>29.48</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>535438</b>	<b>647002</b>	<b>1182440</b>	<b>29.56</b>	<b>553245</b>	<b>629195</b>	<b>1182440</b>	<b>29.56</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>3352998</b>	<b>647002</b>	<b>4000000</b>	<b>100.00</b>	<b>3370805</b>	<b>629195</b>	<b>4000000</b>	<b>100.00</b>	<b>0.00</b>

**(i) SHARE HOLDING OF PROMOTERS**

SI No	Shareholders Name	Shareholding at the beginning of the year - 01.04.2018			Shareholding at the end of the year - 31.03.2019			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	GULLU G TALREJA	2817560	70.44	-	2817560	70.44	-	-
	<b>Total</b>	<b>2817560</b>	<b>70.44</b>	<b>-</b>	<b>2817560</b>	<b>70.44</b>	<b>-</b>	<b>-</b>

**(ii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

SI. No	Shareholders Name	Shareholding at the beginning of the Year - 01.04.2018				Cumulative Shareholding during the year - 31.03.2019

		No. of Shares	% of total shares of the company	Date	Increase/Decrease in Share Holding	Reason	No of shares	% of total shares of the company
1	GULLU G TALREJA	2817560	70.44	01.04.2017	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2018</b>	-	-	<b>2817560</b>	<b>70.44</b>

**(iii) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs and ADRs):**

		SHAREHOLDING AT THE BEGINNING OF THE YEAR - 01.04.2018					CUMULATIVE SHAREHOLDING DURING THE YEAR - 31.03.2019	
SL NO	NAME OF THE SHARE HOLDER	No. of Shares	% of Total Shares of the Company	Date	Increase/Decrease in Share Holding	Reason	No Of Shares	% of Total Shares of the Company
1	DEVENDRA P. SOLANKI	139087	3.48	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>	-	-	<b>139087</b>	<b>3.48</b>
2	MANGAL BHANSHALI	100000	2.50	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>	-	-	<b>100000</b>	<b>2.50</b>
3	JYOTHINDRAN KOZHIKODE PUTHEN VEETIL	21500	0.54	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>	-	-	<b>21500</b>	<b>0.54</b>
4	RITA KUMAR CHAINANI	20000	0.50	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>	-	-	<b>20000</b>	<b>0.50</b>
5	RAVI SHAMLAL AHUJA	12100	0.30	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>	-	-	<b>12100</b>	<b>0.30</b>

<b>6</b>	MANSUKH GOVIND GOHIL	8107	0.20	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>	-	-	<b>8107</b>	<b>0.20</b>
<b>7</b>	PLASTCON PACKAGING PVT LTD	7200	0.18	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>	-	-	<b>7200</b>	<b>0.18</b>
<b>8</b>	SABHA ARENJA	7000	0.18	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>			<b>7000</b>	<b>0.18</b>
<b>9</b>	SHIREN ARENJA	7000	0.18	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>			<b>7000</b>	<b>0.18</b>
<b>10</b>	ANKUSH ARENJA	7000	0.18	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>			<b>7000</b>	<b>0.18</b>
<b>11</b>	SAHIL ARENJA	7000	0.18	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>			<b>7000</b>	<b>0.18</b>
<b>12</b>	MEHAK ARENJA	7000	0.18	01.04.2018	NO MOVEMENT DURING THE YEAR			
				<b>31.03.2019</b>			<b>7000</b>	<b>0.18</b>

**v) Shareholding of Directors and Key Managerial Personnel:**

S N	Sharehol der's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholdi ng during the year
		No. of Shares	% of total Shares of the compan y	%of Shares Pledged / encumber ed to total shares	No. of Shares	% of total Shares of the compa ny	%of Shares Pledged / encumber ed to total shares	
1	GULLU G TALREJA	2817560	70.44	-	2817560	70.44	-	-

## V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment  
(Rs. Actuals)

Particulars	Secured Loans excluding Deposits	Loans	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the year					
i) Principal Amount	129,453,762	-	-	-	129,453,762
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>129,453,762</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129,453,762</b>
Change in Indebtedness during the financial year					
* Addition	23,593,537	-	-	-	23,593,537
* Reduction	-	-	-	-	-
<b>Net Change</b>	<b>23,593,537</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,593,537</b>
Indebtedness at the end of the financial year					
(i) Principal Amount	153,047,299	-	-	-	153,047,299
(ii) Interest due but not paid	-	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>153,047,299</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>153,047,299</b>

## (vi) Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(Rs. in Actuals)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		MD	WTD	
		Mr. GULLU GELLARAM TALREJA	Mr. ABHISHEK PRAKASH TALREJA	
1	Gross salary (a) Salary as per provisions contained u/s 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income -tax Act, 1961  (c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
5	Others Contribution to PF Bonus			



	<b>Total (A)</b>			
<b>Ceiling as per the Act</b>				

**B. Remuneration to other Directors :**

(Rs.)

Sl. No.	Particulars of Remuneration							Total Amount
1	<b>Independent Directors</b>  Fee for attending board/committee meetings  Commission  Others, please specify							
	<b>Total (1)</b>							
2	<b>Other Non-Executive Director</b>  Fee for attending board/committee meetings  Commission  Others, please specify							
	<b>Total (2)</b>							
	<b>Total (B) = (1+2)</b>							
	<b>Total Managerial Remuneration (A+B)</b>							
	Overall ceiling as per the Act							

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(Rs. In Millions)

Sl. No.	Particulars of Remuneration		Total
1	Gross salary (a) Salary as per provisions contained u/s 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity	-	-
4	Commission :		
	- As % of profit	-	-
	- Others (Bonus)		
5	Others (Contribution to PF, Gratuity and Superannuation Fund)		

**(viii) Penalties/Punishment/Compounding of offences: NIL**

**Form No. AOC-2**

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

2. Details of the material contracts or arrangements or transactions at arm's length basis :

<b>Name of the Related Party</b>	<b>Nature of relationship</b>	<b>Nature of transactions</b>	<b>Duration of Contract</b>	<b>Salient terms</b>	<b>Amount</b>
Gemini Dyeing and Printing Mills Limited	Common Directors	Sales / Purchase	NA	NA	2,35,93,537

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

For the Financial Year ended 31<sup>st</sup> March 2019

[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, 1<sup>st</sup> 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** (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, 2019, 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, 2019 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) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- VI. Other laws applicable to the Company.

**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.

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 Chief Financial Officer as required under section 203 of the Companies Act, 2013
3. The Company has not appointed Internal Auditor during the year.
4. *There was a delay in filing of Shareholding pattern under Regulation 31, Compliance Certificate under regulation 7(3) and certificate under Regulation 40(9) of SEBI LODR and reconciliation of share capital audit under SEBI-DP Reg.55A.*
5. *There was a delay in filing under Regulation 30(1) and 30(2) –SEBI Takeover Regulations 2011.*

**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 part of the reporting period. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to*

all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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: 14.08.2019

\_\_\_\_SD/-\_\_\_\_  
Vivek Bhat  
FCS No.: 7708  
C P No.: 8426

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, 1<sup>st</sup> 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: 14.08.2019

\_\_\_\_SD/-\_\_\_\_  
Vivek Bhat  
FCS No.: 7708  
C P No.: 8426

#### Annexure – 4

#### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS:

(As per clause C of Schedule V of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015** read with regulation 34(3) of the said Listing Regulations).

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

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, based on the declaration given by the directors and information provided by the Company, its officers, agents and authorized representatives and information which is available in the Ministry of Corporate Affairs online portal, I certify that none of the directors on the board of M/s Pan Electronics (India) Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

Place: Bengaluru  
Date: 14.08.2019

\_\_\_\_SD/-\_\_\_\_  
Vivek Bhat  
FCS No.: 7708  
C P No.: 8426

#### CEO & CFO CERTIFICATION

We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and certify, to the best of our knowledge and belief, that:

1. these statements present a true and fair view of the Company's affairs, and are in compliance with existing accounting standards, applicable laws and regulations;
2. these statements do not contain any materially untrue statement, or omit any material fact, or contain statements that might be misleading;
3. no transactions entered into by the company during the year were fraudulent, illegal or violative of the Company's code of conduct and no instances of fraud took place;
4. we accept responsibility for establishing and maintaining internal controls for financial reporting;
5. we have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and have taken steps to rectify the same, wherever found;
6. significant changes in internal control over financial reporting, as well as changes in

accounting policies, if any, have been intimated to the auditors and the Audit Committee and been disclosed in the notes to the financial statements;

**ANIL HARGOBIND KHILNANI**  
CFO

**Place: Bengaluru**  
**Date: August 14, 2019**

#### **DECLARATION BY CHIEF EXECUTIVE OFFICER**

I, GULLU GELLARAM TALREJA Managing Director of PAN ELECTRONICS (INDIA) LIMITED hereby declare that all the Board Members and Senior Managerial Personnel have affirmed for the year ended March 31, 2019 compliance with the code of conduct of the Company laid down for them.

**Place: Bengaluru**  
**Date: August 14, 2019**

**GULLU GELLARAM TALREJA**  
Managing Director  
DIN: 01740145

#### **CERTIFICATE ON CORPORATE GOVERNANCE**

To the members of Pan Electronics (India) Limited

We have examined the compliance of conditions of Corporate Governance by Pan Electronics (India) Limited ('the Company') for the year ended on 31 March, 2019, as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

##### Managements' Responsibility

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

##### Auditors' Responsibility

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

We have examined the relevant records of the Company in accordance with the applicable generally accepted auditing standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control

(SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Opinion

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI [Listing Obligations and Disclosure Requirements] Regulations 2015, subject to the following:

- The Number of directors stipulated by SEBI [Listing Obligations and Disclosure Requirements] Regulations 2015 in Nomination and Remuneration committee is atleast 3 directors, but the company has appointed only 2 directors.

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

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

Chartered Accountants

Firm Reg. No. 004142S

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

**Girish Hoysala**

Partner

Membership No. 220210

## 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** ("the Company"), which comprise the standalone balance sheet as at 31<sup>st</sup> March 2019, 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.

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 31<sup>st</sup> March 2019, 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.

#### **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 Financial Statements and Auditor's Report thereon**



The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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 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.

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, 2016 ("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, read with the Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on March 31<sup>st</sup> 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31<sup>st</sup> 2019, from being appointed as a director in terms of section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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;
3. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act

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

Chartered Accountants

Firm Reg. No. 004142S

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

**Girish Hoysala**

Partner

Membership No. 220210

Place: Bengaluru

Date: 25-05-2019

**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 31<sup>st</sup> March 2019, we report that:

**i) Fixed Assets**

- a) The Company has maintained proper records of fixed assets showing full particulars, including quantitative details and situation of the assets.
- b) The Management has conducted a physical verification of the fixed assets during the year and no material discrepancies were noticed on such verification.
- c) The title deeds of immovable properties are held in the name of the company.

**ii) Inventory**

The inventory has been physically verified during the year by the management at reasonable intervals and there are no material discrepancies noticed.

**iii) Loans and Advances**

The Company has not granted loans, secured or unsecured, to companies, firms, LLP's or other parties covered in the register maintained u/s 189 of the Act.

**iv) Loans/Investments/Guarantees**

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

**v) Deposits**

According to the information and explanation given to us, the company has not accepted any deposits, consequently directives of the RBI and the provision of Section 73 and 76 or any other relevant provision of the Companies Act, 2013, and the rules framed there under are not applicable to the company.

**vi) Cost records**

According to information and explanation given to us, the company is not required to maintain cost records as per sub section (1) of section 148 of the Act, hence no comment is required on the same.

**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.5,590	April, 2018 to September, 2018	7 <sup>th</sup> of Subsequent month
Income Tax Act, 1961	Tax Deducted at Source (Sec-194J)	Rs.36,650	April, 2018 to September, 2018	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) Repayment of Loans**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders.

**ix) Diversion of Funds**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no further public offer during the year and the company has not borrowed any term loans.

**v) Frauds noticed / Detected**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no material fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.

**x) Managerial Remuneration**

According to the information and explanations given to us and based on our examination of the records of the company, no managerial remuneration has been paid to any of the Key managerial persons. Hence, no comment is required under this clause.

**xi) Nidhi Company**

The company is not a Nidhi Company as mentioned in section 406 of the Companies Act, 2013 and hence no comment is required on the same.

**xii) 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 accounting standards and The Companies Act, 2013.

**xiii) Preferential allotment**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence no comment is required on the same.

**xiv) 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 him and hence no comment is required on the same.

**xv) 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.

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

Chartered Accountants

Firm Reg.No. 04142S

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

**Girish Hoysala**

Partner

Membership No.220210

Place: Bengaluru

Date: 25<sup>th</sup> May, 2018

**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, 2019 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, 2019, based on, the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

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

Chartered Accountants  
Firm Reg.No.004142S

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

### **Girish Hoysala**

Partner  
Membership No.220210

Place: Bengaluru

Date: 25-05-2019

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

[All amounts in INR]

**BALANCE SHEET AS AT**

Particulars	Note No.	31-Mar-19	31-Mar-18
<b>ASSETS</b>			
<b>1. Non-current assets</b>			
a. Property, Plant and Equipment	3	231,840,793	235,754,825
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	369,360	529,416
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	6,908,204	6,985,528
b. Financial assets			
i. Investments		-	-
ii. Trade receivables	7	841,910	870,662
iii. Cash and cash equivalents	8	123,534	295,575
iv. Bank balances other than (iii)		-	-
above		-	-
v. Loans		-	-
vi. Others		-	-
c. Current Tax assets (net)		-	-
d. Other Current assets	9	13,095,835	5,088,613
<b>Total Assets</b>		<b>253,179,636</b>	<b>249,524,619</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a. Equity Share Capital	10	40,000,000	40,000,000
b. Other equity	11	57,523,275	72,819,378

<b>LIABILITIES</b>			
<b>1. Non-current liabilities</b>			
a. Financial liabilities			
i. Borrowings	12	153,047,298	129,453,762
ii. Trade Payables		-	-
iii. Other financial liabilities		-	-
b. Provisions	13	700,000	-
c. Deferred tax liabilities (net)		-	-
d. Other non-current liabilities		-	-
<b>2. Current liabilities</b>			
a. Financial liabilities			
i. Borrowings	13	-	5,813,338
ii. Trade Payables	14		
(a) total outstanding dues of micro enterprises and small enterprises; and		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,672,596	1,001,246
iii. Other financial Liabilities		-	-
b. Other current liabilities	15	236,467	436,896
c. Provisions		-	-
d. Current tax liabilities (net)		-	-
<b>Total Equity and Liabilities</b>		<b>253,179,636</b>	<b>249,524,619</b>

Significant accounting policies

2

Notes to accounts

3 to 37

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

Chartered Accountants

FRN: 004142S

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

**Devendra Nayak**

Partner

M.No: 027449

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

**Gullu G Talreja**

Chairman & Managing Director

DIN: 01740145

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

**Abhishek P Talreja**

Director

DIN: 05007867

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

**Veena Tandur**

Company Secretary

PAN: AGWPH2548A

Place: Bangalore

Date: 25th May, 2019

**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-19	31-Mar-18
<b>REVENUE</b>			
Revenue from operations	16	77,324	(252,551)
Other Income	17	-	2,812,206
<b>Total Revenue</b>		<b>77,324</b>	<b>2,559,655</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	18	-	133,390
Changes in inventories	19	77,324	1,050,021
Employee benefit expenses	20	5,077,546	4,664,342
Finance costs	21	18,018	955,238
Depreciation and amortization	3	6,306,303	6,108,059
Other Expenses	22	3,894,237	1,855,142
<b>Total Expenses</b>		<b>15,373,428</b>	<b>14,766,192</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(15,296,104)</b>	<b>(12,206,537)</b>
Exceptional items		-	-
<b>Profit/(loss) before tax</b>		<b>(15,296,104)</b>	<b>(12,206,537)</b>
Tax expense:			
1. Current tax		-	-
2. Deferred tax		-	-
<b>Profit/(loss) for the period</b>		<b>(15,296,104)</b>	<b>(12,206,537)</b>
Other Comprehensive Income		-	-
Items that will not be reclassified into profit and loss			
<b>Total Comprehensive Income and Other Comprehensive Income for the period</b>		<b>(15,296,104)</b>	<b>(12,206,537)</b>
Earnings per equity share (for continuing operation)			

Weighted average no. of equity shares			
Basic (in Rs.)		(3.8240)	(3.0516)
Diluted (in Rs.)		(3.8240)	(3.0516)
Earnings per equity share (for continuing and discontinued operation)			
Basic (in Rs.)		(3.8240)	(3.0516)
Diluted (in Rs.)		(3.8240)	(3.0516)
Significant accounting policies	2		
	3 to		
Notes to accounts	37		

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.**

Chartered Accountants  
FRN: 004142S

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

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

**Devendra Nayak**  
Partner  
M.No: 027449

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

**Gullu G Talreja**  
Chairman & Managing Director  
DIN: 01740145

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

**Abhishek P Talreja**  
Director  
DIN: 05007867

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

**Veena Tander**  
Company Secretary  
PAN: AGWPH2548A

Place: Bangalore  
Date: 25th May, 2019

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

[All amounts in INR]

**CASH FLOW STATEMENT FOR THE YEAR ENDED**

	<b>31-Mar-19</b>		<b>31-Mar-18</b>	
<b>Particulars</b>				
<b>A</b>	<b>Cash flows from operating activities</b>			
Net Profit Before Taxation and Extraordinary item	(15,296,104)		(12,206,537)	
<b>Adjustments for:</b>				
Depreciation	6,306,303		6,108,059	
Revaluation of Investments	160,056		(54,173)	
Provisions	700,000		-	
<b>Operating Profit Before Working Capital Changes</b>		<b>(8,129,745)</b>		<b>(6,152,651)</b>
Increase/ (decrease) in trade payables	671,351		(4,547,093)	
Increase/ (decrease) in other current liabilities	(200,429)		330,512	
Decrease / (increase) in trade receivables	28,752		2,190,210	
Decrease / (increase) in inventories	77,324		1,028,475	
Decrease / (increase) short term loans and advances	(8,007,222)		(930,708)	
Working Capital changes		(7,430,224)		(1,928,605)
<b>Cash Generated from operations</b>		<b>(15,559,969)</b>		<b>(8,081,256)</b>
Income Tax (including)Fringe Benefit Tax)		-		-
<b>Cash Flow Before Extraordinary Item</b>		<b>(15,559,969)</b>		<b>(8,081,256)</b>
Extra-ordinary items		-		-
<b>Net cash from operating activities</b>		<b>(15,559,969)</b>		<b>(8,081,256)</b>
<b>B</b>	<b>Cash flows from Investment activities</b>			

<b>C</b>	Additions to Fixed Assets	(2,392,270)	-	-
	Sale of Fixed Asset	-	-	-
	<b>Net cash from Investing activities</b>		<b>(2,392,270)</b>	<b>-</b>
	<b>Cash flows from financing activities</b>			
	Proceeds of Other Long Term Liabilities	23,593,536		6,963,377
	<b>Net cash from Financing activities</b>		<b>23,593,536</b>	<b>6,963,377</b>
	Net Increase / Decrease in cash and cash equivalents		5,641,297	(1,117,878)
	Cash and cash equivalents at beginning of period		(5,517,763)	(4,399,886)
	<b>Cash and cash equivalents at end of period</b>		<b>123,535</b>	<b>(5,517,763)</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:

2

Particulars	31-Mar-19	31-Mar-18
Cash in hand	107,331	233,342
Bank Balance In Current Account	16,203	62,233
Bank Overdraft	-	(5,813,338)
<b>Total</b>	<b>123,535</b>	<b>(5,517,763)</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. For and on behalf of the Board of Directors**  
Chartered Accountants  
FRN: 004142S

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

**Devendra Nayak**

Partner

M.No: 027449

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

**Gullu G Talreja**

Chairman & Managing Director

DIN: 01740145

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

**Abhishek P Talreja**

Director

DIN: 05007867

Place: Bangalore

Date: 25th May, 2019

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

**Veena Tander**

Company Secretary

PAN: AGWPH2548A



Statement of Changes in Equity for the year ended 31st March, 2018

A) Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year		Balance at the end of the reporting period	
	40,000,000	-	-	40,000,000

B) Other Equity (Note-11)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income Hedges	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants	Total
			Central Subsidy	Share Premium	Capital Reserve	Retained Earnings								
Balance at the beginning of the reporting period	-	-	1,500,000	9,299,600	23,363,512	(194,880,717)	-	-	-	249,593,520	-	-	-	88,875,915
Changes in accounting policy or prior period errors (Note No.23)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	(3,850,000)	-	-	-	(3,850,000)
Profit for the year	-	-	-	-	-	(12,206,537)	-	-	-	-	-	-	-	(12,206,537)
Balance at the end of the reporting period	-	-	1,500,000	9,299,600	23,363,512	(207,087,254)	-	-	-	245,743,520	-	-	-	72,819,378

Note-10-Statement of Changes in Equity for the year ended 31st March, 2019

A) Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
40,000,000	-	40,000,000

B) Other Equity (Note - 11)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income	Money received against share warrants	Total
			Central Subsidy	Share Premium	Capital Reserve	Retained Earnings							
Balance at the end of the reporting period	-	-	1,500,000	9,299,600	23,363,512	(207,087,254)	-	-	245,743,520	-	-	-	72,819,378
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	(15,296,104)	-	-	-	-	-	-	(15,296,104)
Balance at the end of the reporting period	-	-	1,500,000	9,299,600	23,363,512	(222,383,357)	-	-	245,743,520	-	-	-	57,523,275

#### 4 Non-current Assets- Investments

Particulars	As at 31 March 2019	As at 31 March 2018
Investment in Equity Instruments <u>Quoted</u> Investment carried at Fair Value through Profit or Loss [1,23,120 (31 March 2018: 1,23,120) Equity Shares of Rs.5/- each fully paid in M/s. Venlon Enterprises Limited]	369,360	529,416
<b>Total</b>	<b>369,360</b>	<b>529,416</b>

#### 5 Deferred Tax Liability/(Asset)

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Opening Balance</b>	(16,342,058)	(12,698,022)
Timing Differences due to depreciation on Fixed Assets	(2,392,270)	(605,945)
On Account of Losses	(3,976,987)	(3,051,634)
Fair Value of Investments	(41,615)	13,543
<b>Total*</b>	<b>(22,752,930)</b>	<b>(16,342,058)</b>

\*Deferred Tax Asset of Rs.2,25,70,930/-(P.Y.1,63,42,058) has been identified and has not been recognised based on prudence.

#### 6 Inventories

Particulars	As at 31 March 2019	As at 31 March 2018
Raw Materials	6,747,967	6,747,967
Finished Goods	160,237	237,561
<b>Total</b>	<b>6,908,204</b>	<b>6,985,528</b>

#### 7 Current Assets – Trade Receivables

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, Considered Good Trade receivables	841,910	870,662
<b>Total</b>	<b>841,910</b>	<b>870,662</b>

#### 8 Cash & Cash Equivalents

Particulars	As at 31 March 2019	As at 31 March 2018
Cash in hand	107,331	233,342
Balance with Bank		
In Current account	16,203	62,233
Less: Provision for diminution in bank balance	-	-
<b>Total</b>	<b>123,534</b>	<b>295,575</b>

#### 9 Other Current Assets

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Others</b>		
<b>Unsecured, Considered good</b>		
Advance to Suppliers	8,836,174	1,078,613
Staff Advances	428,000	225,000
Statutory / Government Authorities	3,831,661	3,785,000
<b>Total</b>	<b>13,095,835</b>	<b>5,088,613</b>

#### 10 Share Capital

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Authorised Capital</b>		
1,00,00,000 Equity shares of Rs.10/- each	100,000,000	100,000,000
(Previous Year 1,00,00,000 Equity shares of Rs.10/- each)		
<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	40,000,000	40,000,000
(Previous Year 40,00,000 Equity shares of Rs.10/- each)		
	40,000,000	40,000,000

#### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period Equity Shares

Particulars	As at 31 March 2019	As at 31 March 2018
-------------	---------------------	---------------------

	Number of shares	Value of shares	Number of shares	Value of shares
At the beginning of the period	4,000,000	40,000,000	4,000,000	40,000,000
Outstanding at the end of the period	4,000,000	40,000,000	4,000,000	40,000,000

**(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 2019		31 March 2018	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Gullu G. Talreja	2,817,560	70.44%	2,817,560	70.44%

(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.

**12 Non-Current Liabilities- Borrowings**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Unsecured loan</b>		
Others		
- from Related parties	153,047,299	129,453,762
<b>Total</b>	<b>153,047,299</b>	<b>129,453,762</b>

**13 Non-Current Liabilities- Provisions**

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for Gratuity and Leave encashment	561,760	-
Other provisions	138,240	-
<b>Total</b>	<b>700,000</b>	<b>-</b>

**14 Current Liabilities - Borrowings**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Secured Loan</b>		
<b>Working Capital loan from Banks</b>		
Shamrao Vittal Co-operative bank*	-	5,813,338
<b>Total</b>	<b>-</b>	<b>5,813,338</b>

\*Note- Working Capital Loan is secured by charge on Immovable Property, Movable Property and Book Debts

**15 Current Liabilities - Trade Payables**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Dues to</b>		
Micro and Small Enterprises	-	-
Others	1,672,597	1,001,246
<b>Total</b>	<b>1,672,597</b>	<b>1,001,246</b>

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

**16 Other Current Liabilities**

Particulars	As at 31 March 2019	As at 31 March 2018
Statutory Payable	104,493	121,166
Bonus Payable	66,640	315,730
Leave Salary payable	65,334	-
<b>Total</b>	<b>236,467</b>	<b>121,166</b>

**17 Revenue from Operations**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of Products	77,324	311,993
Less: Returns	-	(564,544)
<b>Total</b>	<b>77,324</b>	<b>(252,551)</b>

**18 Other income**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revaluation of Investments	-	54,173
Creditors written back	-	2,758,033
<b>Total</b>	<b>-</b>	<b>2,812,206</b>

**19 Cost of Raw material consumed**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventory at the beginning of the year	6,747,967	6,726,422
Add: Purchases	-	154,936
	6,747,967	6,881,358
Less: Inventory at the end of the year	6,747,967	6,747,967
<b>Total</b>	<b>-</b>	<b>133,390</b>

**20 Changes in inventories**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventory at the end of the year	160,237	1,287,582
Inventory at the beginning of the year	237,561	237,561
<b>Total</b>	<b>77,324</b>	<b>1,050,021</b>

**21 Employee benefits Expense**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	4,489,157	4,648,612
Staff Welfare	26,629	15,730
Gratuity and Leave Encashment	561,760	-
<b>Total</b>	<b>5,077,546</b>	<b>4,664,342</b>

## 22 Finance Charges

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Bank charges	7,587	47,785
Loan Processing charges	-	18,438
Interest on cash credit account	10,430	889,015
<b>Total</b>	<b>18,018</b>	<b>955,238</b>

## 23 Other Expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Business promotion expenses	-	-
Power, Fuel & Water Charges	41,497	94,726
Repairs - Machinery	1,053,587	51,260
Repairs - Other assets	185,706	18,601
Postage & Telephones	12,210	26,928
Travelling & Conveyance	43,527	35,446
Printing & Stationery	14,725	16,721
SIPCOT Maintenance	280,368	-
Miscellaneous Expenses	3,100	391
Rates & Taxes	376,971	438,224
Professional Charges	322,094	358,052
Registration charges	-	-
Listing and membership fee	295,000	357,452
Security charges	331,024	332,768
Freight charges	26,660	16,173
Insurance Charges	-	-
Labour charges	-	-



Meeting and Conference expense	15,000	8,400
Office Expenses	8,000	-
Audit Fees	125,000	100,000
Revaluation of Investments	160,056	-
Advances Written off	599,713	-
<b>Total</b>	<b>3,894,237</b>	<b>1,855,142</b>

#### 24 Capital Commitments

The Company does not have any capital commitments as on the Balance Sheet date. (PY - Nil)

#### 25 Contingent liabilities

##### Disclosures in respect of Micro and Small

#### 26 Enterprises:

Company does not have any outstanding due as at 31st March to Suppliers under the micro, small and Medium enterprises Development Act, requiring disclosure under the Micro, Small and Medium Enterprises Development Act, 2006(MSMED Act).

##### Foreign Exchange Earnings, Expenditure and

#### 27 Earnings

28 Trade Payables, Classification of MSME, Other Current Liabilities, Trade Receivables, Non-Current Assets, Other Current Assets and Loans & Advances are subject to confirmation.

#### 29 Payment to Auditors

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
As Auditor	125,000	100,000
For Taxation Matters	-	-
For Certification Charges	-	-
<b>Total</b>	<b>125,000</b>	<b>100,000</b>

The disclosure as per Indian Accounting Standard 19 "Employee Benefits" are given below

##### Defined Benefit Plans

Particulars	2018-19
<b>Components of Employer Expenses</b>	

Current Service cost	170,369
Past service cost - Plan Amendment	-
Interest on Obligations	-
Expected Return on Plan Assets	-
Net actuarial loss/ (gain) recognized during the year	236,468
<b>Total Expenses recognised in the Statement of Profit &amp; Loss</b>	<b>406,837</b>
<b>Net asset/(liability) recognised in the Balance Sheet</b>	
Present Value of defined benefit Obligation	406,837
Fair value of plan assets	-
Funded status[Surplus/(deficit)]	-
Unrecognised past service costs	-
<b>Actuarial assumptions</b>	
Discount Rate	7.50%
Expected Return on Plan Assets	5.00%

Particulars	2018-19
<b>Changes in Defined Obligations</b>	
Obligations at period beginning - Current	-
Obligations at period beginning - Non Current	-
Service Cost	154,923
Interest on Defined benefit obligation	-
Benefits settled	-
Actuarial gain/(loss)	-
<b>Obligations at period end</b>	
Current Liability (within 12 months)	2,907
Non-Current Liability	152,016
<b>Expenses recognized in the P&amp;L account and Other Comprehensive Income</b>	
Service cost	154,923
Interest cost	-
Benefits paid	-
Actuarial (Gain)/Loss	-
<b>Assumptions</b>	
Discount factor	7.50%
Estimated rate of return on plan assets	0%
Salary increase	5.00%

### Related Party Transactions

i) List of Related Parties where control exists:

**Name of the party**

Gullu Gellaram Talreja

**Nature of Relationship**

Significant share holder

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

**Name of the Party**

Gullu Gellaram Talreja

Abhishek Prakash Talreja

Gemini Dyeing & Printing Mills Ltd

Maanay Roller Flour Mills Private Ltd

**Nature of Relationship**

Significant share holder

Director

Common Director

Common Director

iii) Transaction with key management personnel and Relatives

Particulars	Nature of Relation	For the year ended 31 March 2019	For the year ended 31 March 2018
Other Long Term Liabilities	Common Director	23,593,537	16,261,484

iv) Amount due to/from related parties

Particulars	Nature of Relation	As at 31 March, 2019	As at 31 March, 2018
<b>Accounts Receivable</b>		-	-
<b>Accounts Payable</b>			
Gemini Dyeing and Printing Mills Limited	Common Directors	139,447,299	115,853,762
Maanay Flour Private Limited	Common Directors	13,600,000	13,600,000

The Financial statement have been prepared in the format prescribed by the Schedule III-Division 2 of the Companies Act 2013. Previous year's figures have been recasted/ restated to conform to the classification of the current period. Figures have been rounded off to the nearest rupee.

The company has not identified any segment as operating segment and thereby segment information as per Indian Accounting Standard 108 on segment reporting is not disclosed.

**Note-34-Financial Instruments by category**

The carrying value and fair value of financial instruments by categories as of 31- Mar- 2019 are as follows

Particulars	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost
<b>Financial Assets</b>			
Investments in Equity Instruments	369,360	-	-
Trade Receivables	-	-	841,910
Cash and Cash Equivalent	-	-	123,534
<b>Total</b>	<b>369,360</b>	<b>-</b>	<b>965,444</b>
<b>Financial Liabilities</b>			
Borrowings	-	-	153,047,298
Trade Payables	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>153,047,298</b>

The carrying value and fair value of financial instruments by categories as of 31- Mar- 2018 are as follows

Particulars	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost
<b>Financial Assets</b>			
Investments in Equity Instruments	529,416	-	-
Trade Receivables	-	-	870,662
Cash and Cash Equivalent	-	-	295,575
<b>Total</b>	<b>529,416</b>	<b>-</b>	<b>1,166,237</b>
<b>Financial Liabilities</b>			
Borrowings	-	-	135,267,100
Trade Payables	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>135,267,100</b>

**Note-35-Fair Value Hierarchy**

Particulars	

	As of March 31, 2019	Level 1	Level 2
<b>Financial Assets</b>			
Investments in Equity Instruments	369,360	369,360	-

Particulars	As of March 31, 2018	Level 1	Level 2
<b>Financial Assets</b>			
Investments in Equity Instruments	529,416	529,416	-

### Note-36-Capital Management

#### Note-36(i)-Debt to Equity Ratio

Particulars	As at 31 March, 2019	As at 31 March, 2018
Debt (includes non-current, current borrowings and current maturities of long term debt)	153,047,298	135,267,100
Less : cash and cash equivalents	123,534	295,575
<b>Net debt</b>	<b>152,923,764</b>	<b>134,971,525</b>
Total equity	97,523,274	112,819,378
<b>Net debt to total equity ratio</b>	<b>157%</b>	<b>120%</b>

**Note-36(ii)**-The Company has not declared any dividend during the year.

### Note-37-Financial Risk Management

#### (i) Credit risk

Investments  
Trade receivables

Particulars	As at 31 March, 2019	As at 31 March, 2018
Financial assets for which loss allowances is measured using the expected credit loss		
Trade receivables less than 180 days	-	288,158

180 - 365 days	-	-
beyond 365 days	841,910	582,504
<b>Total</b>	<b>841,910</b>	<b>870,662</b>

<b>Particulars</b>	<b>Year ended 31 March, 2019</b>	<b>Year ended 31 March, 2018</b>
Movement in the expected credit loss allowance on trade receivables		
Balance at the beginning of the year	870,662	3,060,872
Addition	-	288,158
Write - offs	(28,752)	-
Recoveries	-	(2,478,368)
<b>Balance at the end of the year</b>	<b>841,910</b>	<b>870,662</b>

## (ii) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

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

Chartered Accountants  
FRN: 004142S

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

**Devendra Nayak**

Partner  
M.No: 027449

**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

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

**Veena Tandur**

Company Secretary  
PAN: AGWPH2548A

Place: Bangalore  
Date: 25th May, 2019

**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

August 14, 2019

Dear Shareholder,

The Ministry of Corporate Affairs, Government of India ("MCA) has, by its circular dated 21<sup>st</sup> April, 2011 announced a "Green Initiative in the Corporate Governance "by allowing paperless compliance by companies. In terms of the said circular, service of notice/documents by a Company to its shareholders required to be made under the provisions of the Companies Act, 2013 can be made through the electronic mode.

In line with the above initiative of the MCA, the Company proposes to send documents such as the Notice of the Annual General Meeting, audited Financial Statements, Directors' Report, Auditors' Report, postal ballots etc., henceforth to all its esteemed shareholders, including your good self, in electronic form, through e-mail. To facilitate the same, we request you to furnish your e-mail ID, quoting your folio number/DPID/Client ID to our Registrar and share Transfer Agent at the following address:

**Integrated Registry Management Services Private Limited**  
**No. 30, Ramana Residency**  
**4<sup>th</sup> Cross, Sampige Road**  
**Malleswaram, Bangalore – 560 003**  
**Phone :+91-80-23460815-18, Fax :+91-80-23460819**  
**E-mail : irg@integratedindia.in**

We are sure you would appreciate this initiative taken by the MCA to reduce consumption of paper and thereby, protect the environment. We expect to receive your support and co-operation in helping the Company to contribute its share to the said initiative.

Thanking you,

Yours faithfully

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

Bangalore  
14/08/2019

SD/-  
**GULLU GELLARAM TALREJA**  
Managing Director | DIN 01740145

**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

**ECS MANDATE FORM**

<p>Members Holding Shares in Physical Mode</p> <p>Please inform          Integrated Registry Management          Services Private Limited          No. 30, Ramana Residency          4<sup>th</sup> Cross, Sampige Road, Malleswaram          Bangalore – 560 003</p>
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<p>Members Holding Shares in Demat Mode</p> <p>Please inform Your DPs directly          (if not done earlier)</p>
---

I hereby consent to have the amount of Dividend on my Equity Shares credited through the Electronic Clearing Service (Cash Clearing) (ECS). The particulars are:

1. Folio No. /Certificate No.	
2. Name of the 1 <sup>st</sup> Holder	
3. Name of the Bank	
4. Full Address of the Branch	
5. Account number	
6. Account Type (Please tick the relevant account)	Savings /Current/Cash Credit
7. 9 Digit Code Number of the Bank appearing on the MICR cheque issued by the Bank (Please attach a photocopy of a cheque for verifying the accuracy of the Code Number )	

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I will not hold the Company responsible.

Signature of the 1<sup>st</sup> Holder as per the  
 Specimen signature with the Company

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_



**PAN ELECTRONICS (INDIA) LIMITED**  
**CIN: L00309KA1982PLC004960**

**Registered & Corporate Office:** 16B, 1st Phase, Peenya Industrial Area Peenya  
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**Form No. MGT-11**  
**Proxy form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
 (Management and Administration) Rules, 2014]

CIN: L00309KA1982PLC004960

Name of the company: PAN ELECTRONICS (INDIA) LIMITED

Registered office: 16B, 1st Phase, Peenya Industrial Area Peenya, Bangalore KA 560058 IN

Name of the member (s) : Registered address : E-mail Id: Folio No/ Client ID : DP ID :
--

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name :  
 Address :  
 E-mail Id :  
 Signature : \_\_\_\_\_ or failing him
  
2. Name :  
 Address:  
 E-mail Id :  
 Signature : \_\_\_\_\_ or failing him
  
3. Name :  
 Address:  
 E-mail Id:  
 Signature : \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual General Meeting of the Company, to be held on the on Monday, the 30<sup>th</sup> September 2019 at 3:30 P.M at Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

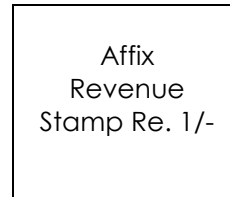
Resolution Nos.	Items
<b>Ordinary Business</b>	
1.	To receive, consider and adopt the audited Financial Statement as at 31st March 2019, and reports of the Board of Directors, Corporate Governance and Auditors thereon.
2.	To appoint Shri. ABHISHEK PRAKASH TALREJA (DIN: 05007867), Director, who retires by rotation and being eligible, offer himself for re-appointment.
<b>Special Business</b>	

3.	To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, not exceeding Rs. 15 Crores
4.	To appoint Mr. NITESH NANIK ROHERA (DIN- 01071604) as an Independent Director of the Company
5.	Authorization to sell certain property held in the name of PAN Electronics (India) Limited.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_



**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**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

**Form No. MGT-12**  
**Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies  
(Management and Administration) Rules, 2014]

Name of the Company: PAN ELECTRONICS (INDIA) LIMITED				
Registered office: 16B, 1st Phase, Peenya Industrial Area Peenya, Bangalore KA 560058 IN				
<b>BALLOT PAPER</b>				
Sl. No	Particulars	Details		
1.	Name of the First Named Shareholder (In block letters)			
2.	Postal address			
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)			
4.	Class of Share	Equity		
I hereby exercise my vote in respect of Ordinary/ Special resolutions enumerated below by recording my assent or dissent to the said resolution in the following manner:				
Sl. No	Item	No. of shares held by me	I assent to the resolution	I dissent from the resolution
<b>ORDINARY BUSINESS</b>				
1.	To receive, consider and adopt the audited Financial Statement as at 31st March 2019, and reports of the Board of Directors, Corporate Governance and Auditors thereon.			
2.	To appoint Shri. ABHISHEK PRAKASH TALREJA (DIN: 05007867), Director, who retires by rotation and being eligible, offer himself for re-appointment.			
<b>SPECIAL BUSINESS</b>				
3.	To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, not exceeding Rs. 15 Crores			
4.	To appoint Mr. NITESH NANIK ROHERA (DIN-01071604) as an Independent Director of the Company			
5.	Authorization to sell certain property held in the name of PAN Electronics (India) Limited.			

**Place:**

**Date:**

**(Signature of the Shareholder)**

**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)

**ATTENDANCE SLIP**  
**36<sup>TH</sup> ANNUAL GENERAL MEETING, Monday, September 30, 2019 AT 3.30 P.M**

Name and Address of the Member \_\_\_\_\_

Reg. Folio / Client ID No. \_\_\_\_\_

I certify that I am a registered shareholder of the company and hold \_\_\_\_\_ shares.

Please indicate whether Member/Proxy \_\_\_\_\_

I hereby record my presence at the 36<sup>th</sup> ANNUAL GENERAL MEETING of the Company held on Monday, September 30, 2019 at 3:30 P.M at Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015.

**Member's/Proxy Name in BLOCK Letter**

**Member's / Proxy's Signature**

*Note: Shareholder/Proxy holder must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.*

AGM Avenue Route Map

