

September 4, 2021

To,
Manager – Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C-1,
G Block, Bandra Kurla Complex,
Bandra East, Mumbai – 400 051

Subject – Submission of the Annual Report for the financial year 2020-21 and Notice of the Annual General Meeting
NSE Symbol – PANACHE

Dear Sir/ Madam,

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2020-21 ("Annual Report") along with the Notice of the Fourteenth Annual General Meeting ("Notice") of the Company to be held on Tuesday, September 28, 2021 at 3:00 p.m. through electronic mode (video conference or other audio visual means).

In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Annual Report including the Notice of Fourteenth AGM of the Company for the financial year 2020-21 has been sent to all the members of the Company whose email addresses are registered with the Company or Depository Participant(s).

Further, the aforesaid Annual Report along with Notice has also been uploaded on the website of the Company at www.panachedigilife.com.

We request you to take the aforesaid on records.

For Panache Digilife Limited



Harshil Chheda
Company Secretary & Compliance Officer

Encl: as above

ANNUAL REPORT **2020-21**

PANACHE DIGILIFE LIMITED



Smart Compute



OEM / ODM



Interactive &
Pen Displays



Retail IoT



Healthy Living



PANACHE®

Making Human Life Easy®

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Corporate Information


Board of Directors & Key Managerial Personnel


 **Amit Devchand Rambhia**
Chairman & Managing Director

 **Nitesh Savla**
Chief Financial Officer


 **Nikit Devchand Rambhia**
Joint Managing Director

 **Gaurav Pratap Singh**
Independent Director
(till May 31, 2020)


 **Devchand Lalji Rambhia**
Whole-Time Director


 **Vishal Lalan**
Chief Executive Officer
(till September 7, 2020)

 **Bhavin Vinod Adani**
Independent Director


 **Jinkle Khimsaria**
Company Secretary & Compliance Officer
(till June 15, 2021)


 **Meeta K. Mehta**
Independent Director

 **Harshil Chheda**
Company Secretary & Compliance Officer
(w.e.f July 1, 2021)


 **Shailesh Premji Gala**
Independent Director
(w.e.f. May 29, 2020)

Audit Committee


 **Meeta Mehta**
Chairperson


 **Shailesh Gala**
Member


 **Amit Rambhia**
Member

 **Bhavin Adani**
Member


Nomination and Remuneration Committee

 **Bhavin Adani**
Chairperson

 **Meeta Mehta**
Member

 **Shailesh Gala**
Member

Stakeholders Relationship Committee

 **Shailesh Gala**
Chairperson

 **Nikit Rambhia**
Member

 **Bhavin Adani**
Member

Corporate Information



Statutory Auditors

KPB & Associates
Chartered Accountant



Secretarial Auditor

D M Zaveri & Co.,
Company Secretaries



Internal Auditor

Sanket Sangoi & Associates



Registered Office

Bldg. A3, 102-108 & 201-208,
Babosa Industrial Park,
Mumbai-Nashik Highway Nh3,
Saravali Village Bhiwandi,
Dist. Thane 421302, Maharashtra, India
CIN: L72200MH2007PLC169415
(T): 022 2500 7002 / 7502
(E): info@panachedigilife.com
(W): www.panachedigilife.com



Corporate Office

Unit No. 002,
Raheja Plaza-1,
LBS Marg,
Ghatkopar West,
Mumbai - 400 086,
Maharashtra, India



Factory

Bldg. A3, 102-108 & 201-208,
Babosa Industrial park,
Mumbai-Nashik Highway NH3,
Saravali Village park,
Taluka Bhiwandi,
Dist. Thane - 421302,
Maharashtra



Share Registrars and Transfer Agents **Bigshare Services Private Limited**

1st Flr, Bharat Tin Works Building, Opp. Vasant Oasis
Makwana Road, Marol,
Andheri East, Mumbai - 400059
(T): 022-40430200
(E): investor@bigshareonline.com
(W): www.bigshareonline.com



Listed on **The National Stock Exchange of India Limited** (Symbol - PANACHE)



Banker Canara Bank

About us

Marching Ahead.....

An innovative player in the ICT & IoT technology-backed devices manufacturing, distribution and services space, over the years, Panache Digilife Limited has made commendable progress in the areas of Smart Computing Devices & Virtualisation, Smart & Digital Classrooms, Smart & Connected Cars, Retail IOT and Smart Water. The Company owes its success to hard work put in by the Research & Development team and customer-centric focus which is ever aimed at making human life easy, at affordable cost. The Company's growth and success is an outcome of holding steadfast to this commitment. Panache Digilife has state-of-the-art, ISO 9001:2015 & ISO 14001:2015 certified manufacturing facilities at Daman and at Bhiwandi.

Vision: *Making Human Life Easy*

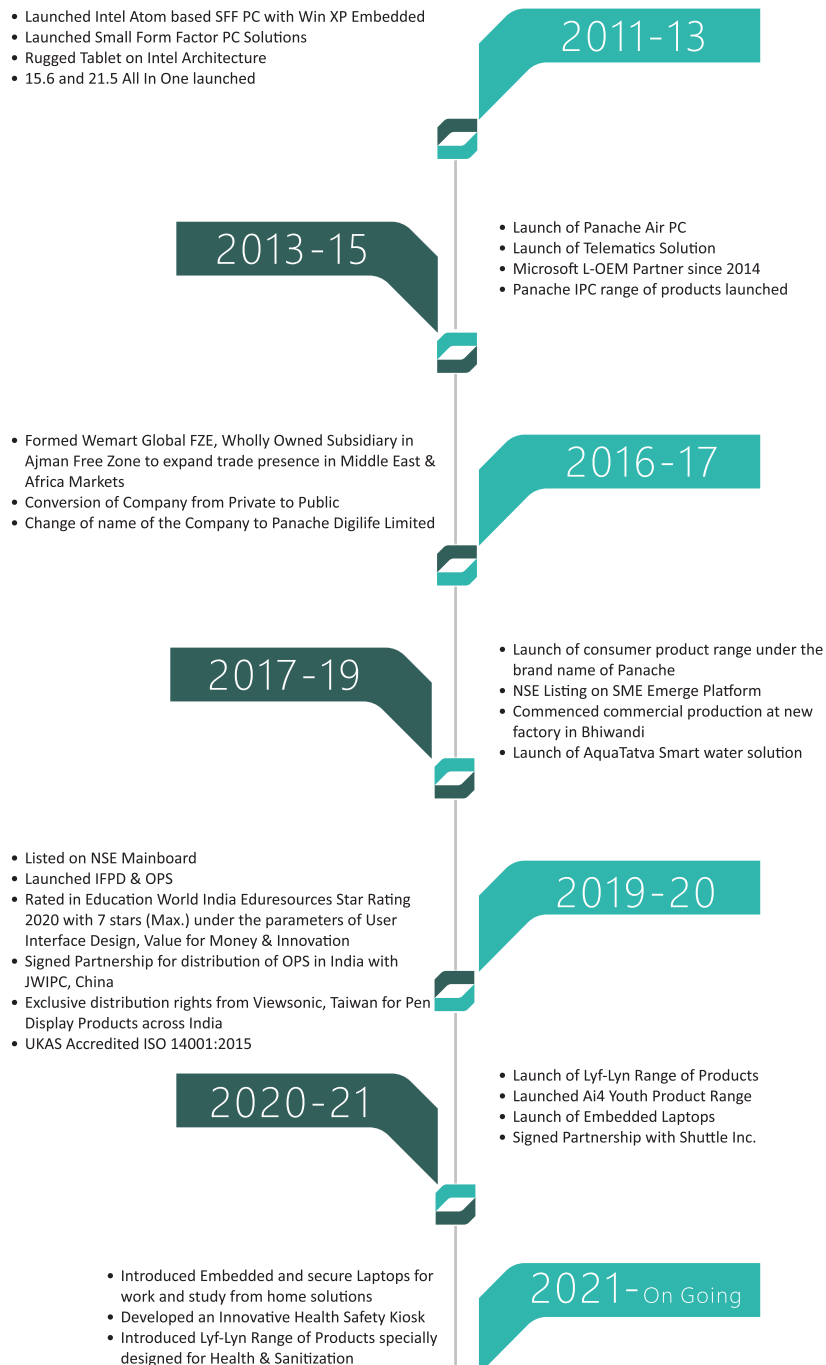
Mission : To be a market leader in ICT Manufacturing, Distribution and Services by providing world class quality Solutions at most competitive price with all-time best support



Making Human Life Easy

Journey So Far

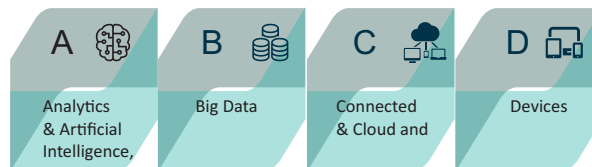
As is the case with most businesses, the journey of Panache Digilife Limited begun in a small way in the year 2007. The duo of Amit Rambhia and Nikit Rambhia established an assembling unit for white box manufacturing & desktop computing devices. Gradually, with vision of bringing innovative products for the Indian market the Company ventured into small form factor computing devices and since then there has been no looking back. During the last decade, the Company's robust R&D team have developed and manufactured multiple revolutionising products in the computer technology space.



Design Philosophy

Billions of physical devices around the world are now connected to the internet. Concepts like AI and IOT are making them talk to each other, collect and share data. The change being ushered in is making the world around us smarter and more responsive, merging the digital and physical universes. The new age revolution is powered by the symphony of smart solutions designing 'experiences' with IoT. With the ever-growing importance of technologies and platforms only those who can create and sustain world class experiences through them will thrive. Consumer 'experiences' are driving and disrupting industries like never before.

Panache's design philosophy for its devices is centered on four important pillars, "ABCD". Expanded, the term stands for



The Company has been making a significant contribution to the Government of India's '**Make in India**' and '**Atmanirbhar Bharat**' initiatives in the Electronics domain. Panache is completely in sync with both these missions and is hopeful that going forward it will go a long way in making the country a global manufacturing hub and also facilitate job creation, foster innovation, enhance skill development and protect intellectual property.

In the same vein, the '**AtmaNirbhar Bharat**' initiative which is a part of '**Make in India**' aims to boost cottage industry and MSME's in India. Accordingly, a host of bold reforms to attract investments, enhance the ease of doing business, boost local manufacturing, local markets and local supply-chains have been initiated to transform domestic companies into global brands. These programs will prove to be noteworthy milestones and immensely enable the country in its digital transformation.

Awards & Accolades

Panache's efforts have been well recognized by various industrial bodies and the Government, as reflected from the awards and accolades.

Rated in Education World India Eduresources Star Rating 2020 with 7 stars (Max.) under the parameters of User Interface Design, Value for Money & Innovation.

-  **CRN Excellence Award in Big Data & Analytics in 2018.**
-  **Intel IoT Group Partner Performance Award in 2017.**
-  **Edge Innovation award in 2014 by Information Week, UBM.**
-  **Best System Builder award in 2010, 2011, 2012 & 2013 by CRN.**
-  **Intel Embedded Hero award in 2012.**
-  **SME National Award for Excellence in IT**

About the Factory



Manufacturing facility :
Bhiwandi



Manufacturing facility areas :
Approx. 57,000 Sq.ft.



Manufacturing Capacity :
5 Lac units per annum



Safety Measures :
**Anti-static environment for
assembly Semi Automated**



Certified :
**ISO 9001:2015
ISO 14001:2015**

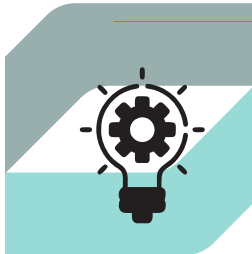


Our Core Values



Customer Focus

Customer needs are ever-evolving, and keeping up with their expectations can often be overwhelming. However, Panache Digilife is different; it is a customer-focused organization and ensures that all the facets of business are prioritized around customer satisfaction. This customer centric approach has proved to be mutually beneficial and paid rich dividends in terms of business growth and success. Needless to say, the Company has been able to build customer royalty and differentiate itself from the competition.



Innovative Approach

The Company has a culture of Innovative Approach for its products and services. Being innovative is intricate to organizations and it has been found that Companies that really stand out in the crowd have one common factor - they all embraced innovation; and disrupted the status quo. One cannot expect to maintain a competitive edge if innovation is not part of the overall business strategy. Panache has embraced innovation and this has afforded it a sizable advantage in meeting customers' expectations.



Global Scalability

Panache has a globally scalable business model which means that the Company has the ability to multiply revenue with minimal incremental cost. And the Company can expand to new geographies and market with fewer efforts. At the same time agile enough to adapt to the changing needs of the customers. Panache believes that scalability is inseparable to the technology business.



Transparency & Accountability

The Company's operations are transparent and accountable by nature. In fact, both complement each other. Panache is honest in providing all the relevant information from time- to-time to its stakeholders. The Company's accountability extends to answering to all concerns pertaining to its business and providing justification as to how it's actions aligns with expectations; and vision.

Products Portfolio

Smart Compute Devices

Panache's focus is ever on designing Smart Compute Devices that are smart and innovative; and also helps it to work towards saving energy and carbon footprint by being low powered and small in size. The Company's gamut of products in Compute comes in different form factors including ultra-small computing devices such as Air PC; a small compact compute box Squair PC, Cloud compute range Clair PC, Touch and Non-Touch based All In ones Flair PC, and a range of Tablets & Laptops as well. Most of these are IoT enabled devices which can form the medium of communication between Cloud and the Data.



Retail IOT

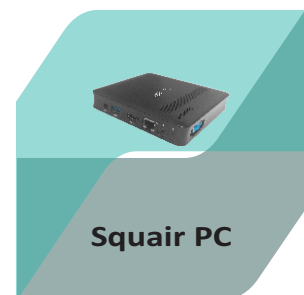
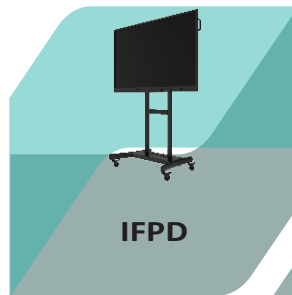
In this space, Panache has IoT enabled POS devices that are designed to meet the needs of standalone to networked POS users. The Company's integrated and stand-alone POS terminals come with capacitive touch, non-touch screens and wide range of compute options. The complete range of POS Peripherals is designed with Fanless & Energy Saving Architecture and Toughened Glass & Rugged Design. Panache also offers Kiosk based solution of Visitor Management System for various sectors including BFSI, Retail, Hospitality and others.



Products Portfolio

Education

Panache's Education Solution provides smart education solution for classroom learning and teaching. The Company also has interactive tools to help teachers for new and innovative teaching ways and also make classroom interesting and interactive for students.

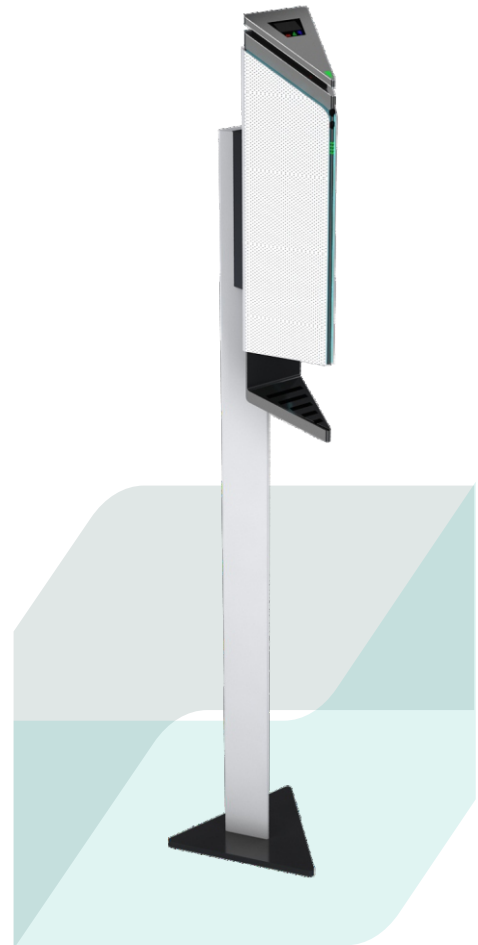
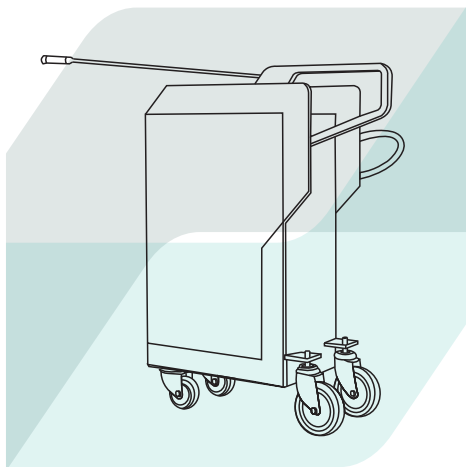


Healthy Living Solutions

With the aim to provide some innovative and effective solution to provide healthy water to people the Company has forayed into the business of Water. Through product 'Aquatatva', the aim is to provide water which is not only rich in required minerals but has lot more benefits to offer. The product will revolutionize the way people perceive drinking water. Additionally, the Company has also added an IoT ready smart metering solution to water, to monitor water consumption patterns remotely. The product is ideal for personal as well as corporate use.



New-age Smart Personal and Community Hygiene Ecosystem Product Range – “Lyf-Lyn”

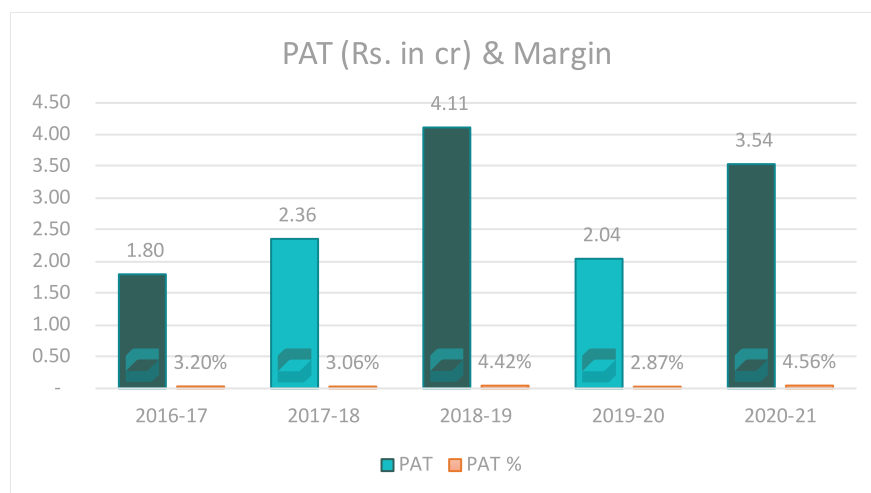
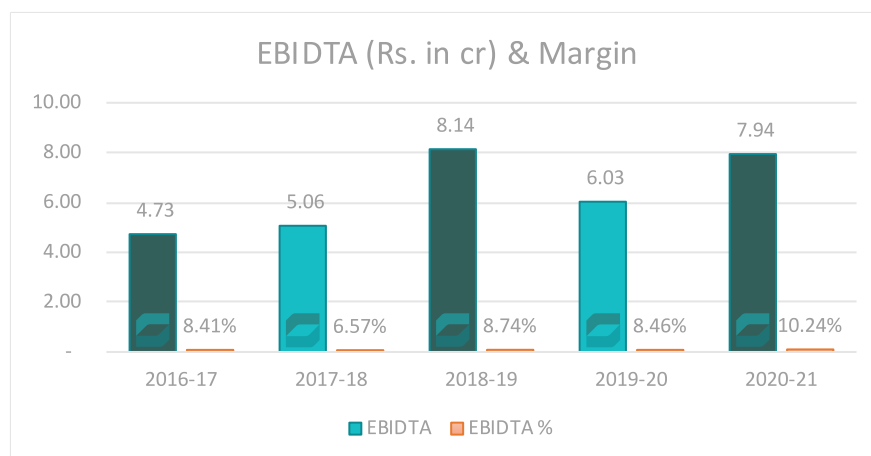
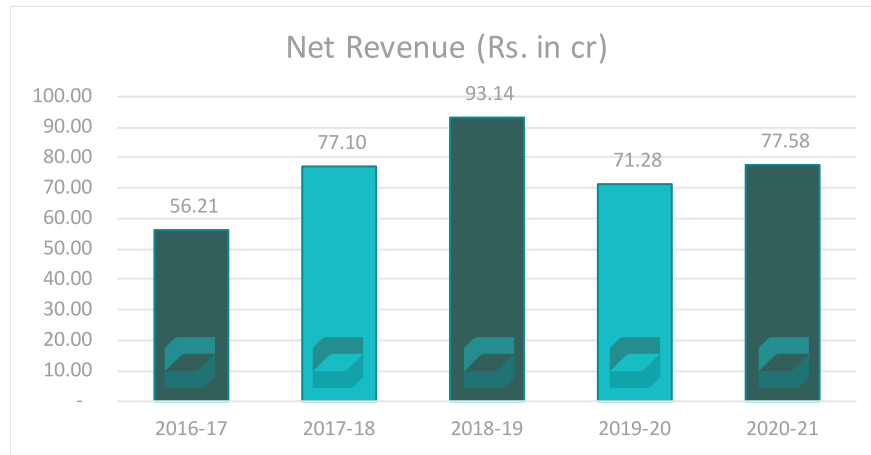


As the world transitions through these extraordinary times, Lyf-Lyn intends to find answers for today and solutions for tomorrow, by combining disruptions in technology and rapid product development. Hence, Panache introduced a suite of solutions, first as a response to the current pandemic, and later continuing to retain relevance for building a smart ecosystem.

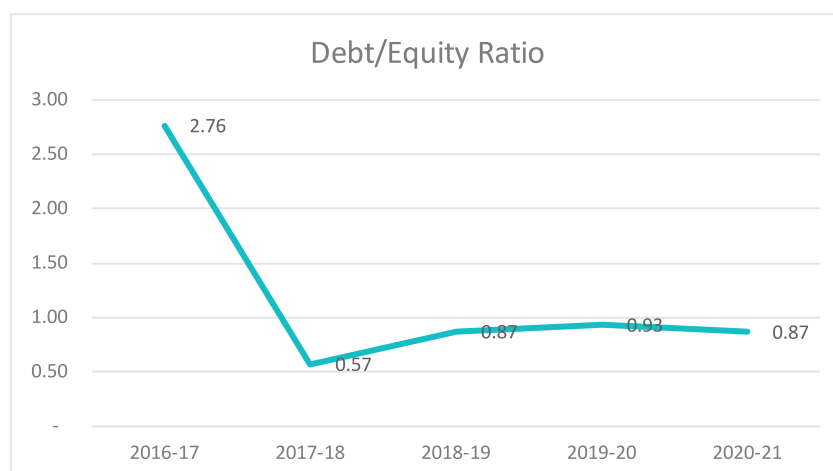
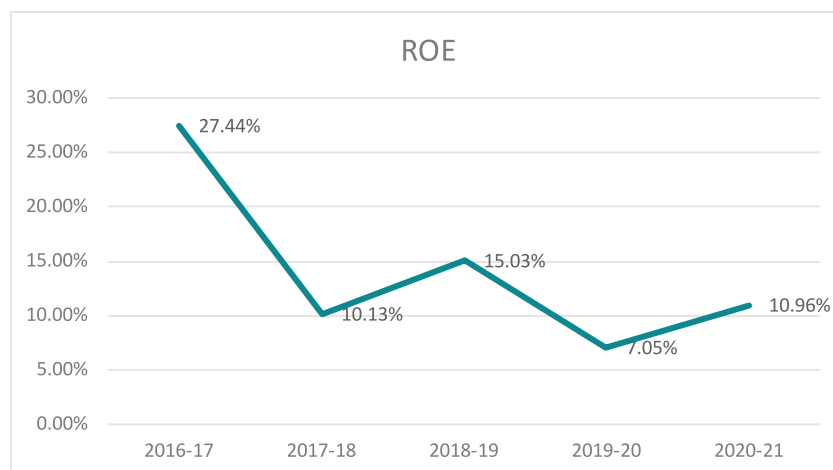
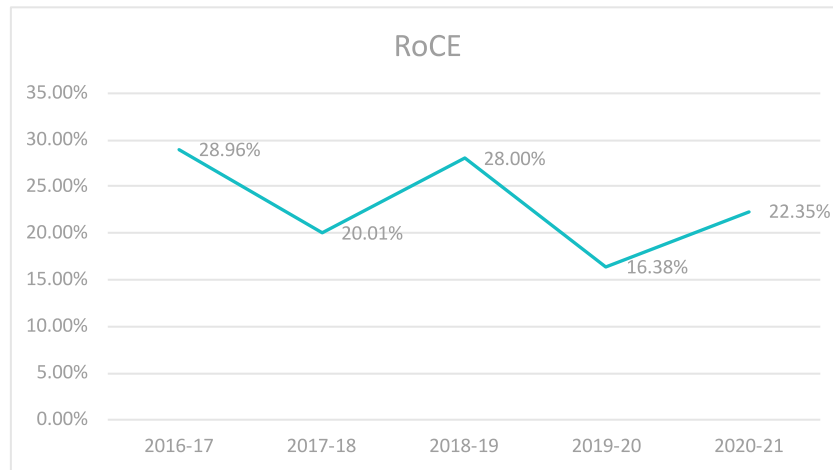
The products enable controlled traffic movement of people and goods, manage and organize real-time data and content, channelize information dissemination, and digitize service delivery systems. All of these solutions are connected over an integrated software platform that leverages the revolution brought about by the IoT and ICT sectors that are transforming our world rapidly, introducing safety, security, and surveillance in times that define new normals.

The product has wider applications across all the public places such as, Retails Mall, Cinemas, Educational Institutes, Airport, Railway Station, Hostels, Hotels as well as Commercial Premises.

Annual Financial Highlights



Key Return Ratios



Chairman's Letter

Dear Shareholders,

Greetings!

On behalf of the Board of Directors of Panache Digilife Ltd, I welcome you all to the 14th Annual General Meeting of Your Company. Like many other businesses, your company too has experienced difficult situation during pandemic - Covid 19 period. I am happy to inform you that even in such difficult times, the financial performance of the company was satisfactory considering the economic slowdown and the Covid-19 pandemic situation. Continuation of the lockdown certainly posed multidimensional challenges to the manufacturing and administrative functions. As you all know, your company operates through Information Technology which is quite dynamic and ever-changing in nature which necessitates quick adaptation of the new ideas, processes, technology and necessary flexibility in operations.



The company could successfully adapt to the changes in the style of functioning and manufacturing due to changed international and domestic environment. The company faced challenges in areas like business modality, operations, human relationship and material sourcing. The pandemic situation raised concerns to be addressed in quite a few multidirectional dimensions. I wish to state we could manage the situation competitively taking advantages of the concepts of artificial intelligence, big data, cloud, IoT and smart devices. Successful handling of the adverse situation infused confidence in the operating team.

Modern technology has paved the way for use of multi-functional devices and thereby made our lives easier, faster, better with some fun as well. We all have experienced transformation of the day-to-day life by the use of digital gadgets through the influence of new technology. More and more people are now actively using the web through desk PC, smart gadgets and phones. This has resulted in generation of huge volume of information & digital data which is gets shared on social media network. In other words, though the pandemic situation created lot many problems in the areas of health, environment and social behavior but it also resulted in revolutionizing the use of information technology and the very concept of adaption to the new systems. It is quite clear now that in coming times, more and more gadgets and systems will be deployed taking advantages and use of the revolutionary Information Technology.

It is also important to note that the use of newer revolutionized gadgets and systems in the day-to-day life in commercial and social dealings is likely to pose some undesirable challenges. Obviously, these too will have to be handled effectively through Information Technology and IoT platforms. The increased volumes of the gadgets and spread of the information technology concepts will require more and well-spread, effective support setup which will result in generation of more employment in the sector.

Today, we are living in a world, connected with each other through billions of physical devices around the world via web. Data is collected and exchanged with the help of concepts like Artificial Intelligence and Internet of Things which is making the devices talk to each other. It would not be wrong to say that our digital and physical universe has nearly merged; and this change has made the world around us smarter and more responsive.

Ever since inception, Panache Digilife Limited has strived to be an innovative player in the ICT & IoT technology-backed devices manufacturing, distribution and services space. We are fully aware and in tune with the changes taking place in the technology space. The Company is proud to have taken significant strides in the areas of Smart Computing Devices & Virtualization, Smart & Digital Classrooms, Retail IOT, AV & Display, Smart Water, and Digital Wellness. Having said that, we are still a young Company; we have to fathom many more miles. The current situation that we are surrounded with, is the most opportune time for the business development. Panache is very fortunate to be

opportune for availing the advantage and being a part of the metamorphoses process that the industry is going through.

Govt. of India's initiatives like 'Make in India' and concept of 'Atmanirbhar Bharat' are effectively contributing towards making our country a global manufacturing hub. These measures will facilitate employment generation, fostering innovations, infusing of more investment, enhancing skill development and helping in protection of the intellectual property. The new reforms are expected to enhance the ease of doing business, boosting of local manufacturing, development of local markets and tuning-up of local supply-chain. The changed environment will also provide an opportunity to Indian Companies be competitive and transform into global brands.

I wish to state that the migration of Panache's equity stock to NSE Main Board has resulted increase in floating stock which means larger shareholder participation; more liquidity, better valuation; and wealth creation for all.

The results require no elaboration o Revenue growth of 8.83% o EBITDA growth of 22.77% o PAT growth from continuing operations of 26.54% o Net Debt : Equity of 0.87

The uncertainties imposed by the pandemic compelled us to strategize our business focus and led us to take critical decisions on our operations. We did, however, continue to re-structure our business and build the skills necessary to address the growing opportunities in Emerging Technologies like IoT, Artificial Intelligence (AI) and Smart Devices. We have restored our investment plans in FY22, and will strengthen our manufacturing footprint to cover products in Laptops, All-in-one Devices, Tablets and Servers.

Drawing your attention towards our latest product development Lyf-Lyn product range. Post the outbreak of pandemic COVID-19, Health and Hygiene consciousness is likely to be the new normal of our day-to-day lifestyle going forward. Keeping the cognizance of the same we are very happy to say that we have contributed in innovating new-age IoT based products for Smart Personal and Community Hygiene Ecosystem with our product range - "Lyf-Lyn" which will revolutionize the way people interact with others as well as ourselves. This development of IoT based products will address the sanitization process as well as enable creation and maintenance of records.

We are very confident about the sustainable demand of such products going forward as we can see resurgence towards personal health and hygiene post pandemic. As the world transits through these extraordinary times, we at Panache through our 'Lyf-Lyn Product Range' intend to find 'Answers for today's problems and Solutions for tomorrow's challenges', by integrating technology in new products.

All these are a part of our new plan called "Panache 2.0", post pandemic; and in furtherance of "Making Human Life Easy". The Company has a decent order book and the management is optimistic about this financial year. We will continue to achieve deeper market penetration with more unique products, improving operational and financial efficiency; and constant innovation. These are the very parameters that has enabled to Company to walk on the desired path which will lead to the realization of our vision. We look forward to the future with renewed enthusiasm.

I now conclude my address by thanking all those who have stayed connected with Panache Digilife and supported its endeavors. Thank you for placing your confidence in the Company and its management; and in Panache's growth potential. I raise a toast to all my extraordinary colleagues, who, over many years, have given this Company of yours, the highest possible levels of commitment, dedication and unqualified support. My heartfelt thanks to the Members of Board of Directors, whose guidance, advice and support has been invaluable. We at Panache Digilife, eagerly look forward to a year of achieving new milestones and unlocking shareholders value.

We welcome your advice and feedback. We wish you and your families, all the very best.

With warm regards,
Mr Amit Rambhia
Chairman and Managing Director

Management Discussion & Analysis Report

Forward looking statement –

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally. The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS"), as notified under the Companies (Indian Accounting Standards) (Amendment) Rules 2016 issued by Ministry of Corporate Affairs in respect of sections 133 of Companies Act 2013. The management of Panache Digilife Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited standalone & consolidated financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "Panache" are to Panache Digilife Limited and its subsidiaries and associates.

We are pleased to present our performance highlights for FY2020-21 and business outlook for this year:

ECONOMIC OVERVIEW

GLOBAL ECONOMIC OUTLOOK

Following a 3.5 percent contraction caused by the COVID-19 pandemic in 2020, global economic activity has gained significant momentum and is set to expand 5.6 percent in 2021 - its strongest post-recession pace in 80 years. However, it remains well below pre-pandemic projections. Moreover, the recovery is uneven, passing over many poorer countries, and there is considerable uncertainty about its durability. The ongoing pandemic continues to shape the path for global economic activity, with severe outbreaks continuing to weigh on growth in many countries. The most recent wave of COVID-19 is now centered in some emerging market and developing economies (EMDEs), where more transmissible and virulent strains are spreading and where vaccine access remains limited.

The recovery is envisioned to continue into 2022, with global growth moderating to 4.3 percent. Still, by 2022, global GDP is expected to remain 1.8 percent below pre-pandemic projections. Compared to recoveries from previous global recessions, the current cycle is notably uneven, with per capita GDP in many EMDEs remaining below pre-pandemic peaks for an extended period. Moreover, the global outlook is clouded by uncertainty and subject to various risks. The continued spread of COVID-19 shows that repeated outbreaks are still possible, especially in light of the emergence of new variants that are more virulent, deadly, and resistant to vaccines. Elevated debt levels make the financial system vulnerable to a sudden increase in interest rates, which could stem from a rise in risk aversion, inflation, or expectations of faster monetary tightening. A spike in bankruptcies could damage the banking system, restrict the flow of credit, and trigger credit crunches.

More generally, advanced economies continue to experience a two-track recovery, with sales and production of goods nearing or exceeding their pre-pandemic levels, while services sectors struggle to overcome headwinds from the pandemic and associated lockdown measures. Although labor markets so far are healing at a faster pace than during the global financial crisis, employment in early 2021 remains well below its pre-pandemic level.

(source: www.worldbank.org)

INDIA ECONOMIC OUTLOOK

As indicated by provisional estimates released by the National Statistical Office (NSO), India posted a V-shaped recovery in the second half of FY21. As per these estimates, India registered an increase of 1.1% in the second half of FY21; this was driven by the gradual and phased unlocking of industrial activities, increased investments and growth in government expenditure.

India's real gross domestic product (GDP) at current prices stood at Rs. 135.13 lakh crore (US\$ 1.82 trillion) in FY21, as per the provisional estimates of annual national income for 2020-21.

As per the Reserve Bank of India's (RBI) estimates, India's real GDP growth is projected at 9.5% in FY22; this includes 18.5% increase in the first quarter of FY22; 7.9% growth in the second quarter of FY22; 7.2% rise in the third quarter of FY22 and 6.6% growth in the fourth quarter of FY22. According to data from the RBI, as of the week ended on June 04, 2021, the foreign exchange reserves in India increased by US\$ 6.842 billion to reach US\$ 605 billion.

India is the fourth-largest unicorn base in the world with over 21 unicorns collectively valued at US\$ 73.2 billion, as per the Hurun Global Unicorn List. By 2025, India is expected to have ~100 unicorns by 2025 and will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report.

Increased government expenditure is expected to attract private investments, with production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded and measured policy support is anticipated to boost the Indian economy. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

(source: www.ibef.org)

INDIA ELECTRONICS SYSTEM DESIGN & MANUFACTURING (ESDM)

India witnessed a substantial spike in demand for electronic products in the last few years; this is mainly attributed to India's position as second-largest mobile phone manufacturer worldwide and surge in internet penetration rate. The Government of India attributes high priority to electronics hardware manufacturing, as it is one of the crucial pillars of Make in India, Digital India & Start-up India programs.

The Electronics System Design & Manufacturing (ESDM) sector plays a vital role in the government's goal of generating US\$ 1 trillion of economic value from the digital economy by 2025. With various government initiatives aiming to boost domestic manufacturing, India has already started witnessing initial movement with increased production and assembly activities across products such as mobile phones and other consumer electronics.

Market Size

- Electronics market has witnessed a growth in demand with market size increasing from US\$ 145 billion in FY16 to US\$ 215 billion in FY19 market witnessed a growth of 14% CAGR from 2016-19.
- In FY20, imports accounted for US\$ 50 billion, wherein China and Hong Kong accounted for ~US\$ 28 billion, or ~57% of India's total electronic imports.
- The Electronics System Design & Manufacturing (ESDM) is broadly segregated into—electronics system and electronics design.
- Electronics system market is expected to witness 2.3x demand of its current size (FY19) to reach US\$ 160 billion by FY25.
- Electronics design segment, growing at 20.1%, was 22% of the ESDM market size in FY19; it is anticipated to be 27% of the ESDM market size in FY25.
- The consumer electronics and appliances industry in India is expected to become the fifth largest in the world by 2025.
- The electronics manufacturing industry in India is projected to reach US\$ 152 billion by 2025.

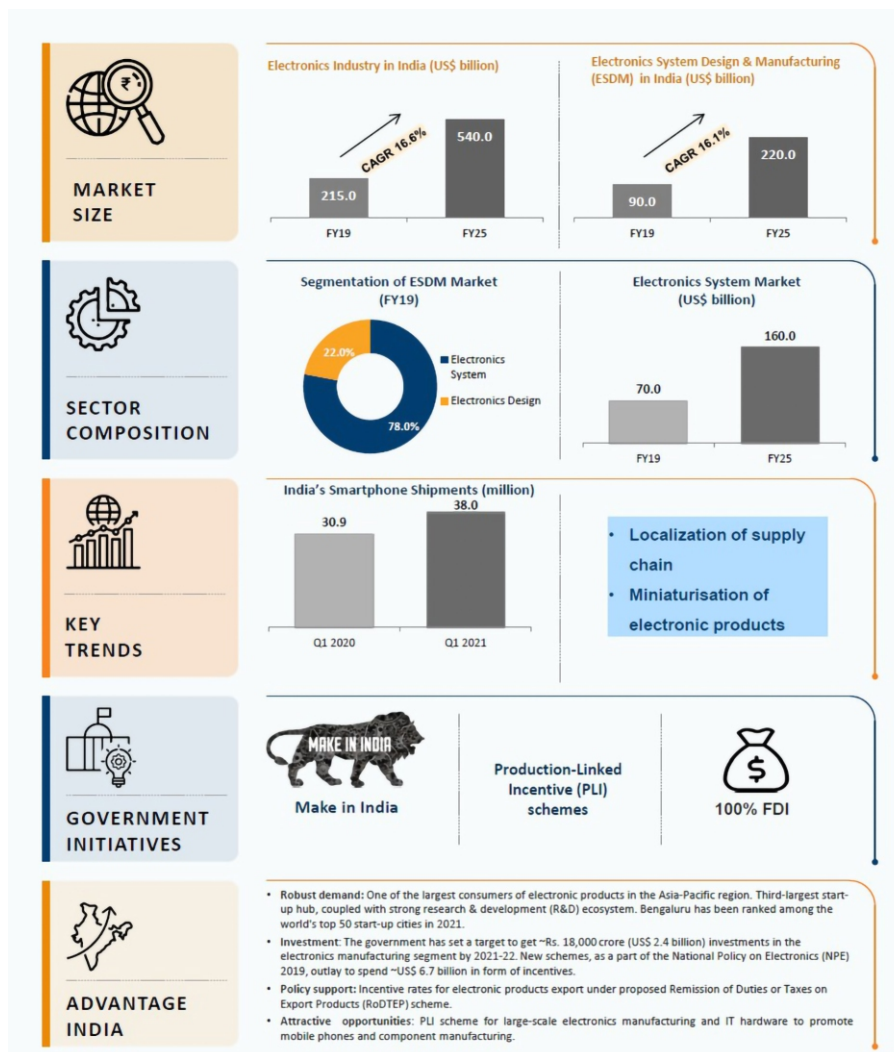
Investments

According to the Department for Promotion of Industry and Internal Trade, from April 2000 to March 2021, Foreign Direct Investment (FDI) equity inflows stood at US\$ 3,166.43 million. The following are some recent investments and key developments in the Indian electronics and ESDM sector:

- As of March 03, 2021, 19 companies have filed for the production-linked incentive (PLI) scheme for IT Hardware. The scheme was open for applications until April 30, 2021; its incentives will be available from April 01, 2021. Over the next four years, the scheme is expected to lead to total production of ~Rs. 160,000 crore (US\$ 21.88 billion). Of the total production, IT hardware companies have proposed production of >Rs. 135,000 crore (US\$ 18.46 billion); and domestic companies have proposed production of >Rs. 25,000 crore (US\$ 3.42 billion).
- The government has set a target to get ~Rs. 18,000 crore (US\$ 2.4 billion) investments in the electronics manufacturing segment by 2021-22.
- In December 2020, Lenovo announced its plan to start manufacturing tablets in India and expand its laptop manufacturing by 10x. The company is also expecting to grow by 25-30% in the current fiscal year, due to increase in demand from the education segment and large enterprises.
- In November 2020, to explore incubation and mentoring opportunities for infrastructural funding and international visibility for Semiconductor Fabless Accelerator Lab (SFAL) start-ups, an MoU was signed between the Semiconductor Fabless Accelerator Lab (SFAL) and US-based Applied Materials, Inc. The agreement aims to accelerate existing fabless SMEs to the next level and promote domestic innovation and create more job opportunities in the electronics device design and manufacturing (ESDM) market.

Government Initiatives

- As per Union Budget 2021-22, the Ministry of Electronics and Information Technology (MeitY) has been allocated Rs. 9,720.66 crore (US\$ 1.33 billion). In the allocated budget, revenue expenditure allocation is Rs. 9,274.66 crore (US\$ 1.27 billion) and capital expenditure allocation is Rs. 446 crore (US\$ 61.34 million).
- The key government initiatives such as 'Make in India' and 'Digital India' improved the country's EoDB. In 2021-22, the total budget allocation towards the 'Digital India' programme is Rs. 6,806.33 crore (US\$ 936.19 million).
- On November 11, 2020, Union Cabinet approved the production-linked incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative.
- The Government of India has allowed 100% Foreign Direct Investment (FDI) under the automatic route in the ESDM sector.




(source: www.ibef.org)

PRODUCTION LINKED INCENTIVE SCHEME FOR IT HARDWARE

The vision of National Policy on Electronics notified in February 2019 is to position India as a global hub for Electronics System Design and Manufacturing (ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets and creating an enabling environment for the industry to compete globally.

Currently, the laptop and tablet demand in India is largely met through imports valued at USD 4.2 billion and USD 0.41 billion respectively in FY20. The market for IT Hardware is dominated by 6-7 companies globally which account for about 70% of the world's market share. It is imperative that these companies expand their operations in India and make it a destination for manufacturing of IT Hardware. After the global outbreak of covid-19 in CY2020, many manufacturing companies across the globe have started looking at diversifying their production plants to mitigate risk involved in depending on a single market.



MAKING INDIA A GLOBAL HUB OF ELECTRONICS
Production Linked Incentive (PLI) Scheme for IT Hardware Approved

Key Features (1/2)

- To provide impetus to domestic manufacturing & attract large investments in the value chain of IT Hardware
- Target segments include Laptops, Tablets, All-in-One PCs and Servers
- To benefit 4 major global players & 10 domestic manufacturers of Laptops, Tablets, All-in-One PCs & Servers



MAKING INDIA A GLOBAL HUB OF ELECTRONICS
Production Linked Incentive (PLI) Scheme for IT Hardware Approved

Key Features (2/2)

- Will promote Make In India & Digital India; will position India as a global hub for Electronics System Design and Manufacturing (ESDM)
- Eligible companies to be incentivised 4% to 2%/1% on net incremental sales of goods manufactured in India, for 4 years
- Total cost of the proposed scheme is approximately ₹7,350 crore over 4 years

The PLI scheme for IT Hardware notified in March 2021, proposes production linked incentive to boost domestic manufacturing and attract large investments in the value chain of IT Hardware. The target segments under the proposed scheme includes laptops, tablets, all-in-one personal computers and servers. The scheme shall extend an incentive of 4% to 2% / 1% on net incremental sales (over base year of FY20) of goods manufactured in India and covered under the target segment, to eligible companies, for a period of 4 years (FY22 – 25).

According to a press release by Ministry of Electronics and IT on 4th May 2021, this scheme is expected to lead to a total production of Rs. 1.6 lakh crore in the next 4 years. Out of the total production, IT Hardware companies have proposed a production of over Rs.1.35 lakh crore and domestic companies have proposed a production of over Rs. 25,000 crore. The scheme is expected to bring additional investment in electronics manufacturing to tune of Rs. 2,350 crore and generate about 37,500 direct employment opportunities along with creation of additional indirect employment of nearly 1 lakh. Domestic value addition is expected to grow from current 5-12% to 16-35%.

A total of 19 companies have filed their application, which are Dell, ICT (Wistron), Flextronics, Rising Stars Hi-Tech (Foxconn), Lava, Dixon, Infopower (JV of Sahasra and MiTAC), Bhagwati (Micromax), Syrma, Orbic, Neolync, Optiemus, Netweb, VVDN, Smile Electronics, Panache Digilife, HLBS, RDP Workstations and Coconics.
(source:www.careratings.com)

STANDALONE & CONSOLIDATED FINANCIAL OVERVIEW

The Standalone performance of the Company for the financial year ended March 31, 2021 is as follows:

- Total revenue from operations at Rs. 77.58 crore for the year ended March 31, 2021, as against Rs. 71.28 crore for the corresponding previous period, an increase by 8.84%.
- The cost of Raw Materials for the financial year ended March 31, 2021 were Rs 62.53 crore as against Rs 56.18 crore for the corresponding previous period, an increase by 11.30%.
- The Employee expenses for the financial year ended March 31, 2021 were Rs 3.85 crore as against Rs 5.81 crore for the corresponding previous period, decreasing by a significant 33.73%.
- The other expenses for the financial year ended March 31, 2021 were Rs 3.26 crore as against Rs 3.25 crore (includes Impairment Losses) for the corresponding previous period, which remained stable.
- The EBIDTA (earnings before interest, depreciation and tax excluding other income) was Rs 7.94 crore for the year ended March 31, 2021 as against Rs 6.44 crore for the corresponding previous period, a significant increase by 23.29%.
- The depreciation for the financial year ended March 31, 2021 was Rs 1.08 crore, as against Rs 1.14 crore for the corresponding previous period, a decrease of 5.26%.
- The EBIT (earnings before interest and tax) were Rs 8.42 crore for the year ended March 31st, 2021 as against Rs 5.59 crore for the corresponding previous period, a significant increase by 50.63%.
- The PAT (profit after tax) were Rs 3.53 crore for the year ended March 31st, 2021, as against Rs 2.04 crore for the corresponding previous period, a significant increase by 73.04%.
- The interest for the financial year ended March 31st, 2021 was Rs 3.45 crore as against Rs 2.52 crore for the corresponding previous period, an increase by 36.90%.
- The EPS (Earning Per Share) for the financial year ended March 31st, 2021 stood at Rs 2.95 for a face value of Rs 10 per share, as against Rs 1.70 for the corresponding previous period.

The Consolidated Figures for the Company include financials of its Subsidiaries Wemart Global FZE (UAE), Technofy Digital Pvt Ltd and an Associate company ICT Infratech Pvt Ltd. As has been declared by the company, Wemart Global FZE (UAE) is under the process of winding up and hence has no contribution in terms of revenue to the Consolidated figures.

Due to impending effects on the business sentiment due to Covid-19 led lockdowns and international travel restrictions, the business prospects as envisaged under Technofy Digital Pvt Ltd could not be pursued. To conserve the Capital base the Board of Panache Digilife Ltd decided to monetise the Assets acquired under Technofy Digital Pvt Ltd and to repay all the Debts under Technofy Digital Pvt Ltd. Accordingly, Technofy Digital Pvt Ltd is categorized as not a going concern.

There were near nominal operations under ICT Infratech Pvt Ltd in FY 2020-21 resulting in a contribution of nominal loss of Rs 0.005 Crore for FY 2020-21.

The Consolidated performance of the Company for the financial year ended March 31, 2021 is as follows:

- Total revenue from operations at Rs. 77.58 crore for the year ended March 31, 2021, as against Rs. 71.28 crore for the corresponding previous period, an increase of 8.84%.
- The cost of Raw Materials for the financial year ended March 31, 2021 were Rs 62.53 crore as against Rs 56.18 crore for the corresponding previous period, an increase by 11.30%.
- The Employee expenses for the financial year ended March 31, 2021 were Rs. 3.85 crore as against Rs. 5.81 crore for the corresponding previous period, a decrease of 33.73%.
- The other expenses for financial year ended March 31, 2021 were Rs. 3.26 crore as against Rs 2.81 crore (includes Impairment Losses) for the corresponding previous period, an increase of 16.01%.
- The EBITDA (earnings before interest, depreciation and tax excluding other income) was Rs. 7.94 crore for the year ended March 31, 2021, as against Rs. 6.55 crore for the corresponding previous period, an increase of 21.22%.
- The depreciation for the financial year ended March 31, 2021 was Rs. 1.08 crore, as against Rs. 1.14 crore for the corresponding previous period, a decrease of 5.26%.
- The EBIT (earnings before interest and tax) were Rs. 7.75 crore for the year ended March 31, 2021 as against Rs. 5.80 crore for the corresponding previous period, an increase of 33.62%.
- The interest for the financial year ended March 31, 2021 was Rs. 3.45 crore as against Rs. 2.52 crore for the corresponding previous period, an increase of 36.90%.
- The PAT (profit after tax) from continuing operations were Rs. 2.86 crore for the year ended March 31, 2021 as against Rs. 2.26 crore for the corresponding previous period, an increase of 26.54%.
- The PAT (profit after tax) from discontinuing operations were Rs. (2.50) crore for the year ended March 31, 2021 as against Rs. (5.18) crore for the corresponding previous period, a decrease in loss by 51.74%.
- The Total PAT for the Company stood at Rs. 0.36 crore for the year ended March 31, 2021 as against Rs. (2.93) crore for the corresponding previous period.
- The EPS (Earning Per Share) for the financial year ended March 31, 2021 was Rs. 2.39 for a face value of Rs 10 per share, as against Rs. 1.87 for the corresponding previous period.

RESOURCES AND LIQUIDITY

- As on March 31, 2021 the standalone net worth stood at Rs. 32.26 crore and the standalone debt was at Rs. 27.92 crore.
- The cash and cash equivalents at the end of March 31, 2021 were Rs. 0.80 crore.
- The total debt to equity ratio of the Company stood at 0.87 as on March 31, 2021.

BUSINESS PERFORMANCE

As Panache Digilife caters predominantly to OEM/ODM customers entailing Project supplies, it had a quite significant order book to cater to during the First two quarters of FY 2020-21 which is evident in significantly better Sales and PAT figures during Q1 and Q2 of FY 2020-21 as compared to the previous years figures.

Our Customers are primarily in the BFSI, Education and Retail Sectors which were the most affected sectors. This effect of Covid-19 induced lockdown led to tepid business sentiment in some of our Customer segments which reflected in our performance in Q3 and Q4 of FY 2020-21 during which the PAT figures as well as Sales figures were lower as compared to previous years.

Key Developments during the year

The Covid-19 induced lockdown resulted in the temporary shutdown of our manufacturing facility which resumed its operations in a phased manner from the 27th May 2020 while the Corporate Office staff still working from home. The State of Maharashtra was the most affected state within which Mumbai was leading in the Covid Infections. The Company had to adhere to the local Covid guidelines and regulations which was mostly disrupted during Q1 and started to improve during Q2 of FY 2020-21. The Company had to device new work rules resulting in Work from Home rules for Office Staff and staggered/alternate/shorter working hours for Factory Personnel. Other than this, Company has made reasonable performance throughout this financial year in spite of difficult business environment. Some of the new partnership entered into and new products were launched during the year such as:

- ❖ Launch of a smart disinfectant dispensing information and visitor management kiosk “Infinia”, a Surface Disinfectant Atomizer to enable controlled traffic movement of people and goods “MOBIMIST” as well as a product that provides temperature detection with alert system, automatic hand sanitization and facial recognition “Sense”, under its **New-age Smart Personal and Community Hygiene Ecosystem product range – “Lyf-Lyn”**.
- ❖ Launch of '**AI for Youth**' product range which is powered by **Intel's Movidius Technology and Open VINO Platform**. These products would empower Indian Youth with the necessary tools to create '**Artificial Intelligence**' based unique solutions.
- ❖ Panache has entered into a strategic **Distribution Partnership with Taiwan-based Shuttle Inc. for the Indian Markets**. Shuttle Inc. is an industry-leading designer and manufacturer of small form factor (SFF) computers and accessories.
- ❖ Panache Digilife Limited signed an **affiliate partnership Memorandum of Understanding with Uniview Technologies India Private Limited**, the pioneer and leader of IP video surveillance for distribution of Lyf-Lyn range of products Pan India.
- ❖ Introduced Embedded and Secure Laptops for Work and Study from solutions.

RISKS AND CONCERNS

Risk is inherent to business and Your Company is no exception. A new dimension of Socio Economic Risk has arisen due to the effects of Covid-19 Pandemic. Every day during the course of our day-to-day operations and in pursuit of our long-term objectives, we face both internal and external risks. The Company has robust risk management procedures to identify and evaluate risks on an on-going basis. The Company has a detailed risk management policy in place. Dedicated risk workshops are conducted for each business vertical and key support functions wherein risks are identified, assessed, analyzed and accepted / mitigated to an acceptable level within the risk appetite of the organization.

The Company faces the following risks and concerns:

Credit Risk

The Company creates debtors in the course of selling its good and services and in the process there is credit

exposure which if the debtors fail to pay on time can result in potential bad debts and losses. To manage credit risks, Panache has a credit policy in place, with credit limit requests and approval procedures. We do our own due diligence of client's financial health and project prospects before entering into agreement with them. There is a systematically laid down process for timely and rigorous follow-up with clients for payments. Based on the process, the Company has a focused and aggressive receivables management system, to ensure timely collections.

Competition Risk

Intense competition in every sphere of life and business is a given in today's world. In that sense while competition cannot be ignored by businesses in general, every player has to change and adapt as per the prevailing typical competitive conditions in their industry. Your Company too is no different, as it faces intense competition from established as well as unorganized players. Our competition depends on several factors which includes quality, price and most importantly to identify emerging trends in the various sphere of digital space. Our products face competition from large and small players, however, amidst all these, Panache has been able to protect and grow its sales due to strong brand differentiation, timeliness, reliability, quality of products and price. These are the success factors the Company depends on. We have a strong, stable client base consisting of large and mid-sized corporations which helps to insulate the Company from this risk. Furthermore, the Company continues to invest in technology and its people to remain ahead of the curve. We counter competition risk with our customer-centric approach and our ability to innovate customer specific solutions. Thus, we reduce the competitive risk.

Input Cost Risk

The Company's profitability and cost effectiveness is prone to change in the prices of raw materials, non-renewal of agreements, retention of human labor, etc. Some of these risks are potentially important and need constant monitoring.

Liability Risk

This risk refers to our liability arising from any damage to cargo, equipment, life and third parties which may adversely affect our business. The Company attempts to mitigate this risk through contractual obligations and insurance policies.

Technology Related Risk

Technological obsolescence is very intricate to our industry as it is ever evolving. Given the dynamic technology environment, it is critical for the Company's survival and growth, to be in tune with changing technology paradigms; and keep upgrading resources and processes at all times. The Company has diversified this risk well and thus is not dependent on any single technology or platform. At the same time, the Company has a range of technologies and has developed competencies on various platforms and operating environments. It thus offers a wide range of technology options to clients to choose from, for their business needs.

The rapid shift towards remote working environment, due to COVID-19 related challenges in 2020, exposed companies to vulnerabilities and security related challenges. In a bid to mitigate these risks and establish a secure work environment, companies need to invest heavily in Cyber Security Technologies & Solutions.

OPPORTUNITIES

Increased digitization due to Work from Home / Study from Home

- With Automation & Digital transformation led by the Work /Study from Home scenario, the future business environment would require your Company to invest in Skills & Resources to emerge as a complete solution provider. We are investing in development of new product offerings and strengthening our partnerships in the areas of Smart Computing Devices & Virtualization, Smart & Digital Classrooms, Retail IOT, AV & Display, Smart Water, and Digital Wellness.

Production linked Incentive Scheme

- Aatmanirbhar Bharat Abhiyan, Make in India and Production led Incentives (PLI), and others to make Indian businesses competitive in the world market, would require technology-led investments and digital transformation.

THREATS

- Fierce Competition from local and multinational players
- Execution risk
- Changing Regulation and Policies
- Input Cost risk
- Attraction and retention of human capital
- Supply Chain disruptions

INTERNAL CONTROL SYSTEMS AND ADEQUACY

Panache Digilife has robust internal control systems and further these are evaluated from time to time in order to take additional measures if necessary, in consonance with the changes in the Companies Act, 2013. Additional measures may pertain to fraud risk assessment, and strengthening the process of risk management. The Company's internal controls are designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

The organization is well structured and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations.

The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported.

For the year 2020-21, M/s. Sanket Sangoi & Associates, Chartered Accountants were re-appointed as the Internal Auditors by the Board of Directors. The Audit Committee reviews reports submitted by Internal Auditor. Suggestions for improvement are considered and the Audit Committee reviews on the corrective actions taken by the Management. The Internal Auditor report directly reports to Audit Committee.

HUMAN RESOURCES

Your Company has rationalized its manpower strength which stands at 45 employees in FY'2021 from 142 in FY'2020. Consequently, the Employee benefit expenses have decreased considerably. This rationalisation had to be done as a response to the evolving business scenario.

Your Company re-emphasized its commitment towards the well-being of its precious human resources. In the very early stages of the pandemic, your Company took the decision of committing itself to the security of employment of all its employees, even in the face of completely uncertain business outlook. Safety, Security & Health of each and every employee was accorded the highest importance and continuous support was extended through constant communication and outreach. Your Company will continue to ensure that it does everything possible to ensure the safety and well-being of its employees, even as we hope that the pandemic recedes and a level of normalcy returns.

The Company has necessary policies / Code of Conduct Human Relations and Industrial Relations policies in force. These are reviewed and updated regularly in line with the Company's strategic plans. The Company continually conducts training programs for the development of employees. The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's successful growth. The Company's employees' age bracket represents a healthy mix of experienced and willing-to-experience employees.

OUTLOOK

The core competency of Panache Digilife is its ability to provide hardware solutions to its customer's needs. Our product offering has evolved and we are proud to have taken significant strides in the areas of Smart Computing Devices & Virtualization, Smart & Digital Classrooms, Retail IOT, AV & Display, Smart Water, and Digital Wellness. This has not only enabled growth by launching new products from time-to-time but also the achievement of financial performance, year-after-year. The new fiscal year FY2021-22 has begun on a ray of hope for your Company as it has participated in the Production linked Incentives scheme for IT Hardware to augment the Make in India initiatives of Government of India.

Your Company is confident of it receiving the approval under PLI IT hardware scheme which will lead for further investments in Technology platforms for local manufacturing of IT hardware and electronics components in India. We wish to inform the stakeholders on some of the Company initiatives in this regard during the current fiscal.

- Panache Digilife has developed a unique freestanding kiosk which comes with a display screen for visitor management and sensors to measure the body temperature of visitors. In addition to this, it also includes contact-less automatic sanitizer with the battery back-up. "Infinia" is a smart disinfectant dispensing information and visitor management kiosk that conveniently provides for public digital interaction without compromising on the health and safety of the individual. The product has wider applications across all the public places such as, Retails Mall, Cinemas, Educational Institutes, Airport, Railway Station, Hostels, Hotels as well as Commercial Premises.
- Panache Digilife is pleased to inform our esteemed stakeholders about its upcoming All-In-One Smart Compute range of products. These products have been designed with the aim of providing multi-tasking experience of video conferencing, digital learning and smart compute solutions.

- Panache Digilife has always tried to remain a step ahead in the market by innovating technology and providing products as per the need and demand of the customers. The rush among companies and educational institutions to meet the new work-from-home and online learning amidst the Covid-19 outbreak, which has led to a spike in demand for laptops. Keeping a note of the same, Panache has developed these laptops to enable business continuity need of the corporates and also offer educational institutions right solutions to meet their curriculum need. These laptops can be customized as per the requirement of the end users. The laptops will be embedded with the necessary system requirements by the corporates such as attendance management, work hour record keeping, data security, as well as by the educational institutions such as the teaching platforms integrated with the curriculum.
- Following the recent strategic Exclusive Distribution Partnership with Taiwan-based Shuttle Inc. for the Indian Markets, Panache has made quick stride forward for the 1st product development with Shuttle. Panache is in the process of developing an integrated PC – a media server for movie streaming, a product to be designed using hardware support from Shuttle. The product will be a 10-inch touch screen based rugged device, integrated with both the PC and Set Top Box. With highly secured server it will download the movie once the final edit is done. As a result of highly secured server, risk of piracy can be mitigated and the picture quality is maintained.

SIGNIFICANT CHANGES IN FINANCIAL RATIOS

During the year, on a standalone basis, the significant change in the financial ratios compared to the previous year, which are more than 25% as compared to the previous year are summarized below;

Financial Ratio	2019-20	2020-21	Change (%)	Reason for change
Net Profit Margins	2.87 %	4.56 %	58.95 %	Better Control on expenses and improved margins.
Inventory Turnover	140 days	83 days	(41.19)%	Inventory levels in F.Y.2019 -20 were higher due to sudden imposition of lockdown which was monetised in F.Y.2020 -21.
Return on Net Worth	7.05 %	10.96 %	55.39 %	Due to overall betterment of company's performance

BOARD'S REPORT

Dear Members,

The Directors of your Company have the pleasure in presenting the Fourteenth Annual Report together with the audited financial statements for the financial year ("FY") ended March 31, 2021.

FINANCIAL PERFORMANCE

The standalone and consolidated financial statements of the company for the financial year ended March 31, 2021 have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs and as amended from time to time.

The summary of the Company's financial performance, both on a standalone and consolidated basis, for FY 2020-21 as compared to the previous FY 2019-20 is given below:

Particulars	Financial Year Ended			
	Standalone		Consolidated	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Revenue from operations (net)	7758.05	7128.40	7758.05	7128.40
Other income	155.88	70.02	88.98	47.97
Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments (excluding other income)	794.13	643.88	794.13	655.00
Depreciation and amortization expenses	107.61	114.38	107.61	114.39
Finance Cost	345.43	251.92	345.43	251.93
Profit before tax (PBT) from continuing operations	496.97	306.72	430.07	328.49
Profit/(Loss) from discontinuing operations	-	-	(250.22)	(517.50)
Profit after tax and minority interest (PAT)	353.54	204.37	35.91	(293.47)

***Previous year figures have been regrouped / rearranged wherever necessary.**

Standalone Performance

During the year, your Company achieved total revenue of ₹7758.05 Lakhs as compared to ₹ 7128.40 Lakhs in the previous year.

The Earnings before Interest, Depreciation, Tax and Appropriations (EBITDA) stood at ₹794.13 Lakhs in the current year as compared to ₹ 643.88 Lakhs during the previous year.

During the year, the Net Profit after Tax stood at ₹353.54 Lakhs as compared to ₹ 204.37 Lakhs in the previous year.

Consolidated Performance

Your Company achieved total revenue of ₹ 7758.05 Lakhs as compared to ₹ 7128.40 Lakhs in the previous year.

The Earnings before Interest, Depreciation, Tax and Appropriations (EBITDA) stood at ₹ 794.13 Lakhs in the current year as compared to ₹ 655.00 Lakhs during the previous year.

The Net Profit after Tax stood at ₹ 35.91 Lakhs as compared to ₹ (293.47) Lakhs in the previous year.

STATE OF THE COMPANY'S AFFAIRS

The information on the affairs of the Company has been given as part of the Management Discussion & Analysis Report forming part of this Report.

MATERIAL CHANGES AND COMMITMENT

Information regarding potential impact of COVID-19 pandemic on your Company's business operations and financial position are provided as part of the Management Discussion & Analysis which forms a part of the Annual Report.

There are no other material changes and commitment affecting financial position which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the Directors Report.

DIVIDEND

Considering the current economic scenario, the Board of Directors of the Company, at its meeting held on June 29, 2021, has considered it prudent to currently not propose dividend for the financial year ended March 31, 2021.

TRANSFER TO RESERVE

Your Company does not propose to transfer any amount from the current year's profits to the General Reserve.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there are no funds or shares which are required to be transferred to Investor Education and Protection Fund (IEPF).

CHANGE IN NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company during the period.

SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on March 31, 2021 was ₹12 Crores. There was no change in the share capital during the period.

DEPOSITS

There were no public deposits accepted during the year or any amount of principal or interest thereof was outstanding in terms of section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, for the Financial Year ended on March 31, 2021.

Further, in compliance with 1st proviso of Rule (2)(1)(c)(vii) of the Companies (Acceptance of Deposits) Rules, 2014 read with amendment rules thereto, during the year the Company has accepted loans from directors for business purpose along with a declaration in writing from them to the effect that the said loan amount is not being given out of funds acquired by borrowing or accepting loans or deposits from others;

(Amount in ₹)

Sr. No.	Name of the person	Relation with the Company	Amount received during the year	Amount Outstanding as on 31/03/2021
1	Amit Rambhia	Managing Director	34,00,000	34,00,000
2	Devchand Rambhia	Whole-Time Director	4,50,000	14,00,000
3	Nikit Rambhia	Joint Managing Director	8,75,000	44,45,000

SUBSIDIARY& ASSOCIATE COMPANY AND CONSOLIDATION OF FINANCIAL STATEMENT

A list of bodies corporate which are subsidiaries/associates/joint ventures of your Company as on March 31, 2021 is as follows;

Wemart Global F.Z.E.* (Ajman Free Zone, UAE)	Wholly Owned Subsidiary
Technofy Digital Private Limited	Wholly Owned Subsidiary
ICT Infratech Services Private Limited	Associate Company

*The Board noted that there has been no operative income in Wemart Global F.Z.E. since April, 2018, therefore, it is financially and operationally unviable to continue and accordingly the decision to initiate the process to close Wemart Global F.Z.E. was taken by the Board in their meeting held on July 5, 2019. The liquidation process is underway and we are awaiting the receipt of closure/termination letter.

None of the Company's Subsidiary have ceased to be Company's subsidiary during the year.

The Board of Directors reviewed the affairs of the Subsidiaries and Associate Company. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared Consolidated Financial Statements of the Company, its Subsidiary and Associate Company in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), which forms part of this Annual Report. A statement containing the salient features of the financial position of the Subsidiary Companies and Associate Company in Form AOC-1 is annexed as Annexure A. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and Financials of subsidiary Companies are also available on our website at www.panachedigilife.com.

The Policy for determining material subsidiaries, pursuant to the provisions of Listing Regulations, may be accessed on the Company's website at <https://www.panachedigilife.com/Investors>.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Directors

The composition of the Board is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations, with an appropriate combination of Non-Executive Directors and Independent Directors. The complete list of Directors of the Company has been provided as part of the Corporate Governance Report.

During the year, Mr. Amit Rambhia (DIN: 00165919) was liable to retire by rotation and being eligible was re-appointed at the 13th Annual General Meeting held on September 29, 2020. Mr. Shailesh Premji Gala (DIN: 01283286) was appointed as Additional Independent Director by Board of Directors vide circular resolution w.e.f. May 29, 2020, for a period of 5 years and his appointment was regularised by the Shareholders at 13th AGM of the Company. All these appointments/re-appointments were approved by the Members of the Company at the previous Annual General Meeting held during the year by passing the requisite resolutions in this regard.

During the year, Mr. Gaurav Pratap Singh (holding DIN: 06747792) resigned from the post of Independent Director with effect from May 31, 2020.

Section 152 of the Act provides that unless the Articles of Association provide for retirement of all directors at every AGM, not less than two-third of the total number of directors of a public company (excluding the Independent Directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation, of which one-third are liable to retire by rotation. Accordingly, Mr. Nikit Devchand Rambhia (DIN: 00165678), will retire by rotation at ensuing AGM and being eligible, has offered himself for reappointment.

Key Managerial Personnel

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Act read with the Rules framed thereunder, the following persons are the Key Managerial Personnel of the Company as on March 31, 2021

1. Mr. Amit Rambhia - Managing Director
2. Mr. Nikit Rambhia - Joint Managing Director
3. Mr. Devchand Rambhia - Whole-Time Director
4. Ms. Jinkle Khimsaria* - Company Secretary & Compliance Officer
5. Mr. Nitesh Savla - Chief Financial Officer

During the year, Mr. Vishal Lalan resigned as the Chief Executive Officer (CEO) of the Company with effect from September 7, 2020.

*Ms. Jinkle Khimsaria resigned as the Company Secretary and Compliance Officer of the Company with effect from June 15, 2021 and Mr. Harshil Chheda was appointed as the Company Secretary and Compliance Officer of the Company with effect from July 1, 2021

Declaration by Independent Directors

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 of SEBI Listing Regulations including amendments thereof, the Company has received declarations from all the Independent Directors of the Company that they meet the criteria of independence, as prescribed under the provisions of the Act and SEBI Listing Regulations. There has been no change in the circumstances affecting their status as an Independent Director during the year. Further, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees commission and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity. As per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the company has also received declaration from all the Independent Directors of the Company regarding inclusion of name in the databank, as prescribed under the provisions of the Act.

Annual Evaluation of Directors, Committees and Board

Pursuant to Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has "Directors Performance Evaluation Policy" in place. In accordance with the said Policy, all the Directors had filled up Questionnaire and feedback form for evaluation of individual Directors, Board as a whole, Chairman, committees, and Independent Directors, whose format forms part of the policy. Thereafter Board evaluated every Director including Independent Director on February 11, 2021.

The Board has also evaluated its own performance, Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Chairman and all Directors individually. The Board concluded that the overall performance of all the Directors were very good.

Independent Director's Separate Meeting

A separate meeting of Independent Directors of the Company, was held on February 11, 2021 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations.

At the meeting following matters were taken up;

- reviewed the performance of Non-Independent Directors and the Board as a whole.
- reviewed the performance of the Chairperson of the Company.
- assess the quality, quantity and timeliness of flow of information.

All Independent Directors of the Company attended the Meeting of Independent Directors.

Familiarization Programme

The Company has familiarized the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. The details relating to the familiarization programme are available on the website of the company at <https://www.panachedigilife.com/Investors>.

MANAGEMENT DISCUSSION & ANALYSIS REPORT AND CORPORATE GOVERNANCE REPORT

In terms of Regulation 34 of SEBI Listing Regulations, a separate section on Management Discussion and Analysis and Corporate Governance Report together with a certificate from a Practicing Company Secretary confirming compliance with the Regulations relating to Corporate Governance of SEBI Listing Regulations are set out and form part of this Annual Report.

AUDITORS

Statutory Auditor

At the 10th AGM held on September 21, 2017, M/s. KPB & Associates, Chartered Accountants (Firm Registration No. 114841W) was appointed as statutory auditors of the Company for a term of 5 years from the financial year 2017-18 onwards. Accordingly, M/s. KPB & Associates will continue as statutory auditors of the Company till the financial year 2021-22.

There are no qualifications, reservations or adverse remarks made by M/s. KPB & Associates, in their report on Standalone Financial Statements and hence do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

However M/s. KPB & Associates have qualified their report on the Consolidated Financial Statements for the Financial Year 2020-21 for unavailability of Audited Financial Statements of Company's Wholly-Owned Subsidiary "Wemart Global FZE" (Wemart) and since the Consolidated Financial Statement are based on unaudited Financial Statements of Wemart, Statutory Auditor has qualified the report stating the possible effects of misstatements on overall Consolidated Financial Statement could be material but not pervasive.

Explanations or comments by the Board: The Company has been trying to get the Audited Financials from Wemart, however, it could not be received in a timely manner and hence Unaudited Financial statement of Wemart was submitted to the Auditor for consolidation. The Board states that since there were no transactions in Wemart during the year, there will not be any major impact on the group and Consolidated Financial Statements.

The Statement on Impact of Audit Qualifications as provided in Regulation 34(2)(a) of SEBI (LODR) Regulations, 2015 is provided in this Annual Report after the Statutory Auditor's Report on consolidated Financial Statements for the year ended March 31, 2021.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

Pursuant to provisions of the Section 143(12) of the Companies Act, 2013, neither the Statutory Auditors nor the Secretarial Auditor has reported any incident of fraud to the Audit Committee or Board during the year.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed D. M. ZAVERI & CO., Company Secretaries as Secretarial Auditor to undertake the Secretarial Audit of the Company for the year 2020-21. The Secretarial Audit Report as issued by M/s. D. M. ZAVERI & CO. forms part of this Director's Report and is marked as "Annexure B".

M/s. D. M. ZAVERI & CO. have qualified their report with following points:

1. There was a delay in filing of Annual Performance Report (APR) with Reserve Bank of India for the Financial year 2019-20, which was required to be filed on or before 31st December, 2020 but the Company had filed the same on 12th April 2021.

Explanations or comments by the Board: The said delay occurred mainly due to non-availability of Audited Financial Statement of the Subsidiary within due date for which APR was required to be filed.

2. There was significant delay in opening of separate bank account required for payment of Dividend to the shareholders for the Dividend declared at the 13th Annual General Meeting held on 29th September, 2020, however in order to initiate payment to the eligible shareholders, the Company has transferred the dividend amount to another bank account available with the Company and initiated process of making payment of dividend to all those eligible shareholders.

Explanations or comments by the Board: Reserve Bank of India (RBI) vide its Circular No. RBI/2020-21/20 DOR.No.BP.BC/7/21.04.048/2020-21 dated 6th August, 2020, had instructed banks not to open current accounts for customers who have availed credit facilities in the form of cash credit (CC)/ overdraft (OD) from other banking system and all such transactions shall be routed through the same banking system with which such CC/OD facility is availed. Initially the Company has approached HDFC Bank for opening of new dividend account but in view of restriction imposed as per RBI circular the Company could not able to open such dividend account with HDFC Bank. Since Company had availed cash credit (CC) facility from Canara Bank the said dividend account need to be opened with Canara Bank only in view of above mentioned RBI circular but the branch of the Canara bank from which Company has availed CC facility does not provide facility for opening of such separate dividend account and in view of restriction as per RBI circular the company could not able to open such Dividend Account with HDFC bank. Finally RBI vide its Circular No RBI/2020-21/79 DOR.No.BP.BC.30/21.04.048/2020-21 dated 14th December, 2020 has given relaxation from such restriction imposed vide its earlier circular dated 29th September, 2020 and in view of the same now Company has approached HDFC Bank again and in process of completing necessary compliances.

Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Board of Directors of the Company have appointed M/s. Sanket Sangoi & Associates, to conduct internal audit for the Company for the financial year 2020-21. The Internal Auditor reports to Audit Committee. The Audit Committee reviews reports submitted by Internal Auditors. Suggestions for improvement are considered and the Audit Committee reviews on the corrective actions taken by the Management.

Cost Audit

During the year, Company was exempted from applicability of maintenance of cost records and Cost Audit pursuant to the provisions of Section 148 of the Companies Act, 2013 read with second proviso of Rule 3 of the Companies (Cost Records and Audit) Rules, 2014.

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

The Company has strong commitment towards conservation of energy, natural resources and adoption of latest technology in its areas of operation.

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is provided as Annexure C of Director's Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as Annexure D of Director's Report.

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the Members excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information is available for inspection by the members.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, in respect of the year ended March 31, 2021, confirm that:

- A.** in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- B.** the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- C.** the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- D.** the directors had prepared the standalone annual accounts on a going concern basis while the consolidated annual accounts have been regrouped to reflect the financials of entities which have ceased to operate and;
- E.** the directors had laid down internal financial controls to be followed by the Company and that such financial controls are adequate and are operating effectively;
- F.** the directors had devised proper systems to ensure compliance with the provisions of all applicable laws are in place and such systems are adequate and operating effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate system of internal controls commensurate with the size of its operation and business to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and to ensure that all the business transactions are authorized, recorded and reported correctly and adequately.

During the year, M/s. Sanket Sangoi & Associates, Chartered Accountants were appointed as the Internal Auditors by the Board of Directors. The Audit Committee reviews reports submitted by Internal Auditor. Suggestions for

improvement are considered and the Audit Committee reviews on the corrective actions taken by the Management. The Internal Auditor report directly reports to Audit Committee.

For more details on the topic, please refer to the Management Discussion and Analysis report which form part of the Annual Report.

BOARD MEETINGS

The details of the Board meetings held during FY 2020-21 are disclosed in the Corporate Governance Report appended to this Report.

COMMITTEES OF THE BOARD:

The Board of Directors has constituted various statutory committees comprising of Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other applicable statutes, rules and regulations applicable to the Company from time to time.

Currently, the Board of Directors has formulated following committees, viz.

- i. Audit Committee
- ii. Nomination & Remuneration Committee
- iii. Stakeholder's Relationship Committee

The details of the meetings, composition and terms of reference of the Committees are disclosed in Corporate Governance Report appended to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

For the year 2020-21, the provisions of Section 135 of the Companies Act, 2013 w.r.t. Corporate Social Responsibility are not applicable to the Company.

VIGIL MECHANISM

Pursuant to Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, your Company has adopted Whistle Blower Policy for Directors and employees to report genuine concerns to the management of the Company. The whistle blower policy of the Company is posted on the website of the Company and may be accessed at <https://www.panachedigilife.com/Investors>.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED BY THE COMPANY

The loans given, investments made and guarantees given & securities provided during the year, are in compliance with the provisions of the Section 186 of the Act and Rules made thereunder and details thereof are given in the Notes to the Standalone Financial Statements.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY

All transactions entered into by the Company with related parties were in the ordinary course of business and at arm's length basis. The Audit Committee grants an omnibus approval for the transactions that are in the ordinary course of the business and repetitive in nature. For other transactions, the Company obtains specific approval of the Audit Committee before entering into any such transactions. A statement giving details of all Related Party Transactions are placed before the Audit Committee on a quarterly basis for its review. Disclosure as required by the Indian Accounting Standards (Ind AS 24) has been made in the notes to the Financial Statements.

There were no materially significant RPTs made by the Company with Promoters, Directors, KMPs or Body Corporate(s), which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of RPTs as required under the provisions of Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

The Policy on related party transactions, as formulated by the Board is available on the Company's website at <https://www.panachedigilife.com/Investors>.

RISK MANAGEMENT

The Company has formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure will be reviewed by the Audit Committee and Board of Directors on time to time basis.

For more details on the topic, please refer to the Management Discussion and Analysis report which forms part of the Annual Report. Policy on Risk Management is available on the Company's website at <https://www.panachedigilife.com/Investors>.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this Policy and the Policy is gender neutral. During the year, no complaints of any nature were received.

The Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace is available on the Company's website at <https://www.panachedigilife.com/Investors>.

ANNUAL RETURN

The Annual Return in Form MGT 7 as required under Section 92(3) of the Companies Act, 2013 is available on the website of the Company at <https://www.panachedigilife.com/Investors>.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year, no significant and material orders have been passed against the Company by any Regulators or Courts or Tribunals impacting the Company's going concern status and operations in future.

POLICIES AND DISCLOSURE REQUIREMENTS

Pursuant to provisions of the Companies Act, 2013 and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted various applicable policies. The policies are available on Company's website at <https://www.panachedigilife.com/Investors>.

The Nomination and Remuneration Policy of the Company has been formulated in terms of Section 178 of the Companies Act, 2013 ("the Act"). This Policy governs policy relating to Director's, Key Managerial Personnel's and

other employee's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director. The complete disclosure of the said policy is available on the Company's website at <https://www.panachedigilife.com/Investors>.

HUMAN RESOURCE/INDUSTRIAL RELATIONS

The Company understands that people are its most valuable assets. The Company recognises its diverse employees as the primary source of its competitiveness and continues focus on their development through digital and bespoke interventions. The Company has developed a continuous learning human resource base to unleash potential and fulfil the aspirations of the employees. The strategic thrust of Human Resource has been on improvement of the performance of employees through training & development and also to identify outperformers who have the potential for taking higher responsibilities.

During the unprecedented crisis of the COVID-19 pandemic, the Company, keeping in mind the safety and well-being of employees, introduced a remote working policy and also instituted measures to help the emotional well-being of people. Through various online initiatives the Company also focused on capability development of its employees during the pandemic.

The employee relations remained cordial throughout the year. The Company (excluding subsidiaries) had 48 employees on its rolls as on March 31, 2021. The Board places on record its sincere appreciation for the valuable contribution made by the employees across all levels whose enthusiasm, team efforts, devotion and sense of belonging has always made the Company proud. Material disclosures in the Human Resource front have been detailed under the head "Human Resource" in the Management Discussion & Analysis which forms a part of the Annual Report.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Government of India, Governments of various countries, concerned State Governments, other Government Authorities, Departments and Agencies, the Stakeholders, Business Associates, Banks, Financial Institutions, Customers, Vendors and Service Providers for the valuable support and co-operation extended by them during the year.

Your Directors would also like to place on record their sincere thanks and appreciation for the contribution, consistent hard work, dedication and commitment of our employees at all levels during such challenging times.

**For and on behalf of the Board of Directors of
Panache Digilife Limited**

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: August 12, 2021
Place: Mumbai

Annexure A to Directors Report

FORM AOC-1

(Pursuant to first proviso to section 129(3) read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/ joint ventures

Part A - Subsidiary

INR in lakhs

Sr. No.	Particulars	Details	
1	Name of the subsidiary	Wemart Global F.Z.E.	Technofy Digital Private Limited
2	The date since when subsidiary was acquired	November 21, 2016	June 4, 2019
3	Reporting period for subsidiary concerned, if different from holding company's reporting period	N.A.	N.A.
4	Reporting currency & Exchange rate as on last date of the relevant FY in case of foreign subsidiaries	INR 73.5047 per USD	INR
5	Share capital	INR 37.05	INR 1.00
6	Reserves & surplus	INR (47.89)	INR (220.28)
7	Total assets	NIL	INR 2256.23
8	Total Liabilities	INR 10.83	INR 2475.51
9	Investments	NIL	NIL
10	Turnover	NIL	NIL
11	Profit before taxation	INR (81.24)	INR (220.70)
12	Provision for taxation	NIL	NIL
13	Profit after taxation	INR (81.24)	INR (235.87)
14	Proposed Dividend	NIL	NIL
15	% of shareholding	100%	100%
<ul style="list-style-type: none"> • None of the subsidiaries of the Company as on March 31, 2021 are yet to commence business operations. • None of subsidiaries of the Company have been liquidated or sold during the period 2020-21. 			

Part B - Associates and Joint Ventures

INR in lakhs except face value

Sr. No.	Particulars	Details
1	Name	ICT Infratech Services Private Limited
2	Latest audited Balance Sheet	March 31, 2021
3	Date on which the Associate or Joint Venture was associated or acquired	January 7, 2019
4	Shares of Joint Venture held by the Company on the year end	
A	-Number	15,000 Equity Shares of Face Value ₹10/-
B	-Amount of Investment in Associates/Joint Venture	INR 1.50
C	- Extend of Holding %	50%
5	Description of how there is significant influence	Extent of equity holding in the associate company exceeds 20% along with Joint Venture Agreement
6	Reason why the joint venture is not consolidated	Not Applicable
7	Profit/Loss for the year	INR (1.03)
A	-Considered in consolidation	INR (0.51)
B	-Not Considered in consolidation	INR (0.52)
<ul style="list-style-type: none"> • None of the associates or joint ventures of Company as on March 31, 2021 are yet to commence business operations. • None of associates or joint ventures of Company have been liquidated or sold during the period 2020-21. 		

**For and on behalf of the Board of Directors of
Panache Digilife Limited**

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: August 12, 2021
Place: Mumbai

Secretarial Audit Report

Form No. MR-3

For the Financial year ended 31st March, 2021

[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,
Panache Digilife Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Panache Digilife 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 Panache Digilife Limited'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 31st March 2021, 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 the Company for the financial year ended on 31st March, 2021 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 the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('The SEBI'): -
 - (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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not relevant / applicable to the Company during the year under review)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not relevant / applicable to the Company during the year under review)**
 - (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; **(Not relevant / applicable to the Company during the year under review)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not relevant / applicable to the Company during the year under review)**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that based on the explanation given by the management of the Company, there are no other laws that are specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Government of India, as applicable under the Companies Act 2013;
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except following: -

1. There was a delay in filing of Annual Performance Report (APR) with Reserve Bank of India for the Financial year 2019-20, which was required to be filed on or before 31st December 2020 but the Company had filed the same on 12th April 2021.

As explained by the management said delay occurred mainly due to non-availability of Audited Financial Statement of the Subsidiary within due date for which APR was required to be filed.

2. There was significant delay in opening of separate bank account required for payment of Dividend to the shareholders for the Dividend declared at the 13th Annual General Meeting held on 29th September 2020, however in order to initiate payment to the eligible shareholders, the Company has transferred the dividend amount to another bank account available with the Company and initiated process of making payment of dividend to all those eligible shareholders.

As explained by the management, Reserve Bank of India (RBI) vide its Circular No. RBI/2020-21/20 DOR.No.BP.BC/7/21.04.048/2020-21 dated 6th August 2020, had instructed banks not to open current accounts for customers who have availed credit facilities in the form of cash credit (CC)/ overdraft (OD) from other banking system and all such transactions shall be routed through the same banking system with which such CC/OD facility is availed. Initially the Company has approached HDFC Bank for opening of new dividend account but in view of restriction imposed as per RBI circular the Company could not able to open such dividend account with HDFC Bank. Since Company had availed cash credit (CC) facility from Canara Bank the said dividend account need to be opened with Canara Bank only in view of above mentioned RBI circular but the branch of the Canara bank from which Company has availed CC facility does not provide facility for opening of such separate dividend account and in view of restriction as per RBI circular the company could not able to open such Dividend Account with HDFC bank. Finally RBI vide its Circular No RBI/2020-21/79 DOR.No.BP.BC.30/21.04.048/2020-21 dated 14th December, 2020 has given relaxation from such restriction imposed vide its earlier circular dated 29th September 2020 and in view of the same now Company has approached HDFC Bank again and in process of completing necessary compliances.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent Directors. 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 the directors to schedule the Board Meeting, 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the year under review, the members of the Company had approved the alteration in Object clause of Memorandum of Association at the 13th Annual General Meeting held on 29th September 2020.

For D. M. Zaveri & Co
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No: 5418
CP No: 4363

Place: Mumbai
Date: 12th August 2021
ICSI UDIN: F005418C000745652

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,
Panache Digilife Limited

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our 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.
7. Due to the pandemic caused by Covid-19 and prevailing lockdowns/restrictions on movement of people imposed by the Government, for the purpose of issuing this report, we have conducted our audit remotely based on the records and information made available to us by the Company electronically.

For D. M. Zaveri & Co
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No: 5418
CP No: 4363

Place: Mumbai
Date: 12th August 2021
ICSI UDIN: F005418C000745652

Annexure C to Directors Report

INFORMATION UNDER SECTION 134(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF COMPANIES (ACCOUNTS) RULES 2014, AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2021

A. Conservation of Energy

(i)	the steps taken or impact on conservation of energy	The Company's operations involve low energy consumption to run its office & factory and therefore the scope of energy conservation is limited. Nevertheless, in its Manufacturing Facility at Bhiwandi, the Company has installed low energy consumption Electric installations like LED Tube light etc. to reduce electricity consumption. The Company is taking all necessary measures for conservation of energy and creating awareness amongst the employees on the necessity of conservation of energy and the same is practiced regularly.
(ii)	the steps taken by the company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipment's	NIL

B. Technology absorption

(i)	the efforts made towards technology absorption	NIL
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	NA
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NIL
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	NIL

C. Foreign exchange earnings and Outgo

Particulars	INR
Foreign Exchange earnings	Nil
Foreign Exchange expenditure	22,85,52,708.92 /-

**For and on behalf of the Board of Directors of
Panache Digilife Limited**

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: August 12, 2021
Place: Mumbai

Annexure D to Directors Report

DETAILS OF DIRECTORS AND EMPLOYEE REMUNERATION

Information as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Particulars	Details
1	The ratio of the remuneration of each director to the median employees of the Company for the financial year	<ul style="list-style-type: none"> ➤ Amit Rambhia, Managing Director – 10.80x ➤ Nikit Rambhia, Joint Managing Director – 10.80x ➤ Devchand Rambhia, Whole-Time Director – 3.86x
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<ul style="list-style-type: none"> ➤ Amit Rambhia, Managing Director – Not increased ➤ Nikit Rambhia, Joint Managing Director – Not increased ➤ Devchand Rambhia, Whole-Time Director – Not increased ➤ Nitesh Savla, CFO – Not increased ➤ Jinkle Khimsaria, Company Secretary – Not increased ➤ Vishal Lalan, CEO – 25%
3	The percentage increase in the median remuneration of employees in the financial year	There has been an increase in the median remuneration of the employee in this year by 169.37% as compared to the previous year
4	The number of permanent employees on the rolls of company	48 employees
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration	<ul style="list-style-type: none"> ➤ Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year – 0.03 ➤ Average percentile increase already made in the salaries of the managerial personnel in the last financial year – Nil ➤ There is no material increase in the managerial remuneration
6	Remuneration is as per the remuneration policy of the company.	➤ It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

**For and on behalf of the Board of Directors of
Panache Digilife Limited**

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: August 12, 2021
Place: Mumbai

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended, but also several inherent core values at a superior level of business ethics, transparency, effective supervision and enhancement of shareholders' value. The Company continues to place greater emphasis on managing its affairs with diligence, transparency, responsibility and accountability and is committed to adopting and adhering to best Corporate Governance practices.

The Board considers itself as a trustee of Member and acknowledges its responsibilities towards them for creation and safeguarding their wealth. As a part of its growth strategy, it is committed to high levels of ethics and integrity in all its business dealings that avoid conflicts of interest. In order to conduct business with these principles, the Company has created a corporate structure based on business needs and maintains a high degree of transparency through regular disclosures with a focus on adequate control systems.

As a Company which believes in implementing corporate governance practices in letter and in spirit, the Company has adopted practices mandated by the Act and the Listing Regulations and has established procedures and systems to remain compliant with it. This report provides the Company's compliance with these provisions as on March 31, 2021.

II. BOARD OF DIRECTORS

1. Composition and category of directors

The Company is managed by the Board of Directors. The Board formulates strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. The Managing Directors & Whole-Time Director are responsible for day-to-day operations of the Company.

The Board of Directors of the Company comprises of a fair combination of Executive, Non-executive and Independent Directors with diverse professional background complying with the provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations.

The details of composition of Board and category of directors for the financial year ending March 31, 2021 are given below:

Sr. No.	Name	Designation	Promoter / Non-Promoter	Executive / Non-Executive	Independent / Non-Independent
1	Amit Rambhia	Chairman & Managing Director	Promoter	Executive	Non-Independent
2	Nikit Rambhia	Joint Managing Director	Promoter	Executive	Non-Independent
3	Devchand Rambhia	Whole Time Director	Promoter Group	Executive	Non-Independent
4	Meeta K. Mehta	Independent Director	Non-Promoter	Non-Executive	Independent
5	Bhavin Adani	Independent Director	Non-Promoter	Non-Executive	Independent
6	Shailesh Premji Gala ⁽¹⁾	Independent Director	Non-Promoter	Non-Executive	Independent
7	Gaurav Pratap Singh ⁽²⁾	Independent Director	Non-Promoter	Non-Executive	Independent

Note(s):

(1) Appointed as an independent director with effect from May 29, 2020

(2) Resigned as an independent director with effect from May 31, 2020

2. Board Meetings, Procedure and Attendance of Directors

The Meetings of the Board of Directors are scheduled well in advance and generally held at the Company's Corporate Office in Mumbai and all the necessary information and documents as required under requisite Regulation of the Listing Regulations pertaining to the meeting are made available to Board of Directors. Senior Executives / Management of the Company are invited to attend the Meetings of the Board and Committees, to make presentations and provide clarifications as and when required. The Board meets at least once a quarter to review the quarterly performance and approve the financial results.

During the year 2020-21, Four (4) board meetings were held on July 29, 2020, August 26, 2020, November 9, 2020, and February 11, 2021.

The details of attendance of each Director at the Board Meetings & 13th AGM are given below;

Sr. No.	Name of the Director	No. of Board Meetings eligible	No. of Board Meetings attended	Attendance at 13 th AGM (September 29, 2020)
1	Amit Rambhia	4	4	Yes
2	Nikit Rambhia	4	4	Yes
3	Devchand Rambhia	4	4	Yes
4	Meeta K. Mehta	4	4	Yes
5	Bhavin Adani	4	4	Yes
6	Shailesh Premji Gala ⁽¹⁾	4	4	Yes
7	Gaurav Pratap Singh ⁽²⁾	-	-	-

Note(s):

(1) Appointed as an independent director with effect from May 29, 2020

(2) Resigned as an independent director with effect from May 31, 2020

3. Number of other board of directors or committees in which a director is a member or chairperson

Sr. No.	Name of the Director	Other Companies as on March 31, 2021 ⁽¹⁾				Directorship in other listed entities ⁽¹⁾	
		Board Directorship	Board Chairmanship	Committee Memberships ^{(2) (3)}	Committee Chairmanships ^{(2) (3)}	Name	Category
1	Amit Rambhia	2	2	2	-	Panache Innovations Limited	NED [#]
2	Nikit Rambhia	1	-	-	-	-	-
3	Devchand Rambhia	1	1	-	-	-	-
4	Meeta K. Mehta	1	-	1	1	Panache Innovations Limited	ID [#]
5	Bhavin Adani	1	-	-	-	-	-
6	Shailesh Premji Gala ⁽⁴⁾	1	-	1	1	Panache Innovations Limited	ID [#]
7	Gaurav Pratap Singh ⁽⁵⁾	1	-	1	1	Panache Innovations Limited	ID [#]

Note(s):

(1) Details are excluding Panache Digilife Limited

(2) Excluding Directorships in Private Companies, Foreign Companies and Companies under Section 8.

(3) Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee only has been considered.

(4) Appointed as an independent director with effect from May 29, 2020

(5) Resigned as an independent director with effect from May 31, 2020

#NED – Non-Executive Director; ID – Independent Director.

4. Number of meetings of the board of directors held and dates on which held during financial year ending on March 31, 2021:

Dates of Board meeting	Board Strength	No. of Directors Present
July 29, 2020	6	6
August 26, 2020	6	6
November 9, 2020	6	6
February 11, 2021	6	6

5. Disclosure of relationships between directors inter-se

Director	Other Directors	Relation
Amit Rambhia	Devchand Rambhia	Son-Father
Nikit Rambhia		
Nikit Rambhia	Amit Rambhia	Siblings

6. Number of shares and convertible instruments held by non-executive directors

Non-executive director	No. of Shares / convertible instruments
Meeta K. Mehta	-
Bhavin Adani	-
Shailesh Gala	-

7. Web link where details of familiarization programmes imparted to independent directors is disclosed at <https://www.panachedigilife.com/Investors>.

8. Independent Director's Separate Meeting

A separate meeting of Independent Directors of the Company, was held on February 11, 2021 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations.

At the meeting following matters were taken up;

- reviewed the performance of Non-Independent Directors and the Board as a whole.
- reviewed the performance of the Chairperson of the Company.
- assess the quality, quantity and timeliness of flow of information.

All Independent Directors of the Company attended the Meeting of Independent Directors.

9. The Company has a mechanism in place for ensuring orderly succession for appointments to the Board and Senior Management.

10. Skills, Expertise and Competencies of the Board

The Board of Directors has, identified the following core skills/ expertise/competencies of Directors as required in the context of business of the Company for its effective functioning.

Skills, expertise and competencies	Industry Experience & Knowledge
	Leadership experience and general management
	Technical skills/experience;
	<ul style="list-style-type: none"> - Accounting & Auditing - Corporate Finance - Legal, Secretarial and Compliance - Risk Management and corporate governance - Business Strategy

	Human Resource Management & communication
	Information Technology
	Marketing
	Behavioural Competencies
	<ul style="list-style-type: none"> - Integrity and ethical Standards - Mentoring abilities - Interpersonal relations

Given below is a list of core skills, expertise and competencies of the individual Directors:

Sr. No.	skills / expertise / competencies*	Amit Rambhia	Nikit Rambhia	Devchand Rambhia	Meeta K. Mehta	Bhavin Adani	Shailesh Gala
A	Industry Experience & Knowledge	✓	✓	✓	✓	✓	✓
B	Leadership experience and general management						
-	Accounting & Auditing	✓	✓	✓	✓	✓	✓
-	Corporate Finance	✓	✓	✓	✓	✓	✓
-	Legal, Secretarial and Compliance	✓	✓	✓	✓	✓	✓
-	Risk Management and corporate governance	✓	✓	✓	✓	✓	✓
-	Business Strategy	✓	✓	✓	✓	✓	✓
C	Human Resource Management & communication	✓	✓	✓	✓	✓	✓
D	Information Technology	✓	✓	✓	✓	✓	✓
E	Marketing	✓	✓	✓	✓	✓	✓
F	Behavioural Competencies						
-	Integrity and ethical Standards	✓	✓	✓	✓	✓	✓
-	Mentoring abilities	✓	✓	✓	✓	✓	✓
-	Interpersonal relations	✓	✓	✓	✓	✓	✓

*The Board as a whole possesses the identified skills, expertise and competencies as are required in the context of business of the Company. However, these skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein at the same scale.

11. The Board is of the opinion that the independent directors fulfil the conditions required for independent directors as per the provisions of Companies Act, 2013 and SEBI Listing Regulations and all other applicable laws and are independent of the management.
12. Mr. Gaurav Pratap Singh was appointed as the Independent Director for a period of 5 years effective from July 23, 2019 to July 22, 2024. He has tendered his resignation as Independent Director effective from May 30, 2020 pursuant to his other professional as well as business opportunities where he could focus and contribute his experience and expertise towards his best interest and hence he was not willing to shoulder the responsibilities as an independent director and he has provided a confirmation to the company that there are no other material reasons other than those provided.

COMMITTEES OF THE BOARD

The Board of Directors has constituted various statutory committees comprising of Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other applicable statutes, rules and regulations applicable to the Company from time to time. The Committees also focus on critical functions of the Company in order to ensure smooth and efficient business operations. The Board of Directors is responsible for constituting, assigning, co-opting and fixing the terms of reference of these committees in line with the extant regulatory requirements. The Committees meets at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation. Meetings of each of these Committees are headed by the respective Chairman, who also inform the Board about the summary of discussions held in those Meetings. The Board of Directors confirm that during the year, it had accepted all mandatory recommendations received from its committees.

Currently, the Board of Directors has formulated following committees, viz.

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee

III. AUDIT COMMITTEE

1. Brief description of terms of reference:

The Audit Committee acts as a link between the statutory / internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The scope and function of the Audit Committee are in accordance with the Act and Regulation 18 of the Listing Regulations.

2. The Audit Committee has the following powers;

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employee;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise if it considers necessary.

3. The Audit Committee mandatorily reviews the following information;

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and

- v. the appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

All the recommendations by the Audit Committee to the Board during the year have been accepted.

All the members of the Audit Committee are financially literate and have accounting or related financial management expertise. The Company Secretary is the Secretary to the Committee.

4. The role of the Audit Committee is not limited to but includes;

1. 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.
2. Recommending for appointment, remuneration and terms of appointment of the auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, Quarterly / half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and

also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.

19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
23. Carrying out all the functions as may be entrusted (i) by the Board of Directors, from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provision.
24. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition of Audit Committee and attendance of Members

During the year 2020-21, Four (4) Audit Committee meetings were held on July 29, 2020, August 26, 2020, November 9, 2020 and February 11, 2021.

The Composition of the Audit Committee, meetings and attendance of the members thereat during the financial year ending as on March 31, 2021 is as follows:

Sr. No.	Name of the Committee Member	Position in the Committee	No. of Committee Meetings eligible	No. of Committee Meetings attended
1	Meeta K. Mehta	Chairperson	4	4
2	Amit Rambhia	Member	4	4
3	Bhavin Adani	Member	4	4
4	Shailesh Premji Gala ⁽¹⁾	Member	4	4
5	Gaurav Pratap Singh ⁽²⁾	Member	-	-

Note(s):

(1) Appointed as an independent director with effect from May 29, 2020

(2) Resigned as an independent director with effect from May 31, 2020

During the year 2020-21, pursuant to Changes in the Directors, the Audit Committee was reconstituted on May 29, 2020 as follows;

Sr. No.	Name of the Committee Member	Position in the Committee
1	Meeta K. Mehta	Chairperson
2	Shailesh Premji Gala	Member
3	Amit Rambhia	Member
4	Bhavin Adani	Member

IV. NOMINATION AND REMUNERATION COMMITTEE

1. Brief description of terms of reference:

The scope and terms of reference of the Nomination and Remuneration Committee includes recommending to the Board from time to time the remuneration of Directors, Key Managerial Personnel and Senior Management Personnel as more specifically detailed in Part D of Schedule II of the Listing Regulations in addition to the requirements of Section 178 of the Act.

2. Role of the Nomination and Remuneration Committee not limited to but includes

1. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs, Senior Management and other employees.
2. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
3. Formulation of criteria for evaluation of performance of independent directors and Board of Directors
4. Devising a policy on diversity of board of directors
5. Deciding on, whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors.
6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
7. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
8. Decide the amount of Commission payable to the Whole time Director / Managing Directors.
9. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
10. To formulate and administer the Employee Stock Option Scheme.
11. Carrying out all the functions as may be entrusted (i) by the Board of Directors, from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provision.

3. Composition of Nomination and Remuneration Committee and attendance of Members

During the year 2020-21, two (2) Nomination and Remuneration Committee meetings were held on July 29, 2020, and February 11, 2021.

The Composition of the Nomination and Remuneration Committee, meetings and attendance of the members thereat during the financial year ending as on March 31, 2021 is as follows:

Sr. No.	Name of the Committee Member	Position in the Committee	No. of Committee Meetings eligible	No. of Committee Meetings attended
1	Bhavin Adani	Chairman	2	2
2	Meeta K. Mehta	Member	2	2
3	Shailesh Gala ⁽¹⁾	Member	2	2
4	Gaurav Pratap Singh ⁽²⁾	Member	2	2

Note(s):

(1) Appointed as an independent director with effect from May 29, 2020

(2) Resigned as an independent director with effect from May 31, 2020

During the year 2020-21, pursuant to Changes in the Directors, the Nomination and Remuneration Committee was reconstituted on May 29, 2020 as follows;

Sr. No.	Name of the Committee Member	Position in the Committee
1	Bhavin Adani	Chairperson
2	Meeta K Mehta	Member
3	Shailesh Premji Gala	Member

4. Performance evaluation for Board, Chairman, Committees and individual Directors including Independent Directors

Pursuant to Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has "Directors Performance Evaluation Policy" in place. In accordance with the said Policy, all the Directors had filled Up Questionnaire and feedback form for evaluation of individual Directors, Board as a whole, Chairman, committees, and Independent Directors, which format forms a part of the policy. Thereafter Board evaluated every Director including Independent Director on February 11, 2021 except for the Directors who are subject to evaluation.

The Board has also evaluated its own performance, Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Chairman and all Directors individually. The Board concluded that the overall performance of all the Directors were very good.

V. REMUNERATION OF DIRECTORS

1. Criteria of making payments to non-executive directors.

Currently the Non-Executive Directors are paid remuneration by way of sitting fee for attending the meetings of the Board and Committees and in accordance with Nomination and Remuneration Policy which is available at the website of the Company at <https://www.panachedigilife.com/Investors>.

2. Remuneration to Directors

The Remuneration paid to Directors for the Financial Year 2020-21 is as follows;

Sr. No.	Particulars of Remuneration	Amit D Rambhia CMD	Nikit D Rambhia JMD	Devchand L Rambhia WTD	Meeta K. Mehta ID	Bhavin Adani ID	Shailesh Premji Gala ⁽¹⁾ ID
1	Salary	28,00,000	28,00,000	10,50,000	-	-	-
2	Benefits	-	-	-	-	-	-
3	Bonus	-	-	-	-	-	-
4	Stock Option	-	-	-	-	-	-
5	Pension	-	-	-	-	-	-
6	Others, please specify	-	-	-	-	-	-
7	Performance linked incentives	-	-	-	-	-	-
8	Sitting fees for attending board / committee meetings	-	-	-	20,000	20,000	20,000
	Total	28,00,000	28,00,000	10,50,000	20,000	20,000	20,000
9	Service Contract	3 years w.e.f. 17.02.2020	3 years w.e.f. 17.02.2020	3 years w.e.f. 17.02.2020	5 years w.e.f. 17.02.2018	5 years w.e.f. 17.02.2018	5 years w.e.f. 29.05.2020
10	Notice Period	⁽²⁾	⁽²⁾	⁽²⁾	-	-	-
11	Severance Fees	-	-	-	-	-	-

Note(s):

(1) Appointed as an independent director with effect from May 29, 2020

(2) unless otherwise agreed for no notice period, by Company-1 month; by Director-3 months

Apart from the above, the Company does not have any other pecuniary relationship or transactions with the Non-Executive Directors.

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

1. Brief description of terms of reference

The terms of reference of the Stakeholders' Relationship Committee of the Company are in accordance with Section 178 of the Act and Regulation 20 of the Listing Regulations which *inter alia* include:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.
5. Oversee compliances in respect of transfer of unclaimed amounts and shares to and from the Investor Education and Protection Fund.
6. Carrying out all the functions as may be entrusted (i) by the Board of Directors, from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provision.

2. Composition of Stakeholders' Relationship Committee and attendance of Members

During the year 2020-21, one (1) Stakeholders' Relationship Committee meeting was held on February 11, 2021.

The Composition of the Stakeholders' Relationship Committee, meetings and attendance of the members thereat during the financial year ending as on March 31, 2021 is as follows:

Sr. No.	Name of the Member	Position in the Committee	No. of Committee Meetings eligible	No. of Committee Meetings attended
1	Shailesh Premji Gala ⁽¹⁾	Chairman	1	1
2	Gaurav Pratap Singh ⁽²⁾	Chairman	-	-
3	Nikit Rambhia	Member	1	1
4	Bhavin Adani	Member	1	1

Note(s):

(1) Appointed as an independent director with effect from May 29, 2020

(2) Resigned as an independent director with effect from May 31, 2020

During the year 2020-21, pursuant to Changes in the Directors, the Stakeholders' Relationship Committee was reconstituted on May 29, 2020 as follows:

Sr. No.	Name of the Committee Member	Position in the Committee
1	Shailesh Premji Gala	Chairperson
2	Nikit Rambhia	Member
3	Bhavin Adani	Member

The Company Secretary of the Company is the Compliance Officer for the purpose of the SEBI Listing Regulations.

The details of complaints received and resolved during the Financial Year 2020-21 are given in the table below:

Particulars	No. of Complaints
Opening as on April 1, 2020	-
Received till March 31, 2021	-
Resolved till March 31, 2021	-
Closing as on March 31, 2021	-

VII. RISK MANAGEMENT COMMITTEE

Regulation 21 of the SEBI Listing Regulations mandates top 1000 listed entities based on market capitalization as at the end of the immediate previous financial year to constitute the Risk Management

Committee. Presently, the provisions of Regulation 21 of the SEBI Listing Regulations pertaining to 'Risk Management Committee' are not applicable to the Company.

VIII. GENERAL BODY MEETINGS

1. Details of last three AGM and the summary of Special Resolutions passed therein, if any, are as under

AGM of the year	Date / Time	Special Resolutions Passed	Location(s)
2019-20	September 29, 2020 3.00 p.m.	<ul style="list-style-type: none"> Alteration of Object Clause of Memorandum of Association 	Held through Vedio Conferencing
2018-19	September, 20, 2019 3.00 p.m.	<ul style="list-style-type: none"> Re-appointment of Mr. Amit Rambhia as Managing Director Re-appointment of Mr. Nikit Rambhia as Joint Managing Director Re-appointment of Mr. Devchand Rambhia as Whole-Time Director Approval of Related Party Transactions Approval of limits for the Loans, Guarantees and Investment by the Company as per Section 186 of the Companies Act, 2013 Approval of Panache Digilife Limited – Employee Stock Option Scheme, 2019 (PDL-ESOS 2019) Approval for grant of options to the employees of the holding and subsidiary company (ies) under Panache Digilife Limited – Employee Stock Option Scheme, 2019 (PDL-ESOS 2019) Approval for grant of options equal to or exceeding 1% of the issued capital of the company under Panache Digilife Limited – Employee Stock Option Scheme, 2019 (PDL-ESOS 2019) 	Shangrila Resort, Mumbai - Nashik Highway, Bhiwandi, By Pass End, Gangaram Pada, Vadpe, Bhiwandi, Thane - 421302, Maharashtra, India
2017-18	September, 25, 2018 3.00 p.m.	<ul style="list-style-type: none"> Alteration of object clause of Memorandum of Association. Shift of Registered Office of the Company. 	Unit No. 201/B1, Raheja Plaza-1, L.B.S. Marg, Ghatkopar West, Mumbai - 400086, Maharashtra, India

2. Details of Resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern: During the financial year 2020-21, there is no resolution passed through Postal Ballot

IX. MEANS OF COMMUNICATION

In accordance with Regulation 46 of the SEBI Listing Regulations, the Company has maintained a functional website at www.panachedigilife.com containing information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, details of the

policies approved by the Company, contact information of the designated official of the Company, who is responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

1. Quarterly results

The quarterly, half-yearly and yearly financial results are submitted to NSE within 30 minutes after the conclusion of the Board meeting and are also displayed on the Company's website i.e. www.panachedigilife.com.

2. Newspapers wherein results normally published

The quarterly, half-yearly and yearly financial results are published in Financial Express & Mumbai Lakshadeep within the prescribed time limit.

3. Any website, where displayed

The financial results are also displayed on the website of the Company at www.panachedigilife.com and uploaded on the website of NSE.

4. Whether it also displays official news releases

Press Release, if any, made by the Company from time to time are also displayed on the Company's website at www.panachedigilife.com and uploaded on the website of NSE.

5. Presentations made to institutional investors or to the analysts

Presentations, if any, made by the Company for institutional investors or to the analysts from time to time are also displayed on the Company's website at www.panachedigilife.com and uploaded on the website of NSE.

Further, the Company disseminates to NSE, wherein its equity shares are listed, all mandatory information and price sensitive / such other information, which in its opinion, are material and / or have a bearing on its performance / operations and issues press releases, wherever necessary, for the information of the public at large.

X. GENERAL SHAREHOLDER INFORMATION

Sr. No	Salient Items of Interest	Particulars
1	AGM Date, time and venue	Tuesday, September 28, 2021 at 3.00 pm (IST). The Company is conducting AGM through VC / OAVM pursuant to the MCA / SEBI Circulars, hence there is no requirement to have a venue for the AGM. For details please refer to the Notice of AGM separately provided in this Annual Report.
2	Financial year	April 1 – March 31
3	Date of Book closure	September 22, 2021 to September 28, 2021 (both days inclusive)
4	Dividend Payment Date	The Board of Directors has not recommended any dividend on equity shares for the year ended March 31, 2021
5	The name and address of the stock exchange at which the listed entity's share are listed and a confirmation about payment of annual listing fee to each of such stock exchange	National Stock Exchange of India. Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra East, Mumbai — 400 051 The Company has paid the listing fees to the Stock Exchange for the FY 2020-21 & 2021-22.

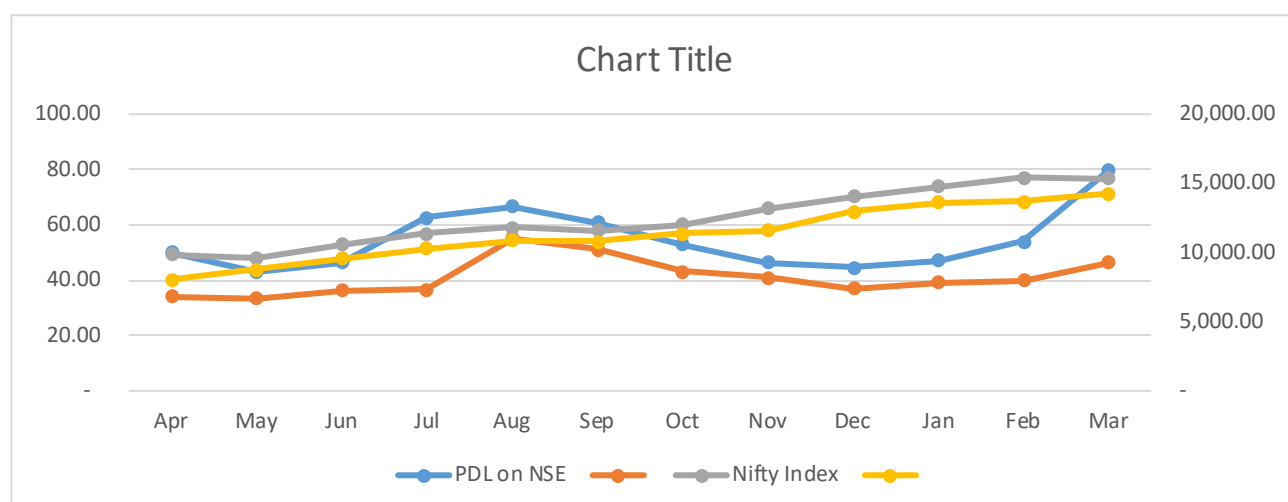
6	NSE SYMBOL	PANACHE
7	Registrar & Share Transfer Agent	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol , Andheri East, Mumbai – 400059. Tel: 022-62638200, Email: investor@bigshareonline.com Website: www.bigshareonline.com
8	Share Transfer System	Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent, however, on the date of this report 100% of the total issued, subscribed and paid-up equity share capital of the Company is in Dematerialized form. Also, as per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. Effective April 1, 2019, transfer of shares in physical form has ceased. The Company ensures that the half yearly Compliance Certificate pursuant to Regulation 40(9) and 40(10) of Listing Regulations are filed with Stock Exchange.
9	Dematerialization of shares and liquidity	As on the date of this report 100% of the total issued, subscribed and paid-up equity share capital of the Company is in Dematerialized form. The equity shares of the Company are traded on the Main Board of NSE Limited.
10	Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity	The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2021, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.
11	Plant Location	Bhiwandi Bldg.A3, 102-108 & 201-208, Babosa Industrial Park, Mumbai-Nashik Highway NH3, Saravali Village, Bhiwandi, Thane – 421302, Maharashtra, India.
12	Address for correspondence	Registered Office Bldg.A3, 102-108 & 201-208, Babosa Industrial Park, Mumbai-Nashik Highway NH3, Saravali Village, Bhiwandi, Thane – 421302, Maharashtra, India Corporate Office Unit No. 002, Raheja Plaza – 1, LBS Marg, Ghatkopar West, Mumbai – 400 086 Maharashtra, India
13	In case securities are suspended from trading, the directors report shall explain the reason thereof	N.A.
14	Commodity Price Risk or foreign exchange risk and hedging activities	During the year ended March 31, 2021, the Company had managed the foreign exchange risk. The Company, whenever required, enters into forward contracts for hedging foreign exchange exposures against imports. The details of foreign currency exposure are disclosed in Notes to the Standalone and Consolidated financial statements. The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not required to be given.

15	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	<p>*Ratings</p> <p>Published on March 24, 2021</p> <table><tr><td>Long Term Rating</td><td>ICRA BB+/Stable</td></tr><tr><td>Short Term Rating</td><td>ICRA A4+</td></tr></table> <p>*For further details about the rating, it is available at the website of ICRA Limited.</p>	Long Term Rating	ICRA BB+/Stable	Short Term Rating	ICRA A4+
Long Term Rating	ICRA BB+/Stable					
Short Term Rating	ICRA A4+					

16	Market price data- high, low during each month in last financial year in comparison of NSE Index
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Month	National Stock Exchange of India Limited –Main Board		NSE Nifty 50	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April	50.00	34.00	9,889.05	8,055.80
May	43.00	33.30	9,598.85	8,806.75
June	46.45	36.10	10,553.15	9,544.35
July	62.50	36.75	11,341.40	10,299.60
August	66.45	55.00	11,794.25	10,882.25
September	60.95	51.10	11,618.10	10,790.20
October	53.05	43.15	12,025.45	11,347.05
November	46.25	41.00	13,145.85	11,557.40
December	44.45	37.15	14,024.85	12,962.80
January	47.00	39.15	14,753.55	13,596.75
February	54.00	40.00	15,431.75	13,661.75
March	79.65	46.45	15,336.30	14,264.40

17	Performance in comparison to broad-based indices- Nifty Index
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18. Distribution of shareholding as on March 31, 2021

Category (Shares)	Shareholders		Shareholding	
	Number	%	Number	%
1-500	1117	83.7331	76724	0.6394
501-1000	51	3.8231	41319	0.3443
1001-2000	29	2.1739	44094	0.3675
2001-3000	19	1.4243	49240	0.4103
3001-4000	42	3.1484	135911	1.1326
4001-5000	6	0.4498	27877	0.2323
5001-10000	19	1.4243	151426	1.2619
10001 & Above	51	3.8231	11473409	95.6117
Total	1334	100.00	12000000	100.00

19. Categories of Shareholders as on March 31, 2021

Category				No. of Shares	%
A. Shareholding of Promoter & Promoter Group					
	1.	Indian			
		a.	Individuals/ Hindu Undivided Family	5600000	46.66
		b.	Others Director's Relatives	2259200	18.83
		Sub Total (A) [1]		7859200	65.49
	2.	Foreign		0	0
		Sub Total (A) [2]		0	0
A.	Total Shareholding of Promoter & Promoter Group (A) = (A) (1) + (A) (2)			7859200	65.49
B. Public Shareholding					
	1.	Institutions		0	0
		a.	Mutual Funds	0	0
		b.	Foreign Institutions / Banks	0	0
		c.	Venture Capital Fund /Alternate Investment Funds	0	0
		d.	Insurance Companies	0	0
		e.	Foreign Institutional Investors	0	0
		f.	Provident Funds/ Pension Funds	0	0
		g.	Central / State Government	0	0
		Sub Total (B) [1]		0	0
	2.	Non – Institutions			
		a.	Resident Individuals		
		i.	Individual shareholders holding nominal share capital upto Rs. 2 lakhs.	594445	4.95
		ii.	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	2819482	23.50
		b.	NBFC registered with RBI	0	0
		c.	Any Others (Specify)		
		i.	Trusts	0	0
		ii.	Overseas Depositories	0	0
		iii.	Clearing Members	39260	0.33
		iv.	Hindu Undivided Family	409772	3.41
		v.	Other Body Corporate	252741	2.11
		vi.	Non-Resident Indian	25100	0.21
		Sub Total (B) [2]		4140800	34.51
	Total Public Shareholding (B) = (B) (1) + (B) (2)			4140800	34.51
Grand Total (A) + (B)				12000000	100

XI. OTHER DISCLOSURES

1. Materially significant related party transactions

All transactions entered in to with the related parties as defined under the Act during the year under review were in the ordinary course of business and on arm's length basis. There were no transactions of material nature with the Directors, management, their relatives or the subsidiaries, which had potential conflict with the interests of the Company.

Related party transactions have been disclosed in the notes to the financial statements in accordance with Ind AS 24. As required under Regulation 23 of the Listing Regulations the Company has formulated a policy on related party transactions. The Policy is available on the Company's website at <https://www.panachedigilife.com/Investors>.

2. Details of non-compliance related to capital markets

There were no instances of non-compliance by the Company and no penalties or strictures were imposed on the Company by NSE, SEBI or other statutory authority on any matter relating to the capital markets, during the last three years.

3. Whistle blower policy- Vigil Mechanism

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company, has put in place a system through which the Directors, employees and business associates may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct without fear of reprisal.

The Company has put in place a process by which employees and business associates have direct access to the Vigilance Officer and Chairman of Audit Committee and it is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Whistle Blower Policy has been posted on the Company's website at <https://www.panachedigilife.com/Investors>.

4. Compliance with mandatory requirements

For report on compliance with mandatory requirements, kindly refer point no. XII below. The Company has submitted the quarterly compliance reports on corporate governance to the stock exchanges within the prescribed time limit.

5. Compliance with non-mandatory requirements:

The status of compliance with the non-mandatory requirements as specified in Part 'E' of Schedule II to the SEBI Listing Regulations is provided below:

a. Non-Executive Chairman's Office:

The Chairman of the Company is an Executive Chairman and hence the provisions pertaining to Non-Executive Chairman are not applicable to the Company.

b. Shareholder Rights:

The quarterly, half yearly and annual financial results of the Company are published in local leading English and Marathi newspapers and are also posted on the Company's website. Hence the same are not sent to the shareholders.

c. Audit Qualifications:

Appropriate management explanations to the Auditors' observations made in their respective reports have been provided in the Director's Report.

d. Reporting of Internal Auditors:

The Internal Auditors report directly to the Audit Committee

6. Policy for determining 'Material' Subsidiaries

The policy for determining 'material' subsidiaries can be accessed from the Company's website at <https://www.panachedigilife.com/Investors>.

7. Policy on Related Party Transactions

The policy on dealing with related party transactions can be accessed from the Company's website at <https://www.panachedigilife.com/Investors>.

8. Details of utilization of funds

During the year under review, the Company has not raised funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulation

9. Certificate with respect to disqualification or otherwise of directors

The certificate has obtained a certificate from Mr. Dharmesh Zaveri of M/s. D.M. Zaveri & Co., Practicing Company Secretary, confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. A copy of the said certificate is appended as Annexure I to Corporate Governance Report.

10. Non-acceptance of any recommendation of any Committee of the Board which was mandatorily required:

During the year under review, the Board has accepted the recommendations made by various Committees of the Board of Directors of the Company.

11. Consolidated fees to the Statutory Auditor

The Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor (M/s. KPB & Associates) and all entities in the network firm / network entity of which the statutory auditor is a part is Rs. 1,47,500/- (including GST)

12. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has complied with the provisions relating to constitution of Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and disclosure under the said Act for the year ended March 31, 2021 is given in the table hereinbelow:

1.	number of complaints filed during the financial year	NIL
2.	number of complaints disposed of during the financial year	NIL
3.	number of complaints pending as on end of the financial year	NIL

XII. DISCLOSURE ON COMPLIANCE WITH REQUIREMENT OF CORPORATE GOVERNANCE

There is no non-compliance with any requirement of Corporate Governance Report of sub-paras (2) to (10) of the Corporate Governance Report as given in Schedule V(C) of the Listing Regulation.

XIII. CODE OF CONDUCT

The Company has adopted a Code of Conduct for the members of Board, KMP and Senior Management Personnel. The Company through its Code of Conduct provides guiding principles of conduct to promote

ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption and anti-competitive practices.

All members of the Board, KMP and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board, KMP and Senior Management for the financial year 2020-21. The declaration to this effect signed by Mr. Amit Rambhia, Managing Director of the Company is annexed to this report as Annexure II to Corporate Governance Report.

The Code of Conduct for employees and the Board and Senior Management has clear policy and guidelines for avoiding and disclosing actual or potential conflict of interest with the Company, if any

XIV. PREVENTION OF INSIDER TRADING

Your Company has adopted the “Code of Conduct on Prohibition of Insider Trading”, “Code of practices and procedures for fair disclosure of unpublished price sensitive Information” and “Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information” for regulating the dissemination of Unpublished Price Sensitive Information and trading in securities by Insiders.

The said codes & policies are also available on the website of the Company at <https://www.panachedigilife.com/Investors>.

XV. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46

The disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the Listing Regulations, have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at www.panachedigilife.com.

XVI. CEO AND CFO CERTIFICATION

Pursuant to Regulation 17 (8) of the SEBI Listing Regulations, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the financial statements for the year ended March 31, 2021. A certificate to that effect signed by the Managing Director and the Chief Financial Officer is annexed as Annexure III to Corporate Governance Report.

XVII. SECRETARIAL AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

A certificate from the Secretarial Auditor of the Company regarding compliance of conditions of Corporate Governance as stipulated in Part E of Schedule V of the SEBI Listing Regulations is appended as Annexure IV to this Report.

XVIII. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

There are no shares in the suspense account/ unclaimed suspense account.

**For and on behalf of the Board of Directors of
Panache Digilife Limited**

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: August 12, 2021
Place: Mumbai

Annexure I to Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of,
Panache Digilife Limited

Bldg. A3, 102-108 & 201-208, Babosa Industrial Park
Mumbai-Nashik Highway NH3, Saravali Village Bhiwandi
Thane - 421302

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Panache Digilife Limited having CIN L72200MH2007PLC169415 and having registered office at Bldg. A3, 102-108 & 201-208, Babosa Industrial Park Mumbai-Nashik Highway NH3, Saravali Village Bhiwandi Thane - 421302 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2021 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.

Sr. No.	Name of Directors	DIN	Date of appointment in the Company
1.	Mr. Amit Devchand Rambhia	00165919	30/03/2007
2.	Mr. Devchand Lalji Rambhia	00165851	30/03/2007
3.	Mr. Nikit Devchand Rambhia	00165678	30/03/2007
4.	Mr. Bhavin Vinod Adani	02919483	17/02/2017
5.	Ms. Meeta Kaushal Mehta	07515717	17/02/2017
6.	Mr. Shailesh Premji Gala	01283286	29/05/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 D. M. Zaveri & Co.
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363

Place: Mumbai
Date: 12th August 2021

ICSI UDIN: F005418C000745663

Annexure II to Corporate Governance Report

**DECLARATION UNDER REGULATION 26(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING
OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE OF
CODE OF CONDUCT**

To,
The Board of Directors
Panache Digilife Limited

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Directors and Senior Management Personnel of the Company have affirmed compliance with Code of Conduct, as applicable to them, for the financial year ended March 31, 2021.

**For and on behalf of the Board of Directors of
Panache Digilife Limited**

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Place: Mumbai
Date: June 10, 2021

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

To
The Board of Directors
Panache Digilife Limited

1. We have reviewed financial statements and the cash flow statement of Panache Digilife Limited for the Financial Year ended March 31, 2021 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - ii. 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended March 31, 2021 which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and Audit Committee that:
 - i. there were no significant changes in internal control over financial reporting during the aforesaid period;
 - ii. there were no significant changes in accounting policies during the aforesaid period; and
 - iii. there were no instances of significant fraud of which we have become aware.

Amit Rambhia
Managing Director

Nitesh Savla
Chief Financial Officer

Place: Mumbai
Date: June 29, 2021

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
PANACHE DIGILIFE LIMITED

I have examined the compliance of conditions of Corporate Governance by Panache Digilife Limited ('the Company'), for the Financial Year ended 31st March 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing regulations.

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

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

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the year ended 31st March 2021.

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

For D. M. Zaveri & Co.
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS No. 5418
CP No. 4363

Place: Mumbai
Date: 12th August 2021

ICSI UDIN: F005418C000745696

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

UDIN: 21106451AAAADC4609

INDEPENDENT AUDITOR REPORT

To the Shareholders of
M/s. Panache Digilife Limited

We have audited the accompanying Standalone Ind AS financial statements of **M/s Panache Digilife Limited**, (the "Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (Hereinafter referred to as the "Standalone Financial Statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us by the management of the Company, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit (including Other Comprehensive Income), changes in equity and statement of cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matters

We draw attention towards the Note No.1(8) of the General Notes to Accounts of Standalone Financial Statements.

In respect of Technofy Digital Private Limited (Subsidiary of Panache Digilife Limited), the accounts of the company have been prepared based on the assumption that the company is not going concern for the year ended 31st March 2021.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters (KAM) 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 have determined the matters described below to be the key audit matters to be communicated in our report

Key Audit Matter	How our audit addressed the Key audit Matter
Wholly owned Subsidiary- Technofy Digital Private Limited being a non-going concern	
<p>In respect of Technofy Digital Private Limited (Subsidiary of Panache Digilife Limited), the accounts of the company has been prepared based on the assumption that the company is not going concern for the year ended 31st March 2021, due to reason :</p> <p>The subsidiary company has a single and significantly important asset i.e Leasehold Land situated in Bilimora Industrial Area, GIDC, Gujarat upon which it had planned to operate its business, by way of either leasing Part of the area to other entities and/or setting up an IT Industry leading to expansion of its Parent's business.</p> <p>However, due to lockdown - alike situations across the country due to the Covid-19 pandemic, these operations were not considered feasible by the Company due to low demand and simultaneous high costs for setting up of business.</p> <p>The Management is of the view that the company may establish / carry out / change / plan its business activity in future, which will be time tested. But as far as current year's Financial Statements are concerned, the fundamental accounting assumption of Going Concern seems inappropriate.</p> <p>However, The Management has determined that although the Subsidiary's Going concern assumption is inappropriate, there is high probability of these amount getting recovered in future. Thus, no Provision for Impairment has been created since its estimated recoverable amount has not diminished to the extent lower than its Carrying value.</p> <p>Refer Note-1(8) and Note-16 to the Standalone financial statements.</p>	<p>We have carried out the following audit procedures to address our Key audit considerations with respect to the said matter;-</p> <ul style="list-style-type: none"> • Understood the objective of management behind the considering the subsidiary as not going concern. • Evaluated the financials of the wholly owned subsidiary and assessed the ability of the subsidiary to repay the loan provided by the company, thereby determining whether any provision for credit losses were required on such loan provided. • Considered the liquidity of existing assets on the balance sheet of wholly owned subsidiary • Considered the terms of the bank loan and trade finance facilities and the amount available for drawdown of wholly owned subsidiary • Considered potential downside scenarios and the resultant impact on available funds of wholly owned subsidiary • Tested whether the company has complied with the provisions of the companies act while providing such financial assistance to the subsidiary. • Made enquiries to administrators to understand the factual content of subsidiary been non-going concern We went through analyses prepared by management and verified the facts in these analyses and evaluated the conclusions made. • We read relevant contracts and documents to verify facts and circumstances stated in management's analysis. • We read and assessed the external valuator's reports used by the company, specifically those related to valuation of properties.

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

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is 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 are responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Company including its joint operation companies in accordance with the Ind AS and accounting principles generally accepted in India.

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

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the

Company has adequate internal financial controls systems in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of such entities included in the standalone financial statements.

Materiality

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we enclose herewith; 'Annexure- A', a statement on the matters specified in paragraphs 3 and 4 of the said Order.
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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the directors as on 31st March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013; and

- f. Our Opinion on the adequacy of the Internal Financial Controls of the company over the financial reporting and the operating effectiveness of such controls has been given by us in a 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 explanations given to us:
 - (i) The Company has disclosed that there are no pending litigations which would impact its standalone financial statements.
 - (ii) The Company did not have any long term contracts for which there were any material foreseeable losses;
 - (iii) The Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.

For KPB & Associates
Chartered Accountants
[FRNo. 114841W]

(Partner)
(CA Ketan N. Gada)
(Membership No 106451)

Place: Mumbai

Date: 29.06.2021

UDIN: 21106451AAAADC4609

ANNEXURE - A TO THE AUDITOR'S REPORT FOR THE Y. E. 31ST MARCH, 2021
(Referred to in Paragraph (1) of our Report of even date)

Report on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013

- (i) In respect of Property, Plant and Equipment:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
 - b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased manner over a period of 2 years; which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) Based on the information & explanation given to us and the records examined by us and based on the examination of registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings(Including land whose title deeds have been pledged as security against loan taken by the company), are held in the name of the Company or in the erstwhile name as at balance sheet date except for the property situated at Bhiwandi which is registered office of the company which has been taken on lease by the company.
- (ii)
 - a) The physical verification of inventory & spares has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification between physical stock and book records.
- (iii) In our opinion and according to the information and explanations given to us, we are of the opinion, that the terms & condition on which the unsecured loans have been granted to the subsidiary companies were not, *prima facie*, prejudicial to the interest of the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are applicable.

(vi) According to the information and explanations given to us, the Company is not required to maintain any cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

(vii)

- a. According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employee's State Insurance Corporation, Income tax, VAT, CST, Custom duty, Cess, GST and any other statutory dues with the appropriate authorities during the year.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, as on 31st March, 2021 for a period of more than six months from the date they became payable except for following:

Name of dues	Amount
Interest on Income Tax	2,19,500.00
Employee Contribution to ESIC	19,169.00
Employer Contribution to ESIC	22,756.00
Employee Contribution to PF	12,917.00

(viii) On the basis of our examination and according to the information and explanations given to us, the Company has not defaulted in re-payment of its dues to the Banks and no amounts were borrowed by the Company through Debentures from any financial institution.

(ix) In our opinion and according to the information and explanations provided by the management, the Company has utilized term loans & other borrowing for the purpose for which it was obtained.

(x) Based on the audit procedures performed for the purpose of reporting the true & fair view of the financial statements and according to information & explanations provided by the management, no fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

(xii) In our opinion and according to the information and explanation given to us, the company is not a Nidhi company. Therefore, provisions of clause 3(xii) of the Order are not applicable to our company.

(xiii) All the transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable, for all transactions with related parties & details of related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

(xiv) According to the information & explanations provided to us & on overall examination of balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review & hence reporting requirement under clause 3(xiv) of the Order is not applicable to the company.

- (xv) According to the information & explanations provided to us by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For KPB & Associates
Chartered Accountants
[FRNo. 114841W]

(Partner)
(CA Ketan N.Gada)
(Membership No 106451)

Place: Mumbai
Date: 29.06.2021
UDIN:21106451AAAADC4609

ANNEXURE -B TO THE AUDITOR'S REPORT FOR THE Y. E. 31ST MARCH, 2021

(Referred to in Paragraph 2(f) of our Report of even date)

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 Panache Digilife Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone Ind AS 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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 31st March 2021, 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 KPB & Associates
Chartered Accountants
[FRNo. 114841W]

(Partner)
(CA Ketan N. Gada)
(Membership No 106451)

Place: Mumbai
Date: 29.06.2021
UDIN:21106451AAAADC4609

Balance Sheet

		(All amounts in INR)		
Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
I. ASSETS				
1 NON-CURRENT ASSETS				
(a) Property, Plant & Equipments	...	2	4,32,12,901	1,59,94,164
(b) Right of Use Assets	...	3	59,04,229	1,29,78,215
(c) Capital Work-In-Progress	...	4	6,29,81,601	6,29,81,601
(d) Investment Properties	...	5	-	2,48,10,474
(e) Goodwill	...		-	-
(f) Other Intangible Assets	...	6	10,597	94,443
(g) Intangible Assets Under Development	...		-	-
(h) Biological Assets Other than Bearer Plants	...		-	-
(i) <u>Financial Assets</u>				
(i) Investments	...	7	73,29,555	73,29,555
(ii) Loans & Deposits	...	8	16,19,764	31,08,958
(iii) Other Financial Assets	...	9	25,000	30,169
(j) Deferred Tax Assets	...	10	2,31,805	1,24,100
(k) Other Non-Current Assets	...	11	3,96,869	18,65,519
2 CURRENT ASSETS				
(a) Inventories	...	12	17,55,30,454	27,42,50,580
(b) <u>Financial Assets</u>				
(i) Investments	...		-	-
(ii) Trade Receivables	...	13	38,37,61,588	39,29,72,942
(iii) Cash and Cash Equivalents	...	14	80,47,077	1,73,03,353
(iv) Bank Balances other than Cash & Cash Equivalents	...	15	7,200	7,200
(v) Loans & Deposits	...	16	5,05,70,956	6,18,10,695
(vi) Other Financial Assets	...	17	50,00,017	17,42,634
(c) Other Current Assets	...	18	4,11,54,287	7,37,23,390
TOTAL ASSETS			78,57,83,899	95,11,27,991
II. EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity Share Capital	...	19	12,00,00,000	12,00,00,000
(b) Other Equity	...	20	20,41,85,715	16,98,41,642
2 LIABILITIES				
A Non-Current Liabilities				
(a) <u>Financial Liabilities</u>				
(i) Borrowings	...	21	4,31,07,458	3,26,27,677
(ii) <u>Trade Payables</u>	...			
(a) total outstanding dues of micro enterprises and small enterprises			-	-
(b) total outstanding dues of creditors other than micro & small enterprises			-	-
(iii) Lease Liabilities	...	22	30,58,845	67,03,985
(iv) Other Financial Liabilities	...	23	-	5,10,366
(b) Provisions	...	24	66,43,020	63,11,275
(c) Deferred Tax Liabilities(Net)	...		-	-
(d) Other Non-Current Liabilities	...		-	-

B Current Liabilities				
(a) <u>Financial Liabilities</u>				
(i) Borrowings ...	25	23,60,97,934	23,70,74,712	
(ii) <u>Trade Payables</u> ...	26			
(a) total outstanding dues of micro enterprises and small enterprises		1,28,47,861	1,41,68,098	
(b) total outstanding dues of creditors other than micro & small enterprises		11,58,28,180	30,59,35,261	
(iii) Lease Liabilities ...	27	36,45,141	78,30,689	
(iv) Other Financial Liabilities ...	28	48,46,377	19,82,223	
(b) Other Current Liabilities ...	29	1,94,07,150	3,64,80,489	
(c) Provisions ...	30	46,71,940	45,77,557	
(d) Current Tax Liabilities(Net) ...	31	1,14,44,277	70,84,015	
TOTAL EQUITY AND LIABILITIES		78,57,83,899	95,11,27,991	
CONTINGENT LIABILITIES ...	44			
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS ...	1			

AS PER OUR REPORT OF EVEN DATE
FOR KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

CA KETAN N.GADA
PARTNER
(MEM NO. 106451)

MR. AMIT D. RAMBHIA
MANAGING DIRECTOR
DINO:- 00165919

MR. NIKIT D. RAMBHIA
JOINT MANAGING DIRECTOR
DINO:- 00165678

PLACE: MUMBAI
DATED: 29/06/2021
UDIN : 21106451AAAADC4609

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 29/06/2021

Statement on Profit & Loss

(All amounts in INR)				
SR. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
A	CONTINUING OPERATIONS			
	I. REVENUE			
	Revenue From Operations ...	32	77,58,04,917	71,28,39,610
	Other Income ...	33	1,55,87,931	70,01,759
	Other Gains / (Losses) - net ...		-	-
	TOTAL INCOME		79,13,92,848	71,98,41,369
	II. EXPENSES			
	Cost of Materials Consumed ...	34	52,65,78,948	58,11,25,703
	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods ...	35	9,87,20,126	(1,92,80,187)
	Employee Benefit Expenses ...	36	3,85,07,246	5,81,52,633
	Finance Costs ...	37	3,45,43,019	2,51,92,574
	Depreciation and Amortisation Expenses ...	38	1,07,61,061	1,14,38,599
	Impairment Expenses / Losses ...	39	-	40,87,993
	Other Expenses ...	40	3,25,85,571	2,84,52,541
	TOTAL EXPENSES		74,16,95,971	68,91,69,856
	III. Profit Before Exceptional items & Tax ...		4,96,96,877	3,06,71,513
	Exceptional Items ...		-	-
	IV. Profit Before Tax From Continuing Operations ...		4,96,96,877	3,06,71,513
	<u>Income Tax Expense</u>	41		
	-Current Tax ...		1,46,21,061	1,21,33,382
	-Deferred Tax ...		(2,77,710)	(18,98,850)
A	PROFIT FROM CONTINUING OPERATIONS		3,53,53,526	2,04,36,981
B.	OTHER COMPREHENSIVE INCOME			
	I. Items that will not be reclassified to Profit or Loss A/c ...	42	1,95,754	(7,92,824)
	Income Tax Relating to items that will not be reclassified to Profit or Loss A/c ...	41	(1,70,005)	3,32,997
	II. Items that will be reclassified to Profit or Loss A/c ...		-	-
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c ...		-	-
B.	OTHER COMPREHENSIVE INCOME FOR THE PERIOD		25,749	(4,59,827)
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [(A)+(B)]		3,53,79,275	1,99,77,154
	EARNINGS PER SHARE	43		
	Basic EPS ...		2.95	1.70
	Diluted EPS ...		2.95	1.70

AS PER OUR REPORT OF EVEN DATE
FOR KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

CA KETAN N.GADA
PARTNER
(MEM NO. 106451)

MR. AMIT D. RAMBHIA
MANAGING DIRECTOR
DINO:- 00165919

MR. NIKIT D. RAMBHIA
JOINT MANAGING DIRECTOR
DINO:- 00165678

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 29/06/2021
UDIN : 21106451AAAADC4609

PLACE: MUMBAI
DATED: 29/06/2021

Statement of Changes in Equity

(a) EQUITY SHARE CAPITAL

Balance as at 01st April 2020	Changes in Equity Share Capital During FY 2019- 20	Balance as at 31st March 2020
6,00,00,000	6,00,00,000	12,00,00,000

Balance as at 01st April 2020	Changes in Equity Share Capital During FY 2020- 21	Balance as at 31st March 2021
12,00,00,000	0	12,00,00,000

(b) OTHER EQUITY

(All amounts in INR)

PARTICULARS	SHARE APPLICATION MONEY PENINDG FOR ALLOTMENT	RESERVES & SURPLUS				EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME	ACTUARIAL GAINS/(LOSSES) ON DEFINED BENEFIT OBLIGATIONS	TOTAL
		CAPITAL RESERVE	SECURITIES PREMIUM RESERVE	OTHER RESERVE (SPECIFY NATURE)	RETAINED EARNINGS			
Balance at the beginning of the reporting Period as at 01st April 2019	-	-	12,78,00,000	-	8,55,42,917	-	3,46,266	21,36,89,183
Adjustments for Ind AS 116	-	-	-	-	(27,39,695)	-	-	(27,39,695)
Change in accounting Policy & Prior Period errors Restated balance at the beginning of the reporting period.	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	2,04,36,981	-	-	2,04,36,981
Comprehensive Income for the Year	-	-	-	-	-	-	(4,59,827)	(4,59,827)
Dividends	-	-	-	-	(9,00,000)	-	-	(9,00,000)
Dividend Distribution Tax	-	-	-	-	(1,85,000)	-	-	(1,85,000)
Transfer to Reserves	-	-	-	-	-	-	-	-
Issue of Bonus Shares	-	-	(6,00,00,000)	-	-	-	-	(6,00,00,000)
Premium on Issue of Shares	-	-	-	-	-	-	-	-
Balance as at 31st March 2020	-	-	6,78,00,000	-	10,21,55,203	-	(1,13,561)	16,98,41,642
Adjustments for Ind AS 116	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	3,53,53,526	-	-	3,53,53,526
Total Comprehensive Income for the Year	-	-	-	-	-	-	25,749	25,749
Dividends	-	-	-	-	(9,66,772)	-	-	(9,66,772)
TDS on Dividend	-	-	-	-	(68,430)	-	-	(68,430)
Transfer to Reserves	-	-	-	-	-	-	-	-
Premium on Issue of Shares	-	-	-	-	-	-	-	-
Utilised	-	-	-	-	-	-	-	-
Balance as at 31st March 2021	-	-	6,78,00,000	-	13,64,73,527	-	(87,812)	20,41,85,715

AS PER OUR REPORT OF EVEN DATE
FOR KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

CA KETAN N.GADA
PARTNER
(MEM NO. 106451)

MR. AMIT D. RAMBHIA
MANAGING DIRECTOR
DINO:- 00165919

MR. NIKIT D. RAMBHIA
JOINT MANAGING DIRECTOR
DINO:- 00165678

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 29/06/2021
UDIN : 21106451AAAADC4609

PLACE: MUMBAI
DATED: 29/06/2021

Cash Flow Statement

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax as per Profit & Loss A/c	4,96,96,877	3,06,71,513
<u>Adjustments for Non-cash Items</u>		
Depreciation on Property, Plant & Equipment, Investment Property & Intangible Assets	36,87,075	35,10,363
Depreciation of Right of Use Assets	70,73,986	79,28,236
Finance Charges on Financial Instruments (unwinding)	(1,59,746)	1,69,428
Amortisation of Fair Value Changes	22,382	(57,393)
Provision for Gratuity	8,61,570	12,78,597
Impairment Loss recognised/(reversed) under Expected Credit Loss Model	19,65,650	7,83,368
Guarantee Premium	(14,04,747)	(5,33,340)
Impairment of Investments	-	32,70,663
Impairment of Property, Plant & Equipment	-	8,17,330
Office Rent Waiver	(27,86,240)	-
Miscellaneous Expenses Written Off	14,00,003	13,61,259
	1,06,59,933	1,85,28,511
	6,03,56,810	4,92,00,024
<u>Adjustments for Non-Operating Items</u>		
Interest Income	(60,01,018)	(24,40,969)
Interest on Income Tax payment	17,26,305	-
Interest Paid	3,04,10,864	2,28,63,036
Rent Income from Investment Property	(16,14,600)	(32,29,200)
Finance charges on Lease Liabilities	10,35,583	17,66,184
Bank Charges on Finance	1,91,322	1,37,020
Processing charges	11,78,944	4,26,334
	2,69,27,401	1,95,22,405
Operating Profit before Working Capital Changes	8,72,84,210	6,87,22,429
<u>Adjusted for Change in Working Capital:</u>		
Inventories	9,87,20,126	(1,92,80,187)
Trade Receivable	72,45,705	18,55,13,583
Other Current Assets	3,24,35,302	(2,71,10,383)
Other Non-Current Assets	2,02,448	-
Other Financial Assets	(32,52,214)	(15,43,204)
Trade Payable	(19,14,27,319)	(13,79,48,151)
Other Financial Liabilities	10,59,388	20,31,778
Provisions (Long Term)	-	-
Provisions (Short Term)	(2,39,689)	3,91,466
Other Current Liability	(1,56,68,593)	1,19,19,325
	(7,09,24,847)	1,39,74,227
Cash Generated from Operations	1,63,59,363	8,26,96,656
Taxed Paid	1,06,92,704	1,46,33,578
Net Cash Flow from Operations (A)	56,66,659	6,80,63,078
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
<u>Cash Inflow</u>		
Interest Income	60,01,018	24,40,969
Rent Income from Investment Property	16,14,600	32,29,200
Loans Repaid by Parties	1,28,66,297	-
	2,04,81,915	56,70,169
<u>Cash Outflow</u>		
Purchase of Fixed Assets	60,11,492	3,87,09,322
Investment in Subsidiary	-	1,00,000
Investment in Associate (Joint Venture)	-	-
Loans & Deposits Given	-	6,00,63,874
	60,11,492	9,88,73,196
Net Cash Flow from Investing Activities (B)	1,44,70,423	(9,32,03,027)

Continued

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
CASH FLOW FROM FINANCING ACTIVITIES		
<u>Cash Inflow</u>		
Long Term Borrowing	1,04,79,781	3,01,31,714
Short Term Borrowing	11,51,360	-
	1,16,31,141	3,01,31,714
<u>Cash Outflow</u>		
Short Term Borrowing Settled	-	17,58,727
Repayment of Lease Liabilities	60,80,031	99,86,220
Interest Paid	3,04,10,864	2,28,63,036
Bank Charges	1,91,322	1,37,020
Dividend Paid	9,66,772	9,00,000
TDS on Dividend/ Dividend Distribution Tax Paid	68,430	1,85,000
Processing charges	11,78,944	4,26,334
Miscellaneous Expenses Incurred	-	7,74,875
	3,88,96,362	3,70,31,212
Net Cash Flow from Financing Activities (C)	(2,72,65,222)	(68,99,498)
CASH FLOW FROM ALL ACTIVITIES (A+B+C)	(71,28,140)	(3,20,39,447)
<u>Cash and Cash Equivalents at the Beginning</u>		
Cash in Hand	6,33,121	8,49,918
Balance in Bank	(18,50,60,102)	(15,32,37,453)
	(18,44,26,982)	(15,23,87,535)
<u>Cash and Cash Equivalents at the End</u>	(19,15,55,121)	(18,44,26,982)
<u>Closing Balance as per accounts</u>		
Cash in Hand	6,42,172	6,33,121
Balance in Bank	(19,21,97,293)	(18,50,60,102)
	(19,15,55,121)	(18,44,26,982)

Notes :

Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standard Rules), 2015.

Purchase of Fixed Assets represents additions to Property, Plant and Equipments, Capital Work-in-progress and Other Intangible Assets.

Cash & Cash Equivalents included in the statement of Cash Flows comprises of the following.

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Cash balance Disclosed under Cash & Cash Equivalents- Note No.14	6,42,172	6,33,121
<u>Balances With Bank</u>		
Fixed Deposits With Bank Disclosed under Cash & Cash Equivalents - Note No.14	54,99,095	1,39,72,996
Current Deposits with Bank Disclosed under Cash & Cash Equivalents - Note No.14	19,05,810	26,97,237
Unclaimed Dividends Disclosed in Bank Balances Other than Cash & Cash Equivalents - Note No. 15	7,200	7,200
Cash Credit with Bank Disclosed under Current Financial Liabilities - Note No.25	(19,96,09,398)	(20,17,37,535)
Cash & Cash Equivalents as per Balance Sheet	(19,15,55,121)	(18,44,26,982)

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Cash and Cash Equivalents	80,47,077	1,73,03,353
Borrowings (including overdraft)	(27,92,05,393)	(26,97,02,389)
Lease liabilities	(67,03,986)	(1,45,34,674)
Net Debt	(27,78,62,302)	(26,69,33,710)
Cash and liquid investments	80,47,077	1,73,03,353
Gross debts- fixed interest rates	(5,14,85,168)	(3,66,76,606)
Gross debts- variable interest rates	(23,44,24,211)	(24,78,60,458)
Net Debt	(27,78,62,302)	(26,72,33,711)

Changes in Liabilities Arising from Financing Activities

For the Year Ended 31st March 2020

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2019	25,91,197	3,67,09,351	3,86,553	N.A.
Lease Liability Recorded on Ind AS 116 Transition	-	-	-	2,27,54,709
Changes from Financing Cash Flows	3,61,00,775	(1,19,18,492)	(3,86,553)	(99,86,220)
Interest Accrued	31,55,761	10,77,628	-	17,66,185
Transfer within categories	(93,15,290)	-	93,15,290	-
Other Changes	95,234	1,53,400	-	-
Closing Balance as on 31st March 2020	3,26,27,677	2,60,21,887	93,15,290	1,45,34,674

For the Year Ended 31st March 2021

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2020	3,26,27,677	2,60,21,887	93,15,290	1,45,34,674
Changes from Financing Cash Flows	2,30,09,635	(1,01,98,051)	(93,15,290)	(60,80,031)
Interest Accrued	50,91,064	45,65,610	-	10,35,583
Transfer within categories	(1,60,99,091)	-	1,60,99,091	-
Other Changes	(15,21,827)	-	-	(27,86,240)
Closing Balance as on 31st March 2021	4,31,07,458	2,03,89,446	1,60,99,091	67,03,986

Amounts reported in the statement of cash flow under financing activities

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Proceeds from Non-current Borrowings	4,86,00,000	3,94,47,004
(Repayment) of Non-current Borrowings	(98,14,591)	(3,86,553)
(Repayment) / Proceeds from current Borrowings	(56,32,441)	(1,06,87,464)
(Repayment/Waiver) of Lease Liabilities	(88,66,271)	(99,86,220)
Net Movement in Financing Activities	2,42,86,697	1,83,86,767

AS PER OUR REPORT OF EVEN DATE
FOR KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

CA KETAN N.GADA
PARTNER
(MEM NO. 106451)

MR. AMIT D. RAMBHIA
MANAGING DIRECTOR
DINO:- 00165919

MR. NIKIT D. RAMBHIA
JOINT MANAGING DIRECTOR
DINO:- 00165678

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 29/06/2021
UDIN : 21106451AAAADC4609

PLACE: MUMBAI
DATED: 29/06/2021

Notes to Financial Statement

A Significant Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March 2021

1 Basis of Preparation

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss for the year ended 31 March 2021, the Statement of Cash Flows for the year ended 31 March 2021 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

These financial statements are approved for issue by the Board of Directors on 29th June, 2021.

2 Compliance with Ind AS

The Standalone financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for financial instruments - measured at fair value or amortised cost.

3 System of Accounting :

3.1 The Company follows Mercantile System of Accounting and recognizes Income & Expenditure on an accrual basis.

3.2 Accounts of the Company are prepared under the Historical Cost convention method, except for certain financial instruments that are measured at fair value in accordance with Ind AS.

3.3 Fair Value measurements under Ind AS are categorized as below, based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to their fair value measurement in its entirety.

- a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date.
- b) Level 2 inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- c) Level 3 inputs are unobservable inputs for the valuation of assets/liabilities.

4 Going Concern

Fundamental Accounting assumption of going concern is followed in preparation of the financial statement.

5 Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All amounts in the Financial Statements are presented in Indian Rupees (INR).

6 Use of Estimates

The preparation of Financial Statements in conformity with Indian Accounting Standards requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. As such estimates are based on the management's best knowledge of the current events and actions; there are possibilities of such estimates resulting in outcome's requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

7 Prior Period Errors

Prior Period Errors have been corrected retrospectively in the first set of financial statements approved for issue after the discovery of error by :-

- a) Restating the comparative amounts of the prior period presented, in which the error occurred;
- b) If the error occurred before the earliest prior period presented, the opening balance of assets, liability and equity is restated for the earliest prior period presented.

8 Investment in Subsidiaries, Associates and Joint Ventures

The investments in subsidiaries, associates and joint ventures are carried in this financial statements at historical 'cost', as per Ind AS 27 "Separate Financial Statements" except when the investment or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss (except for foreign subsidiaries, in whose case a provision is made for such impairment). On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

In respect of Technofy Digital Private Limited (Subsidiary of Panache Digilife Limited), the accounts of the company has been prepared based on the assumption that the company is not going concern for the year ended 31st March 2021.

However, The Management has determined that although the Subsidiary's Going concern assumption is inappropriate, there is high probability of these amount getting recovered in future. Thus, no Provision for Impairment has been created since its estimated recoverable amount has not diminished to the extent lower than its Carrying value.

9 Employee Benefits

9.1 Short Term Employee Benefits

Employee Benefits such as Salaries, Wages, short term compensated absences, and expected cost of bonus, ex-gratia, and performance linked rewards falling due, wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

9.2 Post-Employment Benefits

a) Defined Contribution Plans

The company's contributions to state governed provident fund scheme and employee state insurance scheme are the defined contribution plans maintained by the company. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related service.

b) Defined Benefit Plans

The company has an obligation towards gratuity, a defined retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The present value of obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government bonds, with a maturity period, equivalent to the weighted average maturity profile of the defined benefit obligations at the Reporting date.

Remeasurement, comprising actuarial gains and losses is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit employee costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Excess gains or losses on settlement of any claims are recognised in profit or loss when such settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the company recognises related restructuring costs or termination benefits.

10 Financial Instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legal enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

10.1 Financial Assets

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

a) Recognition

Investments in debt instruments – at amortised cost, subject to following conditions:

- i. The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- ii. The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) De-recognition

Financial Asset is primarily De-recognized when:-

- i. The right to receive cash flows from the asset has expired, or
- ii. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the company has transferred substantially all the risks and rewards of the asset, or b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- iii. On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

c) Impairment of Financial Assets

The Company recognises impairment loss on trade receivables using expected credit loss model, where the provisions are based on a forward-looking ECL, which includes possible default events on the trade receivables over the entire holding period of the trade receivable. These provisions represent the difference between the trade receivable's carrying amount in the Standalone Balance Sheet and the estimated collectible amount.

10.2 Financial Liabilities

a) Initial Recognition

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at Fair Value Through Profit & Loss (FVTPL) are subsequently measured at fair value. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at Fair Value Through Profit & Loss (FVTPL) are subsequently measured at fair value. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

b) Subsequent Measurement

Financial Liabilities are carried at amortized cost using the Effective Interest Rate (EIR) Method. For trade and other payables maturing within one year from the reporting date, the carrying amounts, approximate fair value due to the short maturity of these instruments.

11 Financial Guarantee Contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and in the subsequent years, at the higher of:

- a) the amount determined in accordance with the expected credit loss model under Ind AS 109 "Financial Instruments" and
- b) the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 "Revenue from Contracts with Customers".

The fair value of financial guarantee is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

12 Foreign Currencies

- a) The functional currency and presentation currency of the company is Indian Rupee (INR).
- b) Transactions in currencies other than the company's functional currency occurred during the year are translated into Rupees at the exchange rate prevailing on the date of respective payments or receipts. Such Practice is not consistent with the provisions of Ind AS 21, "The Effects of Changes in Foreign Exchange Rates". However for costing purposes, such practice is consistently followed over the years.
- c) At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise

13 Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

14 Revenue Recognition

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable and is net of discounts, allowances, returns, goods and services tax/value added taxes/sales tax.

Interest income is recognised using the effective interest method.

15 Leases

As per Ind AS 116, the standard sets out the principles for the recognition, measurement, presentation and disclosure of lessee and the lessor. Ind AS 116 introduces single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Operating lease expenses are charged to the statement of Profit & Loss. The standard also contains enhanced disclosure requirements for lessees.

Under Ind AS 116, the lease liability is remeasured upon the occurrence of certain events, such as a change in lease term or a change in future lease payments resulting from a change in an index or rate (for example, inflation-linked payments or market rate rent reviews). A corresponding adjustment is made to the right of use asset.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- a) Low value leases; and
- b) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease.

The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

16 Taxes On Income

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

16.1 Current Tax

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961.

16.2 Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the reporting date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that, taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

17 Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the company to make decisions for performance assessment and resource allocation.

Considering the nature and scope of business of the Company, the Chief Operating Decision Maker could not identify any operating Segment.

However, a report on company's reliance on major customers is as follows:-

SALES MADE TO MAJOR CUSTOMER	TOTAL SALES MADE DURING THE YEAR	% OF SALES MADE TO MAJOR CUSTOMERS
Rs. 58,54,71,930	Rs. 77,58,04,917	75.47%

18 Borrowing Costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The capitalisation of borrowing costs will be suspended if the Activities in the Qualifying Asset remain discontinued (for reasons other than those that are temporary in nature), and Accordingly, Borrowing costs that the company has incurred during such suspension period has been charged to Statement of Profit/Loss.

Other borrowing costs are expensed in the period in which they are incurred.

19 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when:

- The Company has a present obligation (legal or Constructive) as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is discounted to the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- A present obligation arising from past events, when no reliable estimate is possible.

Accordingly, Corporate Guarantee given to one of its subsidiary (Technofy Digital Private Limited) has been disclosed in Note No.44

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

20 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- Changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- Non-cash items such as depreciation, provisions, and deferred taxes, and;
- All other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

21 Earnings Per Share

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

There are no potential equity shares in the books, and therefore diluted earnings per share are same as basic earnings per share.

B Accounting Transactions

- 1 None of the employees were in receipt of or are entitled to receive remuneration aggregating to more than Rs.1,02,00,000/- for the year or more than Rs.8,50,000/- per month, if employed for part of the year.
- 2 Outstanding balances as at 31st March, 2021 of Current & Non-Current Assets and Liabilities including Trade Receivables and Trade Payables are subject to confirmation.
- 3 In the opinion of the Board of Directors, the Company is dealing in different varieties of IT Hardware & its peripherals, Alkaline Water Ionizers, Solar Power Supply System and Consumer Electronic Goods etc. Day to day Quantitative Stock Records have been maintained properly.
- 4 All the Directors have drawn remuneration for the Accounting Year 2020-21 aggregating to Rs.66,50,000/-

C Recent Accounting Pronouncements

a) Amendments to Existing Standards

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

- 1) Ind AS 103 - Business Combination
- 2) Ind AS 1 - Presentation of Financial Statements and Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- 3) Ind AS 37 – Provisions, Contingent Liabilities & Contingent Assets
- 4) Ind AS 107 & Ind AS 109 - Financial Instruments
- 5) Ind AS 116 - Leases
- 6) Ind AS 10 - Events after the Reporting Date

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

D Previous Year's Figures have been regrouped / reclassified wherever necessary

NOTES FORMING PART OF BALANCE SHEET

NOTE NO. 2 PROPERTY, PLANT & EQUIPMENTS

(a) Method Of Valuation Of Property, Plant & Equipment :-

Property, Plant & Equipment (hereinafter referred to as PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of such PPE can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, as reduced by accumulated depreciation and cumulative impairment.

Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance & repairs are charged to the profit & loss account.

(b) Value of Property, Plant & Equipment

The value of Property, Plant & Equipment in the books of the Company as at 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions (sales / impairment)	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions (sales / impairment)	As at 31.03.21	As at 01.04.20	As at 31.03.21
Land & Building :										
Office Premises	2,78,03,000	-	-	2,78,03,000	32,12,571	2,20,045	-	34,32,616	-	2,43,70,384
Furniture & Fixtures :										
Class I	13,64,932	72,859	-	14,37,791	5,40,071	1,15,775	-	6,55,846	8,24,861	7,81,945
Class II	42,05,876	-	-	42,05,876	5,39,732	5,02,012	-	10,41,744	36,66,144	31,64,132
Plant & Machinery :										
Air Conditioner	28,89,510	33,500	-	29,23,010	11,04,448	4,43,755	-	15,48,203	17,85,062	13,74,807
Plant & Machinery	45,64,209	-	-	45,64,209	12,94,248	2,90,218	-	15,84,466	32,69,961	29,79,743
Leasehold Improvements	30,93,676	-	-	30,93,676	4,13,673	3,67,374	-	7,81,047	26,80,003	23,12,629
Mould	3,08,075	-	-	3,08,075	1,65,695	17,881	-	1,83,576	1,42,380	1,24,499
Mould - Factory	3,92,000	-	-	3,92,000	39,580	74,480	-	1,14,060	3,52,420	2,77,940
Office Equipments	5,36,743	-	-	5,36,743	3,75,656	46,217	-	4,21,873	1,61,087	1,14,870
Mobile Handset	4,30,521	-	-	4,30,521	3,36,715	53,500	-	3,90,215	93,806	40,306
Camera	2,30,337	3,77,856	-	6,08,193	90,721	55,343	-	1,46,064	1,39,616	4,62,129
Lift	-	5,92,578	-	5,92,578	-	9,347	-	9,347	-	5,83,231
Networking Devices	1,02,061	-	-	1,02,061	97,471	564	-	98,035	4,590	4,026
Motor Car	42,19,587	48,57,299	-	90,76,886	22,08,090	8,32,816	-	30,40,906	20,11,497	60,35,980
Computers & Laptop	17,21,717	77,400	-	17,99,117	12,16,334	2,67,500	-	14,83,834	5,05,383	3,15,283
Zebra Printer	3,56,536	-	-	3,56,536	45,470	67,742	-	1,13,212	3,11,066	2,43,324
Computer Server	58,784	-	-	58,784	12,495	18,615	-	31,110	46,289	27,674
	5,22,77,564	60,11,492	-	5,82,89,056	1,16,92,972	33,83,184	-	1,50,76,156	1,59,94,164	4,32,12,901

(c) Depreciation

Depreciation on PPE is recognised using Straight Line Method so as to write off the cost of assets less their residual values over their useful life. In case of PPE purchased/sold during the year, Depreciation has been provided on pro-rata basis.

Some assets which have been kept at Leasehold Premises is depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of those assets.

The Useful Life of PPE adopted by the management for calculating Depreciation to be charged on different classes of PPE's for the current year are as follows:-

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Office Premises	60
Furniture & Fixtures - Class I	5 - 10
Furniture & Fixtures - Class II	8
Leasehold Improvements	8
Air Conditioner	5
Plant & Machinery	15
Mould	8
Office Equipments	5
Mobile Handset	3
Camera	5 - 15
Lift	4 - 5
Networking Devices	6
Motor Car	6 - 8
Computers & Laptop	3
Computer Server	6

The estimated useful life and residual values are also reviewed at end of each financial year and the effect of any change in the estimates of useful life/residual value is accounted for, on prospective basis as per Ind AS-8.

(d) Impairment Losses

As at the end of each accounting year, the company reviews the carrying amounts of its Property, Plant & Equipment, to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of PPE exceeds its recoverable amount. Recoverable amount is determined in the case of :-

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

If the recoverable amount of a PPE (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the PPE (or cash generating unit) is reduced to its recoverable amount.

NOTE NO. 3
RIGHT OF USE ASSETS

Method Of Valuation Of Right of Use Assets :-

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

Value of Right of Use Assets

The value of Right of Use Assets in the books of the Company as at 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions (Impairment)	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions (Impairment)	As at 31.03.21	As at 01.04.20	As at 31.03.21
Finance Lease Assets	2,09,06,451	-	-	2,09,06,451	79,28,236	70,73,986	-	1,50,02,222	1,29,78,215	59,04,229
	2,09,06,451	-	-	2,09,06,451	79,28,236	70,73,986	-	1,50,02,222	1,29,78,215	59,04,229

(c) Depreciation

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Finance Lease Assets	5

(d) Impairment Losses

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

NOTE NO. 4
CAPITAL WORK-IN-PROGRESS

(a) Manner of Classification

PPE not ready for intended use on the date of Balance sheet are disclosed as ' Capital work-in-progress'.

(b) Value of Capital Work-in-progress

The value of Capital Work-in-progress in the books of the Company as at 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions (Put to Use)	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions	As at 31.03.21	As at 01.04.20	As at 31.03.21
Additional Office Premise at Raheja	6,29,81,601	-	-	6,29,81,601	-	-	-	-	6,29,81,601	6,29,81,601
	6,29,81,601	-	-	6,29,81,601	-	-	-	-	6,29,81,601	6,29,81,601

NOTE NO. 5
INVESTMENT PROPERTIES

(a) Method Of Valuation Of Investment Properties

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

(b) Value of Investment Property

The value of Investment Property in the books of the Company as at 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions / Reclassification	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions / Reclassification	As at 31.03.21	As at 01.04.20	As at 31.03.21
Land & Building										
Office Premises	2,78,03,000	-	2,78,03,000	-	29,92,526	2,20,045	32,12,571	-	2,48,10,474	-
	2,78,03,000	-	2,78,03,000	-	29,92,526	2,20,045	32,12,571	-	2,48,10,474	-

(c) Depreciation

Depreciation on Investment Property is recognised using straight line method so as to write off the cost of asset less the residual value over its useful life specified in Schedule- II of the Companies Act, 2013.

The Useful Life of Investment Property adopted by the management from Schedule II of Companies Act, 2013; for calculating Depreciation to be charged on such Investment property for the current year is as follows:-

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Office Premises	60

The estimated useful life and residual values are also reviewed at end of each financial year and the effect of any change in the estimates of useful life/residual value is accounted for, on prospective basis as per Ind AS-8.

(d) Impairment Losses

As at the end of each accounting year, the company reviews the carrying amounts of its Investment Property, to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined in the case of :-

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

If the recoverable amount of a Investment Property (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the Investment Property (or cash generating unit) is reduced to its recoverable amount.

(e) Disclosure Pursuant to Ind AS-40 "Investment Property"

Amount Recognised in the Statement of Profit and Loss for Investment Property

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Rental Income Derived From Investment Property	16,14,600	32,29,200
Office Maintenance Charges	(77,772)	(1,55,554)
Property Tax	(59,544)	(1,19,088)
TOTAL	14,77,284	29,54,558

(f) Reclassification of Investment Property

During the Financial Year 2020-21, the Company has shifted its Office workspace to the above Office Premise. This Premise was earlier held to earn the rentals, and thus it was classified as Investment Property as per Ind AS 40 "Investment Property". The Office Premises has been reclassified as "Property, Plant & Equipment" in accordance with Ind AS 16 "Property, Plant & Equipment".

NOTE NO. 6

OTHER INTANGIBLE ASSETS

(a) Method of Valuation of Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, as reduced by accumulated amortisation and cumulative impairment.

(b) Value of Intangible Assets

The value of Intangible Assets in the books of the Company as at 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				AMORTISATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions (sales / W/off)	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions	As at 31.03.21	As at 01.04.20	As at 31.03.21
Intangible Assets										
Software	4,64,495	-	-	4,64,495	3,70,052	83,846	-	4,53,898	94,443	10,597
	4,64,495	-	-	4,64,495	3,70,052	83,846	-	4,53,898	94,443	10,597

(c) Amortisation

Amortisation charge on Intangible asset has been allocated on a systematic basis over the best estimate of useful life.

Based on Technical evaluation considering the business specific needs & the potency of asset to generate future cash flows, the useful life of intangible asset has been determined by the management, which is as follows:-

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Software	3

The method of amortisation and useful life are reviewed at the end of each financial year with the effect of any changes in the estimate being accounted for prospectively.

(d) Impairment Losses

As at the end of each accounting year, the company reviews the carrying amounts of its Intangible Assets, to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Intangible assets with indefinite life (if any) will be tested for impairment each year.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

NOTE NO. 7
INVESTMENTS (NON CURRENT)

(a) List of Subsidiaries/Associates/Joint Ventures

NAME	RELATION WITH THE COMPANY	COUNTRY	INCORPORATION DATE	METHOD OF VALUATION	% HOLDING
Wemart Global FZE	Subsidiary	U.A.E.	21 st November 2016	Cost	100%
Technofy Digital Private Limited	Subsidiary	India	04 th June 2019	Cost	100%
ICT Infotech Services Private Limited	Joint Venture	India	08 th March 2007	Cost	50%

(b) Value of Investments

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Wemart Global FZE	32,70,663	32,70,663
Technofy Digital Private Limited	1,00,000	1,00,000
ICT Infotech Services Private Limited	1,50,000	1,50,000
Notional Value of Guarantee Provided to Subsidiary	70,79,555	70,79,555
	1,06,00,218	1,06,00,218
<u>Less:</u> Provision for Impairment of Investments	32,70,663	32,70,663
	73,29,555	73,29,555

Provision for Impairment of Investments

During the Financial Year 2019-20, the Company had impaired its investment in another Wholly owned Subsidiary viz: Wemart Global FZE owing to the fact of continuous material losses incurred by the Company.

NOTE NO. 8
LOANS & DEPOSITS (NON CURRENT)

(a) Measurement

Financial Assets in the nature of deposits have been measured at fair value by discounting the deposits over the tenure of lease.

The Discount rates used to different deposits are as follows:-

DEPOSIT	PERIOD	SOURCE	RATE
Bhiwandi Factory Deposit	8	Government Bonds	7.75%
Electricity Deposit	8	Government Bonds	7.75%

Value of Loans & Deposits

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Rent Deposits	14,25,944	29,26,398
Electricity Deposit	1,93,820	1,82,560
	16,19,764	31,08,958

NOTE NO. 9
OTHER FINANCIAL ASSETS (NON CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Other Deposits	25,000	30,169
	25,000	30,169

NOTE NO. 10
DEFERRED TAX ASSETS

PARTICULARS	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF OCI	TOTAL DEFERRED TAX (ASSET)/LIABILITY RECOGNISED IN BALANCE SHEET
Balance as on 01.04.2019	-	19,74,288	1,33,459	21,07,747
<u>For the Year 2019-20</u>				
Carrying Value of Property Plant & Equipment	64,49,696	16,23,259	-	-
Provision for Gratuity	(12,78,597)	(3,21,797)	-	-
Actuarial Gains on Employee Benefit Expenses	(7,92,824)	-	(1,99,538)	-
Expected Credit Losses	(7,83,368)	(1,97,158)	-	-
Impairment of Assets	(40,87,993)	(10,28,866)	-	-
(DTA)/DTL as on 31.03.2020		75,438	(1,99,538)	(1,24,100)
<u>For the Year 2020-21</u>				
Carrying Value of Property Plant & Equipment	1,31,63,116	33,12,893	-	-
Provision for Gratuity	(73,21,399)	(18,42,650)	-	-
Actuarial Gains on Employee Benefit Expenses	(1,17,345)	-	(29,533)	-
Expected Credit Losses	(22,90,914)	(5,76,577)	-	-
Expected Credit Losses on loan	(10,83,827)	(2,72,778)	-	-
Impairment of Investments	(32,70,663)	(8,23,160)	-	-
(DTA)/DTL as on 31.03.2021		(2,02,272)	(29,533)	(2,31,805)

NOTE NO. 11
OTHER NON-CURRENT ASSETS

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Income Tax Refundable	-	1,90,768
Advances Recoverable other than in Cash	48,179	59,859
Miscellaneous Expenditure	3,48,690	16,14,892
	3,96,869	18,65,519

NOTE NO. 12
INVENTORIES

(a) Valuation Method

Inventories comprise of IT Hardware & its peripherals, Alkaline Water Ionizers, GPS Tracking Units, Solar Power Supply System and Other Consumer Electronic Goods which have been measured at weighted average cost or Net Realisable Value whichever is lower as per Ind AS-2. Cost of Inventories consist of its purchase price, cost of conversion and other costs including any duties or taxes (to the extent not recoverable) incurred in bringing them to their present location and condition.

(b) Based on the above Valuation Method, the value of Inventories for different reporting periods are as follows:-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Closing Stock of Inventories	17,55,30,454	27,42,50,580
	17,55,30,454	27,42,50,580

NOTE NO. 13
TRADE RECEIVABLES

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Secured, Considered good	-	-
Unsecured, Considered good	35,59,26,998	37,09,95,793
Significant Increase in Credit Risk	22,90,914	3,25,264
Credit Impaired	-	-
	35,82,17,912	37,13,21,057
Less: Allowance for Bad and Doubtful Debts (Expected Credit Losses)	22,90,914	3,25,264
	35,59,26,998	37,09,95,793
Receivable from related Parties (Refer Note No.50)	2,78,34,590	2,19,77,149
	38,37,61,588	39,29,72,942

NOTE NO. 14
CASH AND CASH EQUIVALENTS

Investments in Fixed Deposits have been considered by the management to be short term in nature, made against letter of credit facility from the Bank and hence they are valued at cost plus accrued interest on it.

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Balance with Banks	19,05,810	26,97,237
Cash on Hand	6,42,172	6,33,121
Fixed Deposits with Bank	54,99,095	1,39,72,996
	80,47,077	1,73,03,353

NOTE NO. 15
BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Unclaimed Dividends	7,200	7,200
	7,200	7,200

NOTE NO. 16
LOANS & DEPOSITS (CURRENT)

(a) Measurement

Financial Assets represented by Loans & advances given to parties under the terms, wherein such Loans & advances are repayable on demand to the company have been measured at their respective carrying Values as the management considers that the carrying value of such loans & advances to be the best estimate of its Fair Value.

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Short Term Loans & Advances to staff	55,491	12,24,480
Office Rent Deposit	50,000	-
Other Loans & Advances	5,04,65,465	6,05,84,415
Reimbursement receivable from Subsidiary	10,83,827	11,13,365
	5,16,54,783	6,29,22,260
Less: Provision for Expected Credit Losses on Loans	10,83,827	11,11,565
	5,05,70,956	6,18,10,695

Note :

Out of Other Loans & Advances, the Company has balance outstanding receivable from its wholly owned Subsidiary viz: Technofy Digital Private Limited of Rs 4,82,27,273. The Management has determined that although the Subsidiary's Going concern assumption is inappropriate, there is high probability of these amount getting recovered in future.

NOTE NO. 17
OTHER FINANCIAL ASSETS (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Interest Receivable	50,00,017	17,42,634
	50,00,017	17,42,634

NOTE NO. 18
OTHER CURRENT ASSETS

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Prepaid Expenses & Others	75,65,679	1,32,15,668
Advances To Creditors	1,74,48,239	2,27,71,180
Advances for Capital Assets	1,27,50,000	1,47,50,000
Tender registration Deposit	2,45,750	2,45,750
Input Credit of GST	18,66,737	2,13,09,991
Miscellaneous Expenses	12,66,202	14,00,003
Advance Recoverable Other than in Cash	11,680	11,680
MEIS Duty Scrips	-	19,118
	4,11,54,287	7,37,23,390

NOTE NO. 19
EQUITY SHARE CAPITAL

(a) Capital Structure of the Company

PARTICULARS OF CAPITAL	AS AT 31ST MARCH 2021		AS AT 31ST MARCH 2020	
	NO.OF SHARES	TOTAL VALUE	NO.OF SHARES	TOTAL VALUE
AUTHORISED				
Equity Shares of Rs.10/- each	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
ISSUED, SUBSCRIBED & FULLY PAID-UP :				
Equity Shares of Rs.10/- each	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000
	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000
ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP :	0	0	0	0
	0	0	0	0

(b) Details of Shareholding

Shareholders holding more than 5% of Equity Shares :

SR. NO	NAME OF SHAREHOLDER	NO.OF SHARES AS ON 31.03.21	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31.03.20	PERCENTAGE HOLDING
A. EQUITY SHARES					
1.	Amit Devchand Rambhia	28,00,000	23.33%	28,00,000	23.33%
2.	Nikit Devchand Rambhia	28,00,000	23.33%	28,00,000	23.33%
3.	Devchand Rambhia	22,58,360	18.82%	22,58,360	18.82%

(c) Reconciliation of the number of Equity Shares outstanding

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Number of Shares at the beginning of the year :	1,20,00,000	60,00,000
(+) Bonus shares issued	-	60,00,000
(+) Fresh issue made	-	-
(-) Shares forfeited	-	-
Number of Shares at the end of the year	1,20,00,000	1,20,00,000

(d) Voting Rights

The company has one class of equity shares having face value of Rs.10 per share. Each shareholder is eligible for one voting right per share.

(e) Capital Management

The company adheres to a disciplined Capital Management Framework in order to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders.

The company strategically manages its funds by :-

- (i) Maintaining Diversity of Sources of Financing and spreading the maturity across periods in order to minimise liquidity risk.
- (ii) Analysing and managing its financial market risks like foreign exchange, interest rates and commodity prices, and minimise the impact or market volatility on earnings.
- (iii) Analysing the changes in macro economic factors affecting business environment and re-organising its capital structure accordingly to adapt to the ever changing dynamics of business environment.
- (iv) Leveraging Optimally in order to maximise shareholder returns.

The Net Gearing Ratio at the end of the Reporting period was as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Gross Debt	28,59,09,379	28,42,37,063
<u>Less:</u> Liquid Assets	80,47,077	1,73,03,353
Net Debt	27,78,62,302	26,69,33,710
Total Equity (As Per Balance Sheet)	32,41,85,715	28,98,41,642
Net Gearing Ratio	0.86	0.92

* Liquid Assets Comprises of Cash & Cash Equivalents only.

(v) Dividends

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
i) On Ordinary Shares		
Final Dividend for the year ended 31st March 2020 of Rs 0.25 per fully paid share net of waivers of dividend	9,66,770	9,00,000
TDS on Dividend declared for the year ended 31st March 2020	68,430	1,85,000
Total Dividend Paid	10,35,200	10,85,000
ii) Dividends not recognised at the end of the reporting Period		
In addition to the above dividend for the year ended 31st March 2020, the directors have recommended to conserve their reserves for future operations and not to declare any dividend for the reporting period under consideration i.e 31st March 2021 (For 31st March 2020 it was 0.25 Rupees)	-	10,35,200

**NOTE NO. 20
OTHER EQUITY**

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Securities Premium</u>		
Opening Balance	6,78,00,000	12,78,00,000
Add: Premium Collected on Issue of Shares	-	-
Less: Utilised	-	(6,00,00,000)
Closing Balance	6,78,00,000	6,78,00,000
<u>Retained Earnings</u>		
Opening Balance	10,21,55,203	8,55,42,917
Less: Adjustments for Ind AS 116	-	(27,39,695)
Add: Surplus As per Profit & Loss Account	3,53,53,526	2,04,36,981
<u>Less: Appropriations</u>		
Dividends Paid	9,66,772	9,00,000
TDS on Dividend/ Dividend Distribution Tax Paid	68,430	1,85,000
Closing Balance	13,64,73,527	10,21,55,203
<u>Other Comprehensive Income</u>		
a) Actuarial Gains or Losses on Defined Benefit Plans		
Opening Balance	(1,13,561)	3,46,266
Add: Changes for the Year	25,749	(4,59,827)
Closing Balance	(87,812)	(1,13,561)
	20,41,85,715	16,98,41,642

**NOTE NO. 21
BORROWINGS (NON CURRENT)**

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Secured Borrowings	4,31,07,458	3,13,03,622
<u>Unsecured Borrowings</u>		
Office Rent Deposit	-	13,24,055
	4,31,07,458	3,26,27,677

Terms of Repayment of Secured Borrowings

Car Loan of Rs. 10,00,000 (Sanction Amount) is secured by way of exclusive first charge created by hypothecation of concerned Car. The Balance loan as on March 31, 2021 is repayable in 23 monthly installments of Rs.20,517 each. Interest to be serviced as and when debited. Interest @ 8.50% is applicable on the said loan.

Car Loan of Rs. 9,99,000 (Sanction Amount) is secured by way of exclusive first charge created by hypothecation of concerned Car. The Balance loan as on March 31, 2021 is repayable in 7 monthly installments of Rs.20,730 each. Interest to be serviced as and when debited. Interest @ 9.66% is applicable on the said loan.

Property Loan of Rs.4,00,00,000 (Sanction Amount) is secured by way of exclusive first charge created on the concerned Property. The Balance loan as on March 31, 2021 is repayable in 41 monthly repayment of Rs.7.41 Lakhs. Interest to be serviced as and when debited. Interest as per Marginal Cost of funds based Lending Rate (MCLR) is applicable on the said loan.

Car Loan of Rs. 36,00,000 (Sanction Amount) is secured by way of exclusive first charge created by hypothecation of concerned Car. The Balance loan as on March 31, is repayable in 57 monthly installments of Rs 76,490 each. Interest to be serviced as and when debited. Interest @ 9.96% is applicable on the said loan.

Working Capital Term Loan of Rs 2,50,00,000 (Sanction Amount) is secured by way of hypothecation of Stocks and Book Debts. The Balance as on 31st March, 2021 is repayable in 27 monthly installments of Rs 6,94,445 each with moratorium of first 12 months. Interest to be serviced as and when debited. Interest @ 7.50% is applicable on the said loan.

**NOTE NO. 22
LEASE LIABILITIES (NON CURRENT)**

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Payables towards Lease Liability	30,58,845	67,03,985
	30,58,845	67,03,985

NOTE NO. 23
OTHER FINANCIAL LIABILITIES (NON CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Deposit against Goods on Rent	-	5,10,366
	-	5,10,366

NOTE NO. 24
PROVISIONS (NON CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Provision for Gratuity	66,43,020	63,11,275
	66,43,020	63,11,275

Disclosure

Provision for Gratuity has been made based on present value of obligation under defined benefit plan determined through actuarial valuation carried out by an Actuary using Projected Unit Credit Method. The Details of the same have been elaborated in Note No.49

NOTE NO. 25
BORROWINGS (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Secured Borrowings</u>		
Cash Credit	19,96,09,398	20,17,37,535
Current Maturities of Long Term Borrowings	1,60,99,091	93,15,290
Other borrowings	44,44,446	65,01,887
<u>Unsecured Borrowings</u>		
Short Term loans & advances from Related Parties	92,45,000	45,20,000
Short Term loans & advances from Others	67,00,000	1,50,00,000
	23,60,97,934	23,70,74,712

NOTE NO. 26
TRADE PAYABLES (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Trade payables to Other than Related Parties</u>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	1,17,29,107	1,39,56,334
Other Trade Payables	11,56,37,370	30,56,46,596
<u>Trade Payables to Related Parties (Refer Note No 50)</u>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	11,18,754	2,11,764
Other Trade Payables	1,90,810	2,88,665
	12,86,76,041	32,01,03,359

Out of the total payables to Micro and Small enterprises, disclosed in the table above, Rs.97,06,281/- stands overdue as on 31st March 2021. However, no interest is due or payable on such balance, pursuant to mutual agreement between the parties.

NOTE NO. 27
LEASE LIABILITIES (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Payables towards Lease Liabilities	36,45,141	78,30,689
	36,45,141	78,30,689

NOTE NO. 28
OTHER FINANCIAL LIABILITIES (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Interest payable	35,51,977	19,82,223
Interest on Income Tax Payable	12,94,400	-
	48,46,377	19,82,223

NOTE NO. 29
OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Statutory Liabilities	1,13,03,880	91,27,285
Advances From Debtors	24,55,983	2,02,54,778
Advance Payable other than in Cash	-	69,243
Deferred Guarantee Premium	51,41,468	65,46,214
Others	5,05,819	4,82,969
	1,94,07,150	3,64,80,489

NOTE NO. 30
PROVISIONS (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Electricity Charges Payable	98,383	85,921
Professional Fees Payable	3,65,000	3,80,000
Audit Fees Payable	1,18,750	1,12,500
Clearing Charges Payable	56,857	-
Freight Charges Payable	3,34,920	57,671
Salary Payable	28,95,106	34,72,612
Dividend Payable	7,200	7,200
Provision for Gratuity	7,95,724	4,61,653
	46,71,940	45,77,557

NOTE NO. 31
CURRENT TAX LIABILITIES(NET)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Direct Taxes	1,14,44,277	70,84,015
	1,14,44,277	70,84,015

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT

NOTE NO. 32 REVENUE FROM OPERATIONS

(a) Recognition of Revenue

The company derives revenue primarily from sale of IT Hardware & its peripherals, Alkaline Water Ionizers, Solar Power Supply System and other Consumer Electronic Goods. It also derives revenue from renting of Alkaline Water Ionizers.

Revenue is recognised upon transfer of control of promised products or services to the customers in an amount that reflects the consideration the company expects to be entitled to, in exchange for those products or services.

Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage of completion method. When there is uncertainty as to the measurement of ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Maintenance revenue is recognized over the term of underlying maintenance agreement.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on allocation of discounts/ incentives to each of the underlying performance obligations that corresponds to the progress by the customer towards earning the discount/ incentive. The company presents revenue net of Indirect Taxes.

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Net Sales (Domestic)	74,67,99,371	69,03,67,841
Service Charges(Domestic)	1,24,95,804	1,90,60,376
Rental Charges	3,91,711	24,06,404
Transportation Charges recovered	1,61,18,031	10,04,989
	77,58,04,917	71,28,39,610

(b) Remaining Performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts of revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance obligations completed till date.

(c) Movement in Contract Balances

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Contract Liability		
Opening Balance	2,02,54,778	17,62,026
<u>Less:</u> Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period.	(2,02,54,778)	(17,62,026)
<u>Add:</u> Revenue not recognised in the reporting period that is to be included in the closing balance of contract liability balance at the end of the period.	24,55,983	2,02,54,778
Closing Balance	24,55,983	2,02,54,778
Contract Assets		
Opening Balance	2,39,51,253	1,67,02,158
<u>Less:</u> Expense recognised in the reporting period that was included in the contract asset balance at the beginning of the period.	(1,12,71,387)	(64,27,624)
<u>Add:</u> Expense not recognised in the reporting period that is to be included in the closing balance of contract asset balance at the end of the period.	47,68,373	1,36,76,719
Closing Balance	1,74,48,239	2,39,51,253

NOTE NO. 33 OTHER INCOME

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Additional CST Collected from Customers	1,06,659	72,565
Rent on Investment Property	16,14,600	32,29,200
Reimbursement of Lease Rent Paid	-	3,37,500
Support Service Charges	5,54,420	-
Office Rent Waiver Received	27,86,240	-
Finance Charges	1,59,746	1,69,428
Notional value of Guarantee Premium	14,04,747	5,33,340
Liabilities no Longer Payable	26,52,137	-
Discount Received	3,08,251	-
Interest Income	60,01,018	24,40,969
Interest on Late Payment from Debtors	113	2,18,757
	1,55,87,931	70,01,759

Measurement of Other Incomes

- Interest Income is accrued on a time basis by reference to the principal amount outstanding and the effective interest rate.
- Rent income is recognized on a periodic basis as and when the company becomes entitled to receive the amount as per the agreement between the contracting parties.

NOTE NO. 34
COST OF MATERIALS CONSUMED

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Net Purchase	52,44,87,192	57,58,66,436
Service Charges	20,15,661	50,36,695
Consumables & Others	76,095	2,22,572
	52,65,78,948	58,11,25,703

NOTE NO. 35
CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Opening Stock / Inventories	27,42,50,580	25,49,70,393
Less: Closing Stock / Inventories	(17,55,30,454)	(27,42,50,580)
	9,87,20,126	(1,92,80,187)

NOTE NO. 36
EMPLOYEE BENEFIT EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Director's Remuneration	66,50,000	90,75,000
Salary & Bonus to Employees	2,95,05,878	4,57,20,937
Employers Contribution to Provident Fund & ESIC	7,56,800	14,59,326
Staff Welfare Expenses	3,29,713	4,73,453
Contribution to and Provision for Gratuity	12,64,855	14,23,917
	3,85,07,246	5,81,52,633

NOTE NO. 37
FINANCE COSTS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Bank Charges on Finance	1,91,322	1,37,020
Interest Expenses	3,04,10,864	2,28,63,036
Interest on Income Tax Payment	17,26,305	-
Finance Charges on Lease Liabilities	10,35,583	17,66,184
Processing Charges	11,78,944	4,26,334
	3,45,43,019	2,51,92,574

NOTE NO. 38
DEPRECIATION AND AMORTISATION EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Depreciation on Property, Plant & Equipment	33,83,184	29,59,961
Depreciation on Right to use Assets	70,73,986	79,28,236
Depreciation on Investment Property	2,20,045	4,40,065
Amortisation of Intangible Assets	83,846	1,10,337
	1,07,61,061	1,14,38,599

NOTE NO. 39
IMPAIRMENT EXPENSES / LOSSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Impairment of Property, Plant and Equipment	-	8,17,330
Impairment of Investments measured at Cost	-	32,70,663
	-	40,87,993

**NOTE NO. 40
OTHER EXPENSES**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Administrative Expenses	9,66,537	6,17,480
Bank Charges	2,66,792	4,91,809
Certification Charges	22,30,350	12,11,397
Central Sales Tax	33,449	28,466
Clearing Charges	13,76,029	1,87,537
Cloud Services	2,90,945	3,30,598
Commission Expenses	5,84,517	3,82,494
Conveyance	2,38,782	5,96,334
Custom Duty Paid	6,77,978	-
Discount	-	4,74,045
Electricity Charges	10,22,560	14,00,205
Goods Lost in Transit	47,228	-
Insurance Charges	7,69,871	6,80,136
Interest on Late Payment to Creditors	2,51,441	-
Interest on Late Payment of TDS	1,44,722	23,008
Interest on Late Payment of GST	71,766	40,080
GST Late Fees Paid	9,750	16,980
Labour Charges	-	97,900
(Profit) / Loss Due To Foreign Exchange Fluctuation	(8,09,005)	8,55,097
Loading & Unloading Expenses	-	1,26,555
H R Service Fees	-	55,000
Manpower Services	22,73,457	-
Manufacturing Expenses	1,52,767	2,75,957
Preliminary Expenditure W/off	14,00,003	13,61,259
Office & Factory Maintenance Charges	5,54,982	1,47,134
Maintenance Charges on Office Premises	30,060	-
Office Maintenance Charges on Investment Property	77,772	5,89,569
Property Tax on Investment Property	59,544	1,19,088
Property Tax on Office Premises	59,544	-
Payment to Auditor's	3,20,000	3,20,000
Printing & Stationery	92,047	2,80,785
Professional Fees	84,98,707	45,51,159
Profession Tax	2,500	2,500
Provision for Expected Credit Losses	32,06,236	26,61,565
Amortisation of Fair Value Changes	22,382	(57,393)
R & D Expenses	7,500	9,000
Rent, Rates & taxes	1,36,500	17,60,000
Rates, Taxes and others	-	2,13,096
Repairs & Maintenance	5,14,987	6,35,121
Royalty Paid	11,76,475	7,71,000
Sales Promotion & Advt Expenses	1,65,803	5,15,530
Service Expenses	24,19,087	2,68,000
Software Expenses	21,600	28,100
Stamp duty and Registration Charges	43,063	1,42,560
Sundry Expenses	2,47,511	5,11,518
Telephone & Mobile Charges	74,816	1,53,169
Tender Registration Fees	-	1,000
Testing Charges	-	2,34,300
Transportation Charges	24,01,060	13,01,027
Travelling Expenses	3,17,531	36,06,235
VTS Expenses	1,02,924	4,31,327
Website Development Charges	33,000	4,812
	3,25,85,571	2,84,52,541

NOTE NO. 40.1

DETAILS OF PAYMENTS TO AUDITORS

Payment made to Auditors for Different kinds of Audits are as Follows:-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>Payment to Auditors</u>		
Statutory Audit	1,25,000	1,25,000
Tax Audit	75,000	75,000
Internal Audit	1,20,000	1,20,000
Total Payments to Auditors	3,20,000	3,20,000

NOTE NO. 41
INCOME TAX EXPENSE

A. Disclosure Pursuant to Ind AS 12

(a) Major Components of Income Tax

Sr. No.	PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
(a)	<u>Tax on Items Routed Through Profit or Loss Section</u>		
	(i) <u>Income Tax</u>		
	Current Tax under Income Tax Act, 1961	1,30,95,071	92,87,113
	Adjustments in respect of income tax of previous years.	15,25,991	28,46,269
	(ii) <u>Deferred Tax</u>		
	Tax Expense on Origination & Reversal of Temporary Difference	(2,77,710)	(18,98,850)
	Tax Expense Reported in statement of Profit or Loss [(i) +(ii)]	1,43,43,351	1,02,34,532
(b)	<u>Tax on Items Routed Through Other Comprehensive Income</u>		
	(i) Income Tax	-	-
	(ii) Deferred Tax	1,70,005	(3,32,997)
	Tax Expense Reported in Other Comprehensive Income [(i) +(ii)]	1,70,005	(3,32,997)

B. Reconciliation of tax expense and accounting profit multiplied by Domestic Tax Rate applicable in India:

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Profit Before Tax (A)	4,96,96,877	3,06,71,513
Corporate Tax Rate as per Income Tax Act, 1961 (B)	25.17%	25.17%
Tax on Accounting Profit [(A)*(B)]	1,25,07,710	77,19,406
<u>Adjustments as per Income Tax</u>		
Add: Depreciation as per Companies Act	1,07,61,061	1,14,38,599
Add: Disallowances U/s 37	15,44,725	86,97,129
Add: Disallowance of Gratuity Provision	8,61,570	12,78,597
Add: Disallowance of Contributions to statutory Funds	4,62,798	6,04,875
Add/(Less): Other Additions / (Deductions)	(69,14,610)	(1,29,10,650)
Less: Depreciation as per Income Tax Act	(43,81,784)	(28,79,584)
Tax payable by company on Business income after adjustments as per Income Tax Act, 1961	23,33,760	62,28,967
Corporate Tax rate as per Income Tax Act	25.17%	25.17%
Tax on Gross Adjustments as per Income Tax	5,87,361	15,67,706
Tax after adjustments as per Income Tax Act, 1961	1,30,95,071	92,87,113
Less: MAT Credit Set Off under section 115JAA	-	-
Net Income Tax Payable by the company (C)	1,30,95,071	92,87,113
Incremental Deferred Tax Liability/(Asset) on account of PPE and Intangible Assets, Employee Benefits & Expected Credit Losses	(2,77,710)	(18,98,850)
Incremental Deferred Tax Liability/(Asset) due Defined Benefit Obligations	1,70,005	(3,32,997)
Net Deferred Tax Expense/(Benefit) (D)	(1,07,705)	(22,31,847)
Total Tax Expense Recognised for the Year (E) = [(C)+(D)]	1,29,87,365	70,55,266
Effective Tax Rate [(E)/(A)*100]	26.13	23.00

C. Calculation of Corporate Tax Rate

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Basic Tax Rate Applicable to the Company as per Income Tax Act	22%	22%
Surcharge Applicable	10%	10%
Education Cess	4%	4%
Corporate Tax Rate as per Income Tax Act, 1961	25.17%	25.17%

**NOTE NO. 42
OTHER COMPREHENSIVE INCOME**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Remeasurement of Defined Benefit Obligations	1,95,754	(7,92,824)
	1,95,754	(7,92,824)

**NOTE NO. 43
EARNINGS PER SHARE**

The Basic and Diluted Earnings Per Share (EPS) computed as per the requirements under Ind AS 33 on 'Earnings Per Share' issued by Institute of Chartered Accountants of India are as under :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Calculation of Basic EPS		
A. Profit From Continuing Operations (Numerator)	3,53,53,526	2,04,36,981
B. <u>Equity Shares Outstanding as on Balance sheet Date</u> Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000
Basic Earnings Per Share(EPS) [(A)/(B)]	2.95	1.70
Calculation of Diluted EPS		
A. Profit From Continuing Operations (Numerator)	3,53,53,526	2,04,36,981
B. <u>Equity Shares Outstanding as on Balance sheet Date</u> a. Weighted Average Number of Equity Shares b. Potential Equity shares	1,20,00,000 -	1,20,00,000 -
Total Equity Shares for Calculation of Diluted EPS (Denominator)	1,20,00,000	1,20,00,000
Diluted Earnings Per Share(EPS) [(A)/(B)]	2.95	1.70

**NOTE NO. 44
CONTINGENT LIABILITIES**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Corporate guarantees for performance given on behalf of subsidiary companies to Financial Institution	12,00,00,000	12,00,00,000
	12,00,00,000	12,00,00,000

Notes :

- The Company does not expect any reimbursements in respect of the above contingent liability.
- The cash outflows, if any, could generally occur up to seven years, being the period over which the validity of the guarantees extends except in a few cases where the cash outflows, if any, could occur at any time during the subsistence of the borrowing to which the guarantees relate.

**NOTE NO. 45
DISCLOSURE OF CURRENT ASSETS & LIABILITIES**

A Basis of classification of Current Assets

The company classifies an asset as current asset when :-

- it expects to realise the asset or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as Non-Current

Recovery Period for Current Assets

Pursuant to requirements of Ind AS-1, disclosures regarding current assets which are expected to be recovered within twelve months and after twelve months from the reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2021			AS AT 31ST MARCH 2020		
	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL
Loans	5,05,70,956	-	5,05,70,956	6,18,10,695	-	6,18,10,695
Inventories	17,55,30,454	-	17,55,30,454	27,42,50,580	-	27,42,50,580
Trade Receivables	38,37,61,588	-	38,37,61,588	39,29,72,942	-	39,29,72,942
Other Financial Assets	50,00,017	-	50,00,017	17,42,634	-	17,42,634
Other Current Assets	4,11,54,287	-	4,11,54,287	7,37,23,390	-	7,37,23,390

NOTE NO. 46 RISK MANAGEMENT

The company's Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework.

The Company, through three layers of defence viz: policies & procedures, review mechanism and assurance, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The audit committee oversees the formulation and implementation of Risk Management Policies. The risk and mitigation plan are identified, deliberated and reviewed at appropriate Forums.

A. Market Risk Management

Market Risk is the risk that changes in market prices-such as foreign exchange rates-will affect the company's income or the value of Financial Instruments. The objective of Market Risk Management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

i. Foreign Exchange Risk

In General, the company is a net payer of Foreign Currency. Accordingly, changes in exchange rates and in particular a strengthening of Indian rupee will positively affect the Company's net results as expressed in Indian Rupees. The currency towards which the company is exposed to risk is US Dollars.

The Quantitative Summary about the company's exposure to currency risk as on different reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2021			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Reimbursement receivable Subsidiary	-	-	-	-
Dollars in Hand	3,633.00	2,67,043	-	-
EEFC Account	270.46	19,880	-	-
Trade Payables	2,42,591.93	1,78,31,647	-	-

PARTICULARS	AS AT 31ST MARCH 2020			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Reimbursement receivable Subsidiary	-	-	-	-
Dollars in Hand	3,633.00	2,73,877	-	-
EEFC Account	270.46	20,389	-	-
Trade Payables	4,64,598.47	3,50,24,174	-	-

Sensitivity Analysis

A reasonable possible strengthening/weakening of foreign currencies to which the company is exposed to, against all other currencies as at reporting date would have affected the measurement of financial exposure denominated in a foreign currency and would have affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact on forecast sales and purchases.

SENSITIVITY TO MOVEMENT IN FOREIGN CURRENCY	% MOVEMENT IN RUPEE (ASSUMED)	PROFIT OR (LOSS) AFTER TAX	
		STRENGTHENING OF RUPEE	WEAKENING OF RUPEE
As at 31st March 2021			
US DOLLAR	1%	1,31,291	(1,31,291)
As at 31st March 2020			
US DOLLAR	1%	2,59,891	(2,59,891)

ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to changes in interest rates relates primarily to the Company's Overdraft CC Account, Term loan and other working capital loans. The company's total outstanding debt in local currency presented in the Financial Statements is a combination of fixed rate and floating rate Debts. For the portion of local currency debt on fixed rate basis, there is no interest rate risk. Floating Rate Debts are linked to domestic interest rate benchmarks issued by Reserve Bank of India like MCLR (Marginal Cost of funds based Lending Rate).

The Exposure of Company's Borrowings to interest rate changes at the end of reporting period are as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Cash Credit	19,96,09,398	20,17,37,535
Term Loan	3,03,70,367	3,96,21,036
Other Working Capital Loans	44,44,446	65,01,887
	23,44,24,211	24,78,60,458

Sensitivity Analysis

A hypothetical 10 basis point shift in MCLR rates on the unhedged loans would result in corresponding increase/decrease in interest cost for the company on a yearly basis.

SENSITIVITY TO MOVEMENT IN INTEREST RATES	ASSUMED INTEREST RATE MOVEMENT IN BPS	FOR THE YEAR ENDED 31ST MARCH 2021	
		IMPACT ON PROFIT OR LOSS AFTER TAX	
		INCREASE	DECREASE
<u>Change in Interest Cost</u>			
Cash Credit *	10 bps	(1,99,609)	1,99,609
Term Loan *	10 bps	(30,370)	30,370
Other Working Capital Loans *	10 bps	(4,444)	4,444
		(2,34,424)	2,34,424
<u>Less: Tax Effect on Interest Cost</u>		59,000	(59,000)
Net Effect on Profit & Loss Account		(1,75,424)	1,75,424

* Holding all other variables constant

SENSITIVITY TO MOVEMENT IN INTEREST RATES	ASSUMED INTEREST RATE MOVEMENT IN BPS	FOR THE YEAR ENDED 31ST MARCH 2020	
		IMPACT ON PROFIT OR LOSS AFTER TAX	
		INCREASE	DECREASE
<u>Effect on Change in Interest Cost</u>			
Canara Bank Cash Credit *	10 bps	(2,01,738)	2,01,738
Term Loan *	10 bps	(39,621)	39,621
Other Working Capital Loans *	10 bps	(6,502)	6,502
		(2,47,860)	2,47,860
<u>Less: Tax Effect on Interest Cost</u>		62,382	(62,382)
Net Effect on Profit & Loss Account		(1,85,479)	1,85,479

* Holding all other variables constant

B. Financial Risk Management

i. Credit Risk

Credit Risk is the Risk of Financial Loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and other receivables.

Trade Receivable and other financial assets

The company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into the contract, delivery terms and conditions of payments. The company's review includes external ratings (if they are available), financial statements, industry information and business intelligence.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected Credit loss for trade receivable:

The Company, based on internal assessment which is driven by the historical experience/current facts available in relation to defaults and delays in collection thereof, the company is making provision on trade receivables based on Expected Credit Loss(ECL) model. The reconciliation of ECL is as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Opening Balance	3,25,264	6,53,461
<u>Changes in Loss Allowance</u>		
Loss Allowance for the year, based on ECL Model.	32,06,236	15,50,000
Write Off as Bad Debts	12,40,586	18,78,197
Closing Balance reported under Note No.13	22,90,914	3,25,264

Expected Credit loss for Loans & Advances Given:

The Company, based on internal assessment which is driven by the historical experience/current facts available in relation to defaults and delays in collection thereof, the company is making provision on Loans & advances based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Opening Balance	11,11,565	-
<u>Changes in Loss Allowance</u>		
Loss Allowance for the year, based on ECL Model.	-	11,11,565
Write Off as Bad Debts	-	-
Changes in Foreign Exchange	27,738	-
Closing Balance reproted under Note No.16	10,83,827	11,11,565

ii. Liquidity Risk

Liquidity Risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by cash or another financial asset. The Company manages liquidity risk by maintaining sufficient cash and bank balances and by having access to funding through an adequate amount of committed credit lines. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The Company's Finance Department is responsible for managing the short term and long term liquidity requirements. Short term liquidity finance is reviewed daily by finance department. Long Term Liquidity position is reviewed on a regular basis by the board of directors and appropriate decisions are taken according to the situation.

Maturity Analysis

The remaining contractual maturities on non-derivative Financial Liabilities are as follows:-

As at 31st March 2021

NON-DERIVATIVE FINANCIAL LIABILITIES	CONTRACTUAL CASH FLOWS		
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	TOTAL
Borrowings	23,60,97,934	4,31,07,458	27,92,05,393
Trade Payables	12,86,76,041	-	12,86,76,041
Lease Liabilities	36,45,141	30,58,845	67,03,986
Other Financial Liabilities	35,51,977	-	35,51,977

As at 31st March 2020

NON-DERIVATIVE FINANCIAL LIABILITIES	CONTRACTUAL CASH FLOWS		
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	TOTAL
Borrowings	23,70,74,712	3,27,07,622	26,97,82,334
Trade Payables	32,01,03,360	-	32,01,03,360
Lease Liabilities	78,30,689	67,03,985	1,45,34,674
Other Financial Liabilities	19,82,223	5,10,366	24,92,589

The gross outflows disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purpose and which are not usually closed out before contractual maturity.

NOTE NO. 47
LEASES

i. Where the Company is a Lessor :-

The lease rentals received during the year are as follows :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Lease Rentals Received	16,14,600	35,66,700

The Company has given its office premise under non-cancellable operating lease, however the lock-in period of the agreement has ceased before the reporting date.

The operating lease agreements are renewable on a period basis and these lease agreements are also subjected to price escalation clauses.

ii. Where the Company is a Lessee

This note explains the impact of the application of Ind AS 116 Leases on the company's financial statements.

Practical Expedients Applied

As per Ind AS 116, the Company has used the following practical expedients permitted by the standard:

- 1) accounting for operating leases with a remaining lease term of less than 12 months as short-term leases
- 2) excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- 3) using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.
- 4) applying a single discount rate to a portfolio of leases with reasonably similar characteristics

The lease liabilities recognised in the balance sheet at the date of initial application i.e. April 1, 2019 & balance of lease liability in Financial Statements as on 31st March 2021, is as follows:

PARTICULARS	AMOUNT
Lease Liability recognised under Ind AS 116 as on 01st April 2019	2,27,54,710
<u>Add:</u> Interest Accrued for the Financial Year 2019-20	17,66,184
<u>Less:</u> Lease Payments Made	(99,86,220)
Lease Liability recognised in the Financial Statements as on 31st March 2020	1,45,34,674
<u>Add:</u> Interest Accrued for the Financial Year 2020-21	10,35,583
<u>Less:</u> Lease Payments Made	(60,80,031)
<u>Less:</u> Rent Waiver Received	(27,86,240)
Lease Liability recognised in the Financial Statements as on 31st March 2021	67,03,986

Details with respect to Right-of-Use Assets :

PARTICULARS	CARRYING AMOUNT OF ASSET AS AT 1ST APRIL 2020	ADDITIONS DURING THE YEAR	DEPRECIATION	CARRYING AMOUNT OF ASSET AS AT 31ST MARCH 2021
Buildings	1,29,78,215	0	70,73,986	59,04,229

Other Transactions recorded in the Financial statements pertaining to Leases are as follows :-

- Interest Expense on Lease liabilities amounts to Rs 10,35,583/-
- The expense relating to payments not included in the measurement of the lease liability and recognised as expense in the Statement of Profit and Loss during the year amounted to Rs. 1,36,500/-
- Total cash outflow for leases amounts to Rs 62,16,531/- during the year including cash outflow of short-term and low value leases.

NOTE NO. 48

ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are :

PARTICULARS	NOTES	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Current Assets			
<u>Fixed Charge Asset</u>			
Assets		-	-
<u>Floating Charge</u>			
Trade Receivables	Note No . 12	38,37,61,588	39,29,72,942
Inventory	Note No . 11	17,55,30,454	27,42,50,580
Total current assets pledged as security		55,92,92,041	66,72,23,522
Non-Current Assets			
<u>Fixed Charge Asset</u>			
Motor Car	Note No . 2	60,35,980	20,11,497
Capital WIP (Property under Development)	Note No . 4	6,29,81,601	6,29,81,601
<u>Floating Charge</u>			
Investment properties	Note No . 5	2,43,70,384	2,48,10,474
Total non-current assets pledged as security		9,33,87,965	8,98,03,572
Total assets pledged as security		65,26,80,006	75,70,27,094

NOTE NO. 49

EMPLOYEE BENEFIT EXPENSES

(a) Disclosures pursuant to Ind AS-19

i. Defined Contribution Plans

The Company makes contributions, determined as a specified percentage of employee salaries in respect of qualifying employees towards Provident Fund (PF) and Employee State Insurance Corporation (ESIC), which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

The company has contributed the following amounts to the fund :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Employer's Contribution to Provident Fund & ESIC	7,56,800	14,59,326

ii. **Defined Benefit Plans.**

The company's gratuity plan to provide post employment benefits to its employees is reported in accordance with Ind AS 19, "Employee Benefits" - based on an actuarial valuation carried out in respect of such gratuity plan.

(a) The amounts recognised in Balance sheet are as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Present Value of Defined Benefit Obligation</u>		
Wholly Funded	-	-
Wholly Unfunded	74,38,744	67,72,928
	74,38,744	67,72,928
<u>Less:</u> Fair Value of Plan Assets	-	-
Amounts recognised as Liability (See Note No.24 & Note No.30)	74,38,744	67,72,928

(b) The amounts recognised in statement of Profit and Loss are as Follows:-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Current Service Cost	8,24,615	11,04,215
Interest Cost	4,40,240	3,19,702
Past Service Cost	-	-
Expenses included in Employee Benefits (See Note No.36)	12,64,855	14,23,917

(c) The amounts recognised in Other Comprehensive Income are as Follows:-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Actuarial (Gains) / Losses	(1,95,754)	7,92,824
Expenses included in Other Comprehensive Income (See Note No.42)	(1,95,754)	7,92,824

(d) The Reconciliation of Opening and Closing Balances of Defined Benefit Obligation is as Follows :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Opening Balance of present value of Defined Benefit Obligation	67,72,928	47,01,507
<u>Add:</u> Current Service Cost	8,24,615	11,04,215
<u>Add:</u> Interest Cost	4,40,240	3,19,702
<u>Add:</u> Past Service Cost	-	-
<u>Add/(less):</u> Actuarial Losses/(gains)	(1,95,754)	7,92,824
	78,42,029	69,18,248
<u>Less:</u> Defined Benefit Claims Settled	4,03,285	1,45,320
	74,38,744	67,72,928

(e) Breakup of Other Comprehensive Income

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Actuarial losses / (gains) arising from change in financial assumptions	2,76,997	7,77,134
Actuarial losses / (gains) arising from change in Demographic assumptions	-	-
Actuarial losses / (gains) arising from change in experience adjustments	(4,72,751)	15,690
	(1,95,754)	7,92,824

(f) Actuarial Assumptions

Principal actuarial assumptions at the Reporting date are as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Discount Rate (per anum)	6.50%	6.80%
Salary Growth Rate (per anum)	7.00%	7.00%
Retirement Age	60 Years	58 Years
<u>Attrition Rate</u>		
Younger Ages	5%	5%
Older Ages	1%	1%

(g) Maturity profile of defined benefit obligation

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Within 1 Year	7,95,724	4,61,653
Year 1 to Year 2	2,13,527	2,11,397
Year 2 to Year 3	2,06,160	2,04,104
Year 4 to Year 5	1,99,047	1,97,062
Year 5 to Year 6	1,92,180	1,90,264
Year 6 to Year 10	14,31,178	6,24,578
After 10 Years	44,00,928	48,83,870

NOTE NO. 50
RELATED PARTY DISCLOSURES

a. Details of Related Parties

i) List of Related Parties on whom control is established by the Company

NAME OF RELATED PARTY	RELATIONSHIP WITH THE COMPANY
Wemart Global FZE	Subsidiary
Technofy Digital Private Limited	Subsidiary

ii) Key Managerial Personnel

NAME OF RELATED PARTY	RELATIONSHIP WITH THE COMPANY
Amit D. Rambhia	Managing Director
Nikit D. Rambhia	Joint Managing Director
Devchand Rambhia	Whole-Time Director
Vishal Lalan	Chief Executive Officer (CEO)
Nitesh M Savla	Chief Financial Officer (CFO)
Jinkle Kimsaria	CS & Compliance Officer

iii) List of Related Parties with whom transactions has taken place during the Reporting Period

NAME OF RELATED PARTY	RELATIONSHIP WITH THE COMPANY
Wemart Global FZE	Subsidiary
Technofy Digital Private Limited	Subsidiary
ICT Infratech Services Private Limited	Joint Venture
Amit D. Rambhia	Managing Director
Nikit D. Rambhia	Joint Managing Director
Devchand L. Rambhia	Whole-Time Director
Vishal Lalan*	Chief Executive Officer
Nitesh M. Savla	Chief Financial Officer
Jinkle Khimsaria*	CS & Compliance Officer
Panache Innovations Limited	Company having Common Director
Rambhia IPR Services LLP	Firm in which Director is a Partner
Deepa A. Rambhia	Relative of Director
Kavita N. Rambhia	Relative of Director

* Mr. Vishal Lalan has resigned from the post of "Chief Executive Officer" with effect from 07th September, 2020.

* Ms. Jinkle Khimsaria has resigned from the post of "Company Secretary & Compliance Officer" with effect from 15th June, 2021.

b. List of Transactions with Related Parties

The Company has identified all the related parties having transactions during the year as per details given hereunder:-

NAME OF THE PERSON / ENTITY	RELATION WITH THE COMPANY	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 20-21 (NET OF TAX)
Amit D. Rambhia	Managing Director	Remuneration	28,00,000
Nikit D. Rambhia	Joint Managing Director	Remuneration	28,00,000
Devchand L. Rambhia	Whole-Time Director	Remuneration	10,50,000
Deepa A. Rambhia	Relative of Director	Remuneration	15,75,000
Kavita N. Rambhia	Relative of Director	Remuneration	10,75,000
Vishal Lalan	Chief Executive Officer	Remuneration	13,43,750
Nitesh M. Savla	Chief Financial Officer	Remuneration	12,92,297
Jinkle Khimsaria	CS & Compliance Officer	Remuneration	5,50,599
Amit D. Rambhia	Managing Director	Loan Taken	34,00,000
Amit D. Rambhia	Managing Director	Interest on Unsecured Loan	2,29,487
Nikit D. Rambhia	Joint Managing Director	Loan Taken	8,75,000
Nikit D. Rambhia	Joint Managing Director	Interest on Unsecured Loan	6,66,723
Devchand L. Rambhia	Whole-Time Director	Loan Taken	4,50,000
Devchand L. Rambhia	Whole-Time Director	Interest on Unsecured Loan	1,02,894
Technofy Digital Private Limited	Subsidiary	Loan Repaid	1,15,52,169
Technofy Digital Private Limited	Subsidiary	Interest on Unsecured Loan	52,85,424
ICT Infratech Services Private Limited	Joint Venture	Services Availed	2,50,000
Panache Innovations Limited	Company having Common Director	Sales	2,15,14,742
Panache Innovations Limited	Company having Common Director	Services Availed	3,56,540
Panache Innovations Limited	Company having Common Director	Purchases	92,49,885
Rambhia IPR Services LLP	Firm in which Director is a Partner	Royalty Paid	11,76,475

The above mentioned transactions with related parties are stated after excluding tax and carried out at arms length prices.

c. Amount Receivable / Payable from / to related parties as on reporting dates are as Follows:-

PARTICULARS	RELATION WITH THE COMPANY	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Amounts Receivable from Related Parties</u>			
<u>Receivables for Sales & Services Provided</u>			
Panache Innovations Limited	Company having Common Director	2,19,35,198	1,59,25,291
ICT Infratech Services Private Limited	Joint Venture	58,99,392	60,16,858
Devchand L. Rambhia	Whole-Time Director	-	35,000
		2,78,34,590	2,19,77,149
<u>Loans & Advances Recoverable</u>			
Technofy Digital Private Limited	Subsidiary	4,82,27,273	5,82,76,800
Technofy Digital Private Limited (Interest Receivable)	Subsidiary	48,89,017	15,04,442
Vishal Lalan	Chief Executive Officer	-	11,38,079
		5,31,16,290	6,09,19,321
Total Receivables from Related Parties		8,09,50,880	8,28,96,471

PARTICULARS	RELATION WITH THE COMPANY	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Amounts Payable to Related Parties</u>			
<u>Payables for Purchases & Services Availed</u>			
Panache Innovations Limited	Company having Common Director	-	28,771
ICT Infratech Services Private Limited	Joint Venture	-	65,065
Rambhia IPR Services LLP	Firm in which Director is a Partner	11,18,754	1,82,993
Deepa A. Rambhia	Relative of Director	1,06,890	1,27,800
Kavita N. Rambhia	Relative of Director	83,920	95,800
		13,09,564	5,00,429
<u>Payable towards Borrowings Taken</u>			
Amit D. Rambhia	Managing Director	34,00,000	-
Amit D. Rambhia (Interest Payable)	Managing Director	2,12,275	23,502
Nikit D. Rambhia	Joint Managing Director	44,45,000	35,70,000
Nikit D. Rambhia (Interest Payable)	Joint Managing Director	6,16,719	84,127
Devchand L. Rambhia	Whole-Time Director	14,00,000	9,50,000
Devchand L. Rambhia (Interest Payable)	Non- Executive Director	95,177	92,594
		67,69,171	47,20,223
<u>Expenses Reimbursable</u>			
Nitesh M. Savla	Chief Financial Officer	4,027	-
Jinkle Khimsaria	CS & Compliance Officer	4,493	-
		8,520	-
<u>Payables to KMP and their Relatives as Remuneration</u>			
Nitesh M. Savla	Chief Financial Officer	92,677	97,076
Jinkle Khimsaria	CS & Compliance Officer	48,742	48,742
		1,41,419	1,45,818
Total Payables to Related Parties		82,28,674	53,66,470
<u>Other Contributions & Commitments</u>			
<u>Corporate Guarantee Given</u>			
Technofy Digital Private Limited	Subsidiary	12,00,00,000	12,00,00,000
<u>Capital Contribution Made</u>			
Technofy Digital Private Limited	Subsidiary	-	1,00,000

Compensation Paid to Key Managerial Personnel (KMP) :

The remuneration of Directors and other members of Key Managerial Personnel are as follows :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Short Term Benefits	84,92,896	1,12,94,216
Post Employment Benefits	24,82,604	24,82,604
Other Long-Term Benefits	-	-
Share Based Payments	-	-
Termination Benefits	-	-
Total	1,09,75,500	1,37,76,820

NOTE NO. 51

FAIR VALUE MEASUREMENT HIERARCHY

A. The Disclosure requirements pursuant to Ind AS 107 "Financial Instruments: Disclosures" are as Follows

(a) Category wise classification for applicable Financial assets & Liabilities.

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Financial Assets</u>		
<u>Measured at Amortised Cost</u>		
Loans	5,21,90,720	6,49,19,653
Trade Receivables	38,37,61,588	39,29,72,942
Other Financial Assets	50,25,017	17,72,803
Cash & Cash Equivalents	80,47,077	1,73,03,353
Bank Balances Other Cash & Cash Equivalents	7,200	7,200
Total financial Assets Measured at Amortised Cost (I)	44,90,31,601	47,69,75,951
Measured at Fair Value Through Other Profit & Loss Account (FVTPL)	70,79,555	70,79,555
Total Value of Financial Assets [(I)+(II)]	45,61,11,156	48,40,55,506
<u>Financial Liabilities</u>		
<u>Measured at Amortised Cost</u>		
Borrowings	27,92,05,393	26,97,02,389
Trade Payables	12,86,76,041	32,01,03,360
Lease Liabilities	67,03,986	1,45,34,674
Other Financial Liabilities	48,46,377	24,92,589
Total of Financial Liabilities Measured at Amortised Cost	41,94,31,796	60,68,33,012
Measured at Fair Value Through Other Profit & Loss Account (FVTPL)	-	-
Other Financial Liabilities	-	-
Total Value of Financial Liabilities	41,94,31,796	60,68,33,012

(b) Disclosures relating to recognition of items of income, expenses, gains or losses related to financial instruments

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Net gains/(losses) on financial assets and Financial liabilities measured at amortised cost :-		
(i) Exchange Difference Gains/ (Losses) on revaluation or settlement of items denominated in Foreign Currency (Trade Receivables, Loans Given, etc.)	8,09,005	(8,55,097)
(ii) Amortisation of Fair Value Changes	22,382	(57,393)
(iii) Finance Charges (Net)	1,59,746	1,69,428
(iv) Interest Income	60,01,018	24,40,969
(v) Interest Expense	(3,04,10,864)	(2,28,63,036)
(vi) Finance Charges on Lease Liabilities	(10,35,583)	(17,66,184)
(vii) Bank Charges on Finance	(1,91,322)	(1,37,020)
(viii) Processing Charges	(11,78,944)	(4,26,334)
(ix) Provision for Expected Credit Losses	(32,06,236)	(26,61,565)
Total	(2,90,30,799)	(2,61,56,232)
Net gains/(losses) on financial liabilities measured at Fair Value Through Profit & Loss Account (FVTPL) :-	-	-
Total	-	-

NOTE NO. 52
DISCLOSURE UNDER SECTION 186 OF COMPANIES ACT

Particulars of Loans, Deposits and Guarantees as at the year end

NAME OF THE ENTITY	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020	NATURE OF ASSISTANCE	PURPOSE FOR WHICH LOAN/ GUARANTEE IS PROPOSED TO BE UTILISED BY RECIPIENT
Technofy Digital Private Limited	5,31,16,290	5,97,81,242	Inter Corporate Loan	Purchase of Leasehold Land
Technofy Digital Private Limited	12,00,00,000	12,00,00,000	Corporate Guarantee	
Karram Warehousing Private Limited	13,49,192	12,38,192	Inter Corporate Loan	Short Term Working Capital
Shree Rajlaxmi Textiles	10,00,000	10,00,000	Advance	Advance for Purchase of Property

AS PER OUR REPORT OF EVEN DATE
FOR KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

MR. AMIT D. RAMBHIA
MANAGING DIRECTOR
DINO:- 00165919

MR. NIKIT D. RAMBHIA
JOINT MANAGING DIRECTOR
DINO:- 00165678

CA KETAN N.GADA
PARTNER
(MEM NO. 106451)

MR.NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 29/06/2021
UDIN : 21106451AAAADC4609

PLACE: MUMBAI
DATED: 29/06/2021

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

UDIN 21106451AAAADD8203

INDEPENDENT AUDITOR REPORT

To the Shareholders of
M/s. Panache Digilife Limited

We have audited the accompanying consolidated financial statements of **M/s Panache Digilife Limited**, (the "Parent"), and its Subsidiaries ("the Parent" and its Subsidiaries and Associate collectively referred to as "the Group") and its share of the net profit/(loss) after tax and total comprehensive income / loss of its Associate (Joint Venture) for the year ended 31st March, 2021 ("statement"), being submitted by the Parent which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (Hereinafter referred to as the "Consolidated Financial Statements").

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to by the management of the group, **except for the effects of the matter described in the 'Basis for Qualified Opinion' section of our report**, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2021, and its profit (including Other Comprehensive Income), changes in equity and statement of cash flows for the year ended on that date.

Basis for Qualified Opinion

The Consolidated Ind AS Financial Statements includes the unaudited Financial Statement of Wemart Global FZE (Dubai), whose Financial Statements reflect total assets of Rs. NIL as at 31st March, 2021, net gain/(net loss) of Rs.(81.24) Lakhs pertaining to writing off of other assets & liabilities of nominal value and total comprehensive income/(loss) of Rs.(81.24) Lakhs for the year ended on that date, has been considered in the Consolidated Financial Statements. We state that this Financial Statement is not audited by us. This Financial Statement was to be audited by other auditors, whose report has not been furnished to us by the management. We assess that the possible effects of misstatements due to unavailability of audited Financial Statements of such subsidiary on the overall Consolidated Financial Statements could be material but not pervasive.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention towards the Note No. 1(16) of the General Notes to Accounts of Consolidated Financial Statements.

In respect of Technofy Digital Private Limited (Subsidiary of Panache Digilife Limited), the account of the company has been prepared based on the assumption that the company is not going concern for the year ended 31st March 2021.

As per Ind AS 105, Assets and Liabilities of Technofy Digital Private Limited are presented separately in the balance sheet as the Subsidiary meets the definition of Disposal Group for purpose of consolidation of Panache Digilife Limited Group.

The results of operating activities of such disposal group are presented separately in Statement of Profit/Loss under Discontinuing Operations.

The results of operations of the component previously presented in continuing operations have been reclassified and included in income from discontinuing operations.

Other Matters

The Consolidated Ind AS Financial Statements includes the Financial Statements of Wholly Owned Subsidiary 'Technofy Digital Private Limited' has been audited by M/s. Jain Salia & Associates Chartered Accountants for the period ended on 31st March 2021. We have relied upon the report given by the aforesaid auditor for the purpose of consolidation of Financial Statements. The consolidated financials includes net loss after tax from discontinuing operations of Rs. (235.88) lakhs and Net assets of disposal group classified as held for sale of Rs. (219.28) lakhs.

The consolidated financial results also includes the Associate (Joint Venture) share of net profit/(loss) after tax of Rs (0.51) Lakhs and total comprehensive income/ (loss) of Rs.(0.51) Lakhs for the year ended 31st March, 2021, as considered in the consolidated financial results, in respect of ICT Infratech Services Pvt Ltd, Associate(Joint Venture), whose financial statements / financial information have not been audited by us. This financial statement has been audited by M/s. Jain Salia & Associates, Chartered Accountants auditors, whose report have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this Associate (Joint Venture) is based solely on the reports of aforesaid auditors.

Information Other than the Consolidated Financial Statements and Auditor's Report

The respective Board of Directors of the Companies included in the Group are responsible for the preparation of other information. The other information comprise the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the other information of subsidiaries, joint ventures and associates audited by other auditors of the companies included in the group, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Other information so far as it relates to the subsidiaries, joint ventures and associates, is traced from their financial statements audited by the other auditors.

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

If, based on the work we have performed, we conclude that there is 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 Consolidated Financial Statements

The respective Board of Directors of the companies included in the Group are responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Company including its joint operation companies in accordance with the Ind AS and accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the respective Companies 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing their respective company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless respective management of the companies included in the Group either intends to liquidate their respective Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing their respective Company's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements

Materiality

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that based on our audit and on the consideration of the report of other auditor on separate financial statement of the foreign subsidiary, referred in the other matters paragraph above, we report to the extent applicable 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 of the aforesaid Consolidated Financial Statements;
- b. In our opinion, proper books of accounts as required by law relating to the preparation and presentation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of relevant books & records, returns and the report of the other auditor.
- c. The Consolidated Balance Sheet and the Consolidated Statement of Profit & Loss (including Other Comprehensive Income), Statement of Changes in Equity & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors of the Holding Company as on 31st March 2021 taken on record by the Board of Directors of the Holding Company and based on the report of the Statutory auditor of its subsidiary, none of the directors is disqualified as on 31st March 2021, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013; and
- f. Our Opinion on the adequacy of the Internal Financial Controls of the company over the financial reporting and the operating effectiveness of such controls has been given by us in a separate report in '**Annexure-A**', which is based on auditor's reports of the Holding company and its Subsidiary and unaudited financial statements of foreign subsidiary.

- 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 explanations given to us:
- (i) The Company has disclosed that there are no pending litigations in respect of the Holding Company and its Foreign Subsidiary which would impact its consolidated financial position.
 - (ii) The Holding Company and its Foreign Subsidiary did not have any long-term contracts for which there were any material foreseeable losses;
 - (iii) The Holding Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.

For KPB & Associates
Chartered Accountants
[FRNo. 114841W]

(Partner)
(CA Ketan N Gada)
(Membership No 106451)

Place: Mumbai

Date: 29.06.2021
UDIN:21106451AAAADD8203

ANNEXURE - A TO THE AUDITOR'S REPORT FOR THE Y. E. 31ST MARCH, 2021
(Referred to in Paragraph (f) of our Report of even date)

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 Panache Digilife Limited ("hereinafter referred to as the Parent Company") as of 31st March 2021 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The management of the Parent Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Parent 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 consolidated Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated 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 Parent company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Parent company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Parent company's assets that could have a material effect on the consolidated Ind AS 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 Parent 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 31st March 2021, based on the internal control over financial reporting criteria established by the Parent 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.

Other Matter Paragraph

Our report on the Operating Effectiveness of Internal Financial Controls of the Group is limited only to the extent of Parent Company's controls, as the subsidiaries included in the group are Foreign Subsidiary for whom, such requirements are not applicable as per the relevant statutes of those countries.

For KPB & Associates
Chartered Accountants
[FRNo. 114841W]

(Partner)
(CA Ketan N.Gada)
(Membership No 106451)

Place: Mumbai
Date : 29.06.2021
UDIN: 21106451AAAADD8203

Statement on Impact of Audit Qualifications

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 [See Re 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. NO.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
			(Rs. In Lacs/amount) except data per share	
	1.	Total income	7847.02	7847.02
	2.	Total Expenditure	7416.96	7416.96
	3.	Net Profit/(Loss)	35.91	35.91
	4.	Earnings per Share	(0.30)	(0.30)
	5.	Total Assets	9456.05	9456.05
	6.	Total Liabilities	6514.95	6514.95
	7.	Net Worth	2941.10	2941.10
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately)			
	a) Details of Audit Qualification: Financial Results of subsidiary company viz. Wemart Global FZE are unaudited, possible effects of misstatements on overall consolidated financial statements could be material but not pervasive.			
	b) Type of Audit Qualification: Qualified Opinion			
	c) Frequency of qualification: Second time			
	d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	e) For Audit Qualification(s) where the impact is not quantified the auditor:			
	i. Management's estimation on the impact of audit qualification: Since there were no transaction during the year, Management is of the view that there will not be any major impact on the group.			
	ii. If management is unable to estimate the impact, reasons for the same:			
	iii. Auditors' Comments on (i) or (ii) above: Based on the representations and documents received from the management, we believe that in the absence of no commercial transactions during the year, the quantitative impact of results of the subsidiary on the group will be nominal.			
	Signatories:			
	• Amit Rambhia Managing Director			
	• Nitesh Savla CFO			
	• Bhavin Adani Audit Committee Chairman		FOR KPB & ASSOCIATES Chartered Accountants ICAI FRNo: 114841W PARTNER CA KETAN GADA (Membership No. 106451)	
	• Statutory Auditor			
	Place: Mumbai Date: 29-06-2021			

Balance Sheet

(All amounts in INR)

Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
I. ASSETS				
1 NON-CURRENT ASSETS				
(a) Property, Plant & Equipments	...	2	4,32,12,901	1,60,32,763
(b) Right of use assets	...	3	59,04,229	20,53,60,773
(c) Capital Work-in-Progress	...	4	6,29,81,601	6,29,81,601
(d) Investment Properties	...	5	-	2,48,10,474
(e) Goodwill	...		-	-
(f) Other Intangible Assets	...	6	10,597	94,443
(g) Intangible Assets Under Development	...		-	-
(h) Biological Assets Other than Bearer Plants	...		-	-
(i) <u>Financial Assets</u>				
(i) Investments Accounted for Using the equity method	...	7	17,546	68,850
(ii) Other Investments	...	8	-	65,17,902
(iii) Loans & Deposits	...	9	16,19,764	31,08,958
(iv) Other Financial Assets	...	10	25,000	30,169
(j) Deferred Tax Assets	...		-	-
(k) Other Non-Current Assets	...	11	3,96,869	18,65,519
2 CURRENT ASSETS				
(a) Inventories	...	12	17,55,30,454	27,42,50,580
(b) <u>Financial Assets</u>				
(i) Investments	...		-	-
(ii) Trade Receivables	...	13	38,37,61,587	40,05,97,823
(iii) Cash and Cash Equivalents	...	14	80,47,077	1,89,81,532
(iv) Bank Balances other than Cash & Cash Equivalents	...	15	7,200	7,200
(v) Loans & Deposits	...	16	23,43,680	35,43,895
(vi) Other Financial Assets	...	17	1,10,999	2,38,192
(c) Other Current Assets	...	18	4,11,54,288	7,59,38,829
(d) Assets of Disposal Group classified as held for sale	...	44	22,04,81,708	-
TOTAL ASSETS			94,56,05,500	1,09,44,29,503
II. EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity Share Capital	...	19	12,00,00,000	12,00,00,000
(b) Other Equity	...	20	17,41,10,131	17,17,46,061
2 LIABILITIES				
A Non-Current Liabilities				
(a) <u>Financial Liabilities</u>				
(i) Borrowings	...	21	4,31,07,458	13,78,45,447
(ii) <u>Trade Payables</u>	...			
(a) total outstanding dues of micro enterprises and small enterprises			-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises			-	-
(iii) Lease Liabilities	...	22	30,58,845	67,03,985
(iv) Other Financial Liabilities	...	23	-	5,10,366
(b) Provisions	...	24	66,43,020	63,11,275
(c) Deferred Tax Liabilities(Net)	...	25	6,03,404	(9,20,787)
(d) Other Non-Current Liabilities	...		-	-

B Current Liabilities				
(a) <u>Financial Liabilities</u>				
(i) Borrowings	...	26	23,60,97,935	27,86,24,316
(ii) <u>Trade Payables</u>	...	27		
(a) total outstanding dues of micro enterprises and small enterprises			1,28,47,861	1,41,68,098
(b) total outstanding dues of creditors other than micro enterprises and small enterprises			11,58,28,180	30,59,35,261
(iii) Lease Liabilities	...	28	36,45,141	78,30,689
(iv) Other Financial Liabilities	...	29	48,46,377	20,14,223
(b) Other Current Liabilities	...	30	1,42,65,682	3,17,92,837
(c) Provisions	...	31	46,71,940	46,16,557
(d) Current Tax Liabilities(Net)	...	32	1,14,44,277	72,51,175
(e) Liabilities Associated with Disposal Group classified as held for sale	...	43	19,44,35,248	-
TOTAL EQUITY AND LIABILITIES			94,56,05,500	1,09,44,29,504
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS			1	

AS PER OUR REPORT OF EVEN DATE
FOR KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

CA KETAN N.GADA
PARTNER
(MEM NO. 106451)

MR. AMIT D. RAMBHIA
MANAGING DIRECTOR
DINO:- 00165919

MR. NIKIT D. RAMBHIA
JOINT MANAGING DIRECTOR
DINO:- 00165678

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 29/06/2021
UDIN: 21106451AAAADD8203

PLACE: MUMBAI
DATED: 29/06/2021

Statement on Profit & Loss

Sr. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
A	CONTINUING OPERATIONS			
I. REVENUE				
	Revenue From Operations ...	33	77,58,04,917	71,28,39,610
	Other Income ...	34	88,97,760	47,96,818
	Other Gains / (Losses) - net ...		-	-
	TOTAL INCOME		78,47,02,677	71,76,36,428
II. EXPENSES				
	Cost of Materials Consumed ...	35	52,65,78,948	58,11,25,703
	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods ...	36	9,87,20,126	(1,92,80,187)
	Employee Benefit Expenses ...	37	3,85,07,246	5,81,52,633
	Finance Costs ...	38	3,45,43,019	2,51,92,574
	Depreciation and Amortisation Expenses ...	39	1,07,61,061	1,14,38,599
	Impairment Expenses / Losses ...	40	-	8,17,330
	Other Expenses ...	41	3,25,85,570	2,73,40,976
	TOTAL EXPENSES		74,16,95,970	68,47,87,627
III. Profit Before Exceptional items & Tax	...		4,30,06,708	3,28,48,801
	Exceptional Items ...		-	-
IV. Profit Before Tax From Continuing Operations	...		4,30,06,708	3,28,48,801
	<u>Income Tax Expense</u>	42		
	-Current Tax ...		1,46,21,062	1,21,33,382
	-Deferred Tax ...		(2,77,711)	(18,98,850)
A. PROFIT FROM CONTINUING OPERATIONS			2,86,63,356	2,26,14,268
	Add: Share of Profit/(loss) from Joint Venture		(51,303)	(2,11,398)
	TOTAL PROFIT FROM CONTINUING OPERATIONS		2,86,12,053	2,24,02,870
B. DISCONTINUING OPERATIONS		43		
I. Profit / (loss) from Discontinuing Operations			(2,35,04,135)	(5,32,67,440)
	Tax Expense of Discontinuing Operations ...		15,17,380	(15,17,380)
B. TOTAL PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS			(2,50,21,515)	(5,17,50,060)
	TOTAL PROFIT/(LOSS) FOR THE PERIOD [(A)+(B)]		35,90,538	(2,93,47,190)
C. OTHER COMPREHENSIVE INCOME				
I. Items that will not be reclassified to Profit or Loss A/c	...	44	1,95,754	(7,92,824)
	Income Tax Relating to items that will not be reclassified to Profit or Loss A/c ...	42	(1,70,005)	3,32,997
II. Items that will be reclassified to Profit or Loss A/c	...	44	4,55,011	28,63,527
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c ...	42	(1,14,517)	(2,554)
C. OTHER COMPREHENSIVE INCOME FOR THE PERIOD			3,66,243	24,01,145
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [(A)+(B)+(C)]		39,56,781	(2,69,46,044)

<u>Profit for the year attributable to :</u>				
(a) Owners of the Parent Company			2,86,63,356	2,26,14,268
(b) Non-Controlling Interest			-	-
			2,86,63,356	2,26,14,268
<u>Other Comprehensive Income for the year attributable to :</u>				
(a) Owners of the Parent Company			3,66,243	24,01,145
(b) Non-Controlling Interest			-	-
			3,66,243	24,01,145
<u>Total Comprehensive Income for the year attributable to :</u>				
(a) Owners of the Parent Company			39,56,781	(2,69,46,044)
(b) Non-Controlling Interest			-	-
			39,56,781	(2,69,46,044)
<u>EARNINGS PER SHARE</u>		45		
Basic EPS	...		2.39	1.87
Diluted EPS	...		2.39	1.88

AS PER OUR REPORT OF EVEN DATE
FOR KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

CA KETAN N.GADA
PARTNER
(MEM NO. 106451)

MR. AMIT D. RAMBHIA
MANAGING DIRECTOR
DINO:- 00165919

MR. NIKIT D. RAMBHIA
JOINT MANAGING DIRECTOR
DINO:- 00165678

PLACE: MUMBAI
DATED: 29/06/2021
UDIN: 21106451AAAADD8203

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 29/06/2021

Statement of Changes in Equity

a. EQUITY SHARE CAPITAL

Balance as at 01st April 2019	Changes in Equity Share Capital During FY 2019- 20	Balance as at 31st March 2020
6,00,00,000	6,00,00,000	12,00,00,000

Balance as at 01st April 2020	Changes in Equity Share Capital During FY 2020- 21	Balance as at 31st March 2021
12,00,00,000	0	12,00,00,000

b. OTHER EQUITY

(All amounts in INR)

PARTICULARS	SHARE APPLICATION MONEY PENINDG FOR ALLOTMENT	RESERVES & SURPLUS				EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME	ACTUARIAL GAINS/(LOSSES) ON DEFINED BENEFIT OBLIGATIONS	TOTAL
		CAPITAL RESERVE	SECURITIES PREMIUM RESERVE	OTHER RESERVE (SPECIFY NATURE)	RETAINED EARNINGS			
Balance at the beginning of the reporting Period as at 01st April 2019	-	-	12,78,00,000	-	13,23,56,550	22,08,734	3,46,266	26,27,11,550
Change in accounting Policy & Prior Period errors Restated balance at the beginning of the reporting period.	-	-	-	-	(27,39,695)	(1,94,750)	-	(29,34,445)
Profit for the year	-	-	-	-	(2,93,47,190)	-	-	(2,93,47,190)
Comprehensive Income for the Year	-	-	-	-	-	28,60,973	(4,59,827)	24,01,146
Dividends	-	-	-	-	(9,00,000)	-	-	(9,00,000)
Dividend Distribution Tax	-	-	-	-	(1,85,000)	-	-	(1,85,000)
Transfer to Reserves	-	-	-	-	-	-	-	-
Issue of Bonus Shares	-	-	(6,00,00,000)	-	-	-	-	(6,00,00,000)
Premium on Issue of Shares	-	-	-	-	-	-	-	-
Balance as at 31st March 2020	-	-	6,78,00,000	-	9,91,84,665	48,74,957	(1,13,561)	17,17,46,061
Change in accounting Policy & Prior Period errors Restated balance at the beginning of the reporting period.	-	-	-	-	(27,738)	(5,29,769)	-	(5,57,507)
Profit for the year	-	-	-	-	35,90,537	-	-	35,90,537
Total Comprehensive Income for the Year	-	-	-	-	-	3,40,493	25,749	3,66,242
Dividends	-	-	-	-	(9,66,772)	-	-	(9,66,772)
Dividend Distribution Tax	-	-	-	-	(68,430)	-	-	(68,430)
Transfer to Reserves	-	-	-	-	-	-	-	-
Premium on Issue of Shares	-	-	-	-	-	-	-	-
Utilised	-	-	-	-	-	-	-	-
Balance as at 31st March 2021	-	-	6,78,00,000	-	10,17,12,262	46,85,681	(87,812)	17,41,10,131

AS PER OUR REPORT OF EVEN DATE
FOR KPB & ASSOCIATES
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PANACHE DIGILIFE LIMITED

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DATED: 29/06/2021

Cash Flow Statement

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax as per Profit & Loss A/c	1,95,02,572	(2,04,18,639)
<u>Adjustments for Non-cash Items</u>		
Depreciation on Property, Plant & Equipment, Investment	61,89,246	43,43,489
Depreciation of Right of Use Assets	70,73,986	79,28,236
Finance Charges on Financial Instruments (unwinding of	(1,59,746)	1,69,428
Amortisation of Fair Value Changes	22,382	(57,393)
Provision for Gratuity	8,61,570	12,78,594
Notional Fair Valuation Gain on Investment	(6,37,571)	-
Impairment Loss recognised/(reversed) under Expected Credit Loss Model	19,65,650	4,75,56,375
Impairment of Property, Plant & Equipment	-	8,17,330
Office Rent Waiver	(27,86,240)	-
Adjustment of Prior Periods	(5,29,769)	(1,94,750)
Miscellaneous Expenses Written Off	14,00,003	13,61,259
	1,33,99,511	6,32,02,568
	3,29,02,083	4,27,83,929
<u>Adjustments for Non-Operating Items</u>		
Interest Income	(7,15,594)	(7,69,367)
Interest on Income Tax Payment	17,26,305	-
Interest Paid	4,55,69,250	2,65,53,751
Rent Income from Investment Property	(16,14,600)	(32,29,200)
Finance charges on Lease Liabilities	10,35,583	17,66,184
Bank Charges on Finance	1,91,322	1,37,020
Processing charges	14,02,635	3,15,611
	4,75,94,901	2,47,73,999
Operating Profit before Working Capital Changes	8,04,96,985	6,75,57,928
<u>Adjusted for Change in Working Capital:</u>		
Inventories	9,87,20,126	(1,92,80,187)
Trade Receivable	1,48,76,248	19,07,94,525
Other Current Assets	3,22,82,992	(2,93,20,162)
Other Non-Current Assets	2,02,446	-
Other Financial Assets	(32,52,214)	(38,762)
Trade Payable	(19,14,27,319)	(14,58,32,003)
Other Financial Liabilities	10,31,649	5,27,336
Provisions (Long Term)	-	-
Provisions (Short Term)	(2,14,959)	4,30,466
Other Current financial liabilities	40,96,782	15,36,442
Other Current Liability	3,02,68,476	1,37,77,887
	(1,34,15,772)	1,25,95,544
Cash Generated from Operations	6,70,81,213	8,01,53,472
Taxed Paid	(1,06,92,704)	(1,44,66,418)
Net Cash Flow from Operations (A)	5,63,88,509	6,56,87,054
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
<u>Cash Inflow</u>		
Interest Income	7,15,594	7,69,367
Rent Income from Investment Property	16,14,600	32,29,200
Foreign Currency Translation Reserve	4,55,011	28,63,527
Loans Repaid by Parties	1,28,66,297	-
	1,56,51,502	68,62,094
<u>Cash Outflow</u>		
Purchase of Fixed Assets	60,11,492	23,19,63,605
Leasehold Improvements	2,05,62,798	-
Investment in Associate (Joint Venture)	-	-
Investment in Bonds	-	65,17,902
Loans & Deposits Given	1,35,000	17,97,074
	2,67,09,290	24,02,78,581
Net Cash Flow from Investing Activities (B)	(1,10,57,788)	(23,34,16,487)

Continued

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021		FOR THE YEAR ENDED 31ST MARCH 2020	
CASH FLOW FROM FINANCING ACTIVITIES				
<u>Cash Inflow</u>				
Long Term Borrowing	1,85,79,734		13,53,49,484	
Short Term Borrowing	11,51,360	1,97,31,094	4,15,49,604	17,68,99,088
<u>Cash Outflow</u>				
Long Term Borrowing Settled	-		-	
Short Term Borrowing Settled	1,92,52,030		17,58,727	
Repayment of Lease Liabilities	60,80,031		99,86,220	
Interest Paid	4,55,69,250		2,65,53,751	
Bank Charges	1,91,322		1,37,020	
Dividend Paid	9,66,772		9,00,000	
Dividend Distribution Tax Paid	68,430		1,85,000	
Processing charges	14,02,635		3,15,610	
Miscellaneous Expenses Incurred	-	7,35,30,470	7,74,875	4,06,11,204
Net Cash Flow from Financing Activities (C)		(5,37,99,376)		13,62,87,884
CASH FLOW FROM ALL ACTIVITIES (A+B+C)		(84,68,655)		(3,14,41,549)
<u>Cash and Cash Equivalents at the Beginning of the year</u>				
Cash in Hand	6,62,623		14,10,368	
Balance in Bank	(18,34,11,426)	(18,27,48,803)	(15,27,17,623)	(15,13,07,255)
Cash and Cash Equivalents at the end of the year		(19,12,17,459)		(18,27,48,804)
<u>Closing Balance as per accounts</u>				
Cash in Hand		6,42,172		6,62,623
Balance in Bank		(19,18,59,631)		(18,34,11,426)
		(19,12,17,459)		(18,27,48,804)

Notes :

Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standard Rules), 2015.

Purchase of Fixed Assets represents additions to Property, Plant and Equipments, Capital Work-in-progress and Other Intangible Assets.

Cash & Cash Equivalents included in the statement of Cash Flows comprises of the following.

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Cash balance Disclosed under Current Financial Assets - Note No.14	6,42,172	6,62,623
<u>Balances With Bank</u>		
Fixed Deposits With Bank Disclosed under Current Financial Assets - Note No.14	54,99,095	1,39,72,996
Current Deposits with Bank Disclosed under Current Financial Assets - Note No.14	19,05,810	43,45,913
Current Deposits with Bank Disclosed under Current Financial Assets - Note No. 45	3,37,662	-
Unclaimed Dividends Disclosed in Bank Balances Other than Cash & Cash Equivalents -Note No. 15	7,200	7,200
Cash Credit with Bank Disclosed under Current Financial Liabilities - Note No.26	(19,96,09,398)	(20,17,37,535)
Cash & Cash Equivalents as per Balance Sheet	(19,12,17,459)	(18,27,48,803)

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Cash and Cash Equivalents	80,47,077	1,89,81,532
Borrowings (including overdraft)	(40,86,70,214)	(41,64,69,763)
Lease liabilities	(67,03,986)	(1,45,34,674)
Net Debt	(40,73,27,123)	(41,20,22,905)
Cash and liquid investments	80,47,077	1,89,81,532
Gross debts- fixed interest rates	(7,52,06,128)	(6,59,26,605)
Gross debts- variable interest rates	(34,01,68,072)	(36,50,77,832)
Net Debt	(40,73,27,123)	(41,20,22,905)

5 Changes in Liabilities Arising from Financing Activities

For the Year Ended 31st March 2020

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2019	25,91,197	3,67,09,351	3,86,553	N.A.
Lease Liability Recorded on Ind AS 116 Transition	-	-	-	2,27,54,709
Changes from Financing Cash Flows	14,99,96,525	1,76,31,508	(3,86,553)	(99,86,220)
Interest Accrued	68,46,476	10,77,628	-	17,66,185
Transfer within categories	(2,13,14,894)	-	2,13,14,894	-
Other Changes	(2,73,857)	1,53,400	-	-
Closing Balance as on 31st March 2020	13,78,45,447	5,55,71,887	2,13,14,894	1,45,34,674

For the Year Ended 31st March 2021

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2020	13,78,45,447	5,55,71,887	2,13,14,894	1,45,34,674
Lease Liability Recorded on Ind AS 116 Transition	-	-	-	-
Changes from Financing Cash Flows	4,66,09,635	(2,35,48,051)	(2,13,14,894)	(60,80,031)
Interest Accrued	53,26,993	45,65,610	-	10,35,583
Transfer within categories	(3,22,46,189)	-	3,22,46,189	-
Other Changes	(16,36,796)	-	-	(27,86,240)
Closing Balance as on 31st March 2021	15,58,99,090	3,65,89,446	3,22,46,189	67,03,986

Amounts reported in the statement of cash flow under financing activities

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Proceeds from Non-current Borrowings	7,22,00,000	15,66,64,378
(Repayment) of Non-current Borrowings	(2,18,14,195)	(3,86,553)
(Repayment) / Proceeds from current Borrowings	(1,89,82,441)	1,88,62,536
(Repayment/Waiver) of Lease Liabilities	(88,66,271)	(99,86,220)
Net Movement in Financing Activities	2,25,37,093	16,51,54,141

AS PER OUR REPORT OF EVEN DATE
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[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

CA KETAN N.GADA
PARTNER
(MEM NO. 106451)

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MANAGING DIRECTOR
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MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 29/06/2021
UDIN: 21106451AAAADD8203

PLACE: MUMBAI
DATED: 29/06/2021

Notes to Financial Statement

A Significant Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March 2021

1 Basis of Preparation

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013.

Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at 31 March, 2021, the Statement of Profit and Loss for the year ended 31 March 2021, the Statement of Cash Flows for the year ended 31 March 2021 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Consolidated Financial Statements' or 'financial statements').

These financial statements are approved for issue by the Board of Directors on 29th June, 2021.

2 Compliance with Ind AS

The separate financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for financial instruments - measured at fair value or amortised cost.

3 System of Accounting :

3.1 The Group follows Mercantile System of Accounting and recognizes Income & Expenditure on an accrual basis.

3.2 Accounts of the Group are prepared under the Historical Cost convention method, except for certain financial instruments that are measured at fair value in accordance with Ind AS.

3.3 Fair Value measurements under Ind AS are categorized as below, based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to their fair value measurement in its entirety.

- a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date.
- b) Level 2 inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- c) Level 3 inputs are unobservable inputs for the valuation of assets/liabilities.

4 Going Concern

Fundamental Accounting assumption of going concern is followed in preparation of the financial statement.

5 Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All amounts in the Financial Statements are presented in Indian Rupees (INR).

6 Use of Estimates

The preparation of Financial Statements in conformity with Indian Accounting Standards requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. As such estimates are based on the management's best knowledge of the current events and actions; there are possibilities of such estimates resulting in outcome's requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

7 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company, its subsidiaries, associates and joint ventures. The Parent Company together with its subsidiaries, associates and joint ventures constitute a Group.

7.1 Consolidation Process for Subsidiaries

An entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Group, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.

The consolidated financial statements of the Group combines financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

7.2 Consolidation Process for Joint Ventures & Associates

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method.

Associates are companies over which the Parent Company exerts significant influence, generally through an ownership interest between 20% and 50%. Investments in associates are accounted for using the equity method and recognized at cost on the acquisition date. The carrying amount is subsequently increased or decreased to recognize Parent Company's share of profit or loss and other comprehensive income of the associate. Intra-group profits on transactions with associates accounted for using the equity method are eliminated against the investment to the extent of Parent Company's equity interest in the associates. Intra-group losses are eliminated in the same way as intra-group profits unless there is evidence of impairment.

8 Prior Period Errors

Prior Period Errors have been corrected retrospectively in the first set of financial statements approved for issue after the discovery of error by :-

- Restating the comparative amounts of the prior period presented, in which the error occurred;
- If the error occurred before the earliest prior period presented, the opening balance of assets, liability and equity is restated for the earliest prior period presented.

9 Employee Benefits

9.1 Short Term Employee Benefits

Employee Benefits such as Salaries, Wages, short term compensated absences, and expected cost of bonus, ex-gratia, and performance linked rewards falling due, wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

9.2 Post-Employment Benefits

a) Defined Contribution Plans

The Group's contributions to state governed provident fund scheme and employee state insurance scheme are the defined contribution plans maintained by the Group. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related service.

b) Defined Benefit Plans

The Group has an obligation towards gratuity, a defined retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The present value of obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government bonds, with a maturity period, equivalent to the weighted average maturity profile of the defined benefit obligations at the Reporting date.

Remeasurement, comprising actuarial gains and losses is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit employee costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Excess gains or losses on settlement of any claims are recognised in profit or loss when such settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Group recognises related restructuring costs or termination benefits.

10 Financial Instruments

Financial assets and/or financial liabilities are recognised when the Group becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legal enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

10.1 Financial Assets

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

a) Recognition

Investments in debt instruments – at amortised cost, subject to following conditions:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) De-recognition

Financial Asset is primarily De-recognized when:-

- The right to receive cash flows from the asset has expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the Group has transferred substantially all the risks and rewards of the asset, or b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

c) Impairment of Financial Assets

The Group recognises impairment loss on trade receivables using expected credit loss model, where the provisions are based on a forward-looking ECL, which includes possible default events on the trade receivables over the entire holding period of the trade receivable. These provisions represent the difference between the trade receivable's carrying amount in the Consolidated Balance Sheet and the estimated collectible amount.

10.2 Financial Liabilities

a) Initial Recognition

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at Fair Value Through Profit & Loss (FVTPL) are subsequently measured at fair value. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at Fair Value Through Profit & Loss (FVTPL) are subsequently measured at fair value. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

b) Subsequent Measurement

Financial Liabilities are carried at amortized cost using the Effective Interest Rate (EIR) Method. For trade and other payables maturing within one year from the reporting date, the carrying amounts, approximate fair value due to the short maturity of these instruments.

11 Foreign Currencies

- a) The functional currency and presentation currency of the Group is Indian Rupee (INR).
- b) Transactions in currencies other than the Group's functional currency occurred during the year are translated into Rupees at the exchange rate prevailing on the date of respective payments or receipts. Such Practice is not consistent with the provisions of Ind AS 21, "The Effects of Changes in Foreign Exchange Rates". However for costing purposes, such practice is consistently followed over the years.
- c) At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise
- d) Financial statements of foreign operations whose functional currency is different than Indian Rupee are translated into Indian Rupee as follows:
 - i) Assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;
 - ii) Income and expenses for each income statement are translated at average exchange rates; and
 - iii) All resulting exchange differences are recognised in other comprehensive income and accumulated in equity for subsequent reclassification to profit or loss on disposal of such foreign operations.

12 Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

13 Revenue Recognition

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, goods and services tax/value added taxes/sales tax.

Interest income is recognised using the effective interest method.

14 Leases

As per Ind AS 116, the standard sets out the principles for the recognition, measurement, presentation and disclosure of lessee and the lessor. Ind AS 116 introduces single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Operating lease expenses are charged to the statement of Consolidated Profit & Loss. The standard also contains enhanced disclosure requirements for lessees.

Under Ind AS 116, the lease liability is remeasured upon the occurrence of certain events, such as a change in lease term or a change in future lease payments resulting from a change in an index or rate (for example, inflation-linked payments or market rate rent reviews). A corresponding adjustment is made to the right of use asset.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- a) Low value leases; and
- b) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Group's net investment in the lease. A lease which is not classified as a finance lease is an operating lease.

The Group recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Group presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

15 Taxes On Income

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

15.1 Current Tax

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961.

15.2 Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the reporting date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that, taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

16 Non Current Assets held for Sale and discontinued operations

Non Current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non Current assets classified as held for sale and assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The Liabilities directly associated with assets of disposal group are classified and presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is a part of single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

In respect of Technofy Digital Private Limited (Subsidiary of Panache Digilife Limited), the accounts of the company has been prepared based on the assumption that the company is not going concern for the year ended 31st March 2021.

- As per Ind AS 105, Assets and Liabilities of Technofy Digital Private Limited are presented separately in the balance sheet as the Subsidiary meets the definition of Disposal Group for purpose of consolidation of Panache Digilife Limited Group.
- The results of operating activities of such disposal group are presented separately in Statement of Profit/Loss under Discontinuing Operations.
- The results of operations of the component previously presented in continuing operations have been reclassified and included in income from Discontinuing operations.

17 Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation.

Considering the nature and scope of business of the Group, the Chief Operating Decision Maker could not identify any operating Segment.

However, a report on Group's reliance on major customers is as follows:-

SALES MADE TO MAJOR CUSTOMER	TOTAL SALES MADE DURING THE YEAR	% OF SALES MADE TO MAJOR CUSTOMERS
Rs. 58,54,71,930	Rs. 77,58,04,917	75.47%

18 Borrowing Costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The capitalisation of borrowing costs will be suspended if the Activities in the Qualifying Asset remain discontinued (for reasons other than those that are temporary in nature), and Accordingly, Borrowing costs that the Group has incurred during such suspension period has been charged to Statement of Profit/Loss.

Other borrowing costs are expensed in the period in which they are incurred.

19 Provisions, Contingent Liabilities and Contingent Assets.

Provisions are recognised only when:

- a) The Group has a present obligation (legal or Constructive) as a result of a past event;
- b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is discounted to the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- b) A present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

20 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- a) Changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- b) Non-cash items such as depreciation, provisions, and deferred taxes, and;
- c) All other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

21 Earnings Per Share

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

There are no potential equity shares in the books, and therefore diluted earnings per share are same as basic earnings per share.

B Accounting Transactions

- 1 None of the employees were in receipt of or are entitled to receive remuneration aggregating to more than Rs.1,02,00,000/- for the year or more than Rs.8,50,000/- per month, if employed for part of the year.
- 2 Outstanding balances as at 31st March, 2021 of Current & Non-Current Assets and Liabilities including Trade Receivables and Trade Payables are subject to confirmation.
- 3 In the opinion of the Board of Directors, the Group is dealing in different varieties of IT Hardware & its peripherals, Alkaline Water Ionizers, GPS Tracking Units, Solar Power Supply System and Consumer Electronic Goods etc. Day to day Quantitative Stock Records have been maintained properly.
- 4 All the Directors have drawn remuneration for the Accounting Year 2020-21 aggregating to Rs.66,50,000/-

C Recent Accounting Pronouncements

a) Amendments to Existing Standards

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

- 1) Ind AS 103 - Business Combination
- 2) Ind AS 1 - Presentation of Financial Statements and Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- 3) Ind AS 37 – Provisions, Contingent Liabilities & Contingent Assets
- 4) Ind AS 107 & Ind AS 109 - Financial Instruments
- 5) Ind AS 116 - Leases
- 6) Ind AS 10 - Events after the Reporting Date

The Group is in the process of evaluating the impact of the new amendments issued but

D Previous Year's Figures have been regrouped / reclassified wherever necessary

NOTES FORMING PART OF BALANCE SHEET

NOTE NO. 2 PROPERTY, PLANT & EQUIPMENTS

(a) Method Of Valuation Of Property, Plant & Equipment :-

Property, Plant & Equipment (hereinafter referred to as PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of such PPE can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, as reduced by accumulated depreciation and cumulative impairment.

Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance & repairs are charged to the profit & loss account.

(b) Value of Property, Plant & Equipment

The value of Property, Plant & Equipment in the books of Panache Digilife Limited as at 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions (sales / impairment)	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions (sales / impairment)	As at 31.03.21	As at 01.04.20	As at 31.03.21
<u>Land & Building</u>										
Office Premises	2,78,03,000	-	-	2,78,03,000	32,12,571	2,20,045	-	34,32,616	-	2,43,70,384
<u>Furnitures & Fixtures :</u>										
Class I	14,03,832	72,859	38,900	14,37,791	5,40,372	1,19,471	3,997	6,55,846	8,63,460	7,81,945
Class II	42,05,876	-	-	42,05,876	5,39,732	5,02,012	-	10,41,744	36,66,144	31,64,132
<u>Plant & Machinery :</u>										
Air Conditioner	28,89,510	33,500	-	29,23,010	11,04,448	4,43,755	-	15,48,203	17,85,062	13,74,807
Plant & Machinery	45,64,209	-	-	45,64,209	12,94,248	2,90,218	-	15,84,466	32,69,961	29,79,743
Leasehold Improvements	30,93,676	-	-	30,93,676	4,13,673	3,67,374	-	7,81,047	26,80,003	23,12,629
Mould	3,08,075	-	-	3,08,075	1,65,695	17,881	-	1,83,576	1,42,380	1,24,499
Mould Factory	3,92,000	-	-	3,92,000	39,580	74,480	-	1,14,060	3,52,420	2,77,940
Office Equipments	5,36,743	-	-	5,36,743	3,75,656	46,217	-	4,21,873	1,61,087	1,14,870
Mobile Handset	4,30,521	-	-	4,30,521	3,36,715	53,500	-	3,90,215	93,806	40,306
Camera	2,30,337	3,77,856	-	6,08,193	90,721	55,343	-	1,46,064	1,39,616	4,62,129
Lift	-	5,92,578	-	5,92,578	-	9,347	-	9,347	-	5,83,231
Networking Devices	1,02,061	-	-	1,02,061	97,471	564	-	98,035	4,590	4,026
Motor Car	42,19,587	48,57,299	-	90,76,886	22,08,090	8,32,816	-	30,40,906	20,11,497	60,35,980
Computers & Laptop	17,21,717	77,400	-	17,99,117	12,16,334	2,67,500	-	14,83,834	5,05,383	3,15,283
Zebra Printer	3,56,536	-	-	3,56,536	45,470	67,742	-	1,13,212	3,11,066	2,43,324
Computer Server	58,784	-	-	58,784	12,495	18,615	-	31,110	46,289	27,674
	5,23,16,464	60,11,492	38,900	5,82,89,056	1,16,93,273	33,86,880	3,997	1,50,76,156	1,60,32,763	4,32,12,901

(c) Depreciation

Depreciation on PPE is recognised using Straight Line Method so as to write off the cost of assets less their residual values over their useful life. In case of PPE purchased/sold during the year, Depreciation has been provided on pro-rata basis.

Some assets which have been kept at Leasehold Premises is depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of those assets.

The Useful Life of PPE adopted by the management for calculating Depreciation to be charged on different classes of PPE's for the current year are as follows:-

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Office Premises	60
Furnitures & Fixtures - Class I	5 - 10
Furniture & Fixtures - Class II	8
Leasehold Improvements	8
Air Conditioner	5
Plant & Machinery	15
Mould	8
Office Equipments	5
Mobile Handset	3
Camera	5 - 15
Lift	4 - 5
Networking Devices	6
Motor Car	6 - 8
Computers & Laptop	3
Computer Server	6

The estimated useful life and residual values are also reviewed at end of each financial year and the effect of any change in the estimates of useful life/residual value is accounted for, on prospective basis as per Ind AS-8.

(d) Impairment Losses

As at the end of each accounting year, the Group reviews the carrying amounts of its Property, Plant & Equipment, to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of PPE exceeds its recoverable amount. Recoverable amount is determined in the case of :-

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

If the recoverable amount of a PPE (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the PPE (or cash generating unit) is reduced to its recoverable amount.

NOTE NO. 3
RIGHT OF USE ASSETS

(a) Method of Valuation of Right of Use Assets :-

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

Value of Right of Use Assets :-

The value of Right of use assets in the books of Panache Digilife Limited as on 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions (Reclassification)	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions (Reclassification)	As at 31.03.21	As at 01.04.20	As at 31.03.21
Leasehold land in Gujarat	19,32,15,383	-	19,32,15,383	-	8,32,825	24,98,475	33,31,300	-	19,23,82,558	-
Finance Lease Assets	2,09,06,451	-	-	2,09,06,451	79,28,236	70,73,986	-	1,50,02,222	1,29,78,215	59,04,229
	21,41,21,834	-	19,32,15,383	2,09,06,451	87,61,061	95,72,461	33,31,300	1,50,02,222	20,53,60,773	59,04,229

(c) Depreciation

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Leasehold Land in Gujarat	58
Finance Lease Assets	5

(d) Impairment Losses

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

(e) Reclassification of Asset

In January 2021, the Group decided to sell the Right of use assets which was originally acquired for setting up IT Industry and expansion of its business. There are several interested parties and the sale is expected to be completed within next year or more from reporting date and accordingly the asset has been reclassified as "Asset classified as held for sale" as per Ind AS 105 "Non Current Asset held for Sale & Discontinued Operations" and are presented separately from other assets in the balance sheet.

NOTE NO. 4
CAPITAL WORK-IN-PROGRESS

(a) Manner of Classification

PPE not ready for intended use on the date of Balance sheet are disclosed as 'Capital work-in-progress'.

(b) Value of Capital Work-in-progress

The value of Capital Work-in-progress in the books of Panache Digilife Limited as at 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions (Put to Use)	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions	As at 31.03.21	As at 01.04.20	As at 31.03.21
Additional Office Premise at Raheja	6,29,81,601	-	-	6,29,81,601	-	-	-	-	6,29,81,601	6,29,81,601
	6,29,81,601	-	-	6,29,81,601	-	-	-	-	6,29,81,601	6,29,81,601

NOTE NO. 5
INVESTMENT PROPERTIES

(a) Method of Valuation of Investment Property

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

(b) Value of Investment Property

The value of Investment Property in the books of Panache Digilife Limited as at 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions (Reclassification)	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions (sales / Impairment)	As at 31.03.21	As at 01.04.20	As at 31.03.21
Land & Building Office Premises	2,78,03,000	-	2,78,03,000	-	29,92,526	2,20,045	32,12,571	-	2,48,10,474	-
	2,78,03,000	-	2,78,03,000	-	29,92,526	2,20,045	32,12,571	-	2,48,10,474	-

(c) Depreciation

Depreciation on Investment Property is recognised using straight line method so as to write off the cost of asset less the residual value over its useful life specified in Schedule- II of the Companies Act, 2013.

The Useful Life of Investment Property adopted by the management from Schedule II of Companies Act, 2013; for calculating Depreciation to be charged on such Investment property for the current year is as follows:-

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Office Premises	60

The estimated useful life and residual values are also reviewed at end of each financial year and the effect of any change in the estimates of useful life/residual value is accounted for, on prospective basis as per Ind AS-8.

(d) Impairment Losses

As at the end of each accounting year, the Group reviews the carrying amounts of its Investment Property, to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined in the case of :-

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

If the recoverable amount of a Investment Property (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the Investment Property (or cash generating unit) is reduced to its recoverable amount.

(e) Disclosure Pursuant to Ind AS-40 "Investment Property"

Amount Recognised in the Statement of Profit and Loss for Investment Property

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Rental Income Derived From Investment Property	16,14,600	32,29,200
Office Maintenance Charges	(77,772)	(1,55,554)
Property Tax	(59,544)	(1,19,088)
TOTAL	14,77,284	29,54,558

(f) Reclassification of Investment Property

During the Financial Year 2020-21, the Parent Company has shifted its Office workspace to the above Office Premise. This Premise was earlier held to earn the rentals, and thus it was classified as Investment Property as per Ind AS 40 "Investment Property". The Office Premises has been reclassified as "Property, Plant & Equipment" in accordance with Ind AS 16 "Property, Plant & Equipment".

**NOTE NO. 6
OTHER INTANGIBLE ASSETS**

(a) Method of Valuation of Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, as reduced by accumulated amortisation and cumulative impairment.

(b) Value of Intangible Assets

The value of Intangible Assets in the books of Panache Digilife Limited as at 31st March 2021 is as follows :-

PARTICULARS	GROSS BLOCK				AMORTISATION (S.L.M)				NET BLOCK	
	Cost as on 01.04.20	Additions	Deductions (sales / Impairment)	Cost as on 31.03.21	Upto 01.04.20	Additions	Deductions (sales / Impairment)	As at 31.03.21	As at 01.04.20	As at 31.03.21
<u>Intangible Assets</u>										
Software	4,64,495	-	-	4,64,495	3,70,052	83,846	-	4,53,898	94,443	10,597
	4,64,495	-	-	4,64,495	3,70,052	83,846	-	4,53,898	94,443	10,597

(c) Amortisation

Amortisation charge on Intangible asset has been allocated on a systematic basis over the best estimate of useful life.

Based on Technical evaluation considering the business specific needs & the potency of assets to generate future cash flows, the useful life of intangible asset has been determined by the management, which is as follows:-

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Software	3

The method of amortisation and useful life are reviewed at the end of each financial year with the effect of any changes in the estimate being accounted for prospectively.

(d) Impairment Losses

As at the end of each accounting year, the Group reviews the carrying amounts of its Intangible Assets, to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Intangible assets with indefinite life (if any) will be tested for impairment each year.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

NOTE NO. 7
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
ICT Infratech Services Private Limited	17,546	68,850
	17,546	68,850

NOTE NO. 8
OTHER INVESTMENTS (NON CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Investment in Mutual Funds	-	65,17,902
	-	65,17,902

NOTE NO. 9
LOANS & DEPOSITS (NON CURRENT)

(a) Measurement

Financial Assets in the nature of deposits have been measured at fair value by discounting the deposits over the tenure of lease.

The Discount rates used to different deposits are as follows:-

DEPOSIT	PERIOD	SOURCE	RATE
Bhiwandi Factory Deposit	8	Government Bonds	7.75%
Electricity Deposit	8	Government Bonds	7.75%

(b) Value of Other Financial Assets

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Rent Deposits	14,25,944	29,26,398
Electricity Deposit	1,93,820	1,82,560
	16,19,764	31,08,958

NOTE NO. 10
OTHER FINANCIAL ASSETS (NON CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Other Deposits	25,000	30,169
	25,000	30,169

NOTE NO. 11
OTHER NON-CURRENT ASSETS

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Income Tax Refundable	-	1,90,768
Advances Recoverable other than in Cash	48,179	59,859
Miscellaneous Expenditure	3,48,690	16,14,892
	3,96,869	18,65,519

NOTE NO. 12
INVENTORIES

(a) Valuation Method

Inventories comprise of IT Hardware & its peripherals, Alkaline Water Ionizers, GPS Tracking Units, Solar Power Supply System and Other Consumer Electronic Goods which have been measured at weighted average cost or Net Realisable Value whichever is lower as per Ind AS-2. Cost of Inventories consist of its purchase price, cost of conversion and other costs including any duties or taxes (to the extent not recoverable) incurred in bringing them to their present location and condition.

(b) Based on the above Valuation Method, the value of Inventories for different reporting periods are as follows:-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Closing Stock of Inventories	17,55,30,454	27,42,50,580
	17,55,30,454	27,42,50,580

NOTE NO. 13
TRADE RECEIVABLES

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Secured, Considered good	-	-
Unsecured, Considered good	35,59,26,997	37,86,20,674
Significant Increase in Credit Risk	22,90,914	3,25,264
Credit Impaired	-	-
	35,82,17,911	37,89,45,938
Less: Allowance for Bad and Doubtful Debts (Expected Credit Losses)	22,90,914	3,25,264
	35,59,26,997	37,86,20,674
Receivable from related Parties (Refer Note No.52)	2,78,34,590	2,19,77,149
	38,37,61,587	40,05,97,823

NOTE NO. 14
CASH AND CASH EQUIVALENTS

Investments in Fixed Deposits have been considered by the management to be short term in nature, made against letter of credit facility from the Bank and hence they are valued at cost plus accrued interest on it.

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Balance with Banks	19,05,810	43,45,913
Cash on Hand	6,42,172	6,62,623
Fixed Deposits with Bank	54,99,095	1,39,72,996
	80,47,077	1,89,81,532

NOTE NO. 15
BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Unclaimed Dividends	7,200	7,200
	7,200	7,200

NOTE NO. 16
LOANS & DEPOSITS (CURRENT)

Measurement

Financial Assets represented by Loans & advances given to parties under the terms, wherein such Loans & advances are repayable on demand to the Group have been measured at their respective carrying Values as the management considers that the carrying value of such loans & advances to be the best estimate of its Fair Value.

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Short Term Loans & Advances to staff	55,491	12,24,480
Other Loans & Advances	22,38,189	23,09,415
Office Rent Deposit	50,000	10,000
	23,43,680	35,43,895

NOTE NO. 17
OTHER FINANCIAL ASSETS (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Interest Receivable	1,10,999	2,38,192
	1,10,999	2,38,192

NOTE NO. 18
OTHER CURRENT ASSETS

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Prepaid Expenses & Others	75,65,679	1,51,74,119
Advances To Creditors	1,74,48,240	2,27,71,180
Advance for Capital Assets	1,27,50,000	1,47,50,000
Tender registration Deposit	2,45,750	2,45,750
Input Credit of GST	18,66,737	2,15,62,480
Miscellaneous Expenses	12,66,202	14,00,003
Advance Recoverable Other than in Cash	11,680	11,680
MEIS Duty Scrips	-	19,118
TDS Receivable	-	4,500
	4,11,54,288	7,59,38,829

NOTE NO. 13
TRADE RECEIVABLES

PARTICULARS			AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Secured, Considered good	-	-
Unsecured, Considered good	35,59,26,997	37,86,20,674
Significant Increase in Credit Risk	22,90,914	3,25,264
Credit Impaired	-	-
			35,82,17,911	37,89,45,938
Less: Allowance for Bad and Doubtful Debts (Expected Credit Losses)	22,90,914	3,25,264
			35,59,26,997	37,86,20,674
Receivable from related Parties (Refer Note No.52)	2,78,34,590	2,19,77,149
			38,37,61,587	40,05,97,823

NOTE NO. 14
CASH AND CASH EQUIVALENTS

Investments in Fixed Deposits have been considered by the management to be short term in nature, made against letter of credit facility from the Bank and hence they are valued at cost plus accrued interest on it.

PARTICULARS			AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Balance with Banks	19,05,810	43,45,913
Cash on Hand	6,42,172	6,62,623
Fixed Deposits with Bank	54,99,095	1,39,72,996
			80,47,077	1,89,81,532

NOTE NO. 15
BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

PARTICULARS			AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Unclaimed Dividends			7,200	7,200
			7,200	7,200

NOTE NO. 16
LOANS & DEPOSITS (CURRENT)

Measurement

Financial Assets represented by Loans & advances given to parties under the terms, wherein such Loans & advances are repayable on demand to the Group have been measured at their respective carrying Values as the management considers that the carrying value of such loans & advances to be the best estimate of its Fair Value.

PARTICULARS			AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Short Term Loans & Advances to staff			55,491	12,24,480
Other Loans & Advances			22,38,189	23,09,415
Office Rent Deposit			50,000	10,000
			23,43,680	35,43,895

NOTE NO. 17
OTHER FINANCIAL ASSETS (CURRENT)

PARTICULARS			AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Interest Receivable			1,10,999	2,38,192
			1,10,999	2,38,192

NOTE NO. 18
OTHER CURRENT ASSETS

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Prepaid Expenses & Others	75,65,679	1,51,74,119
Advances To Creditors	1,74,48,240	2,27,71,180
Advance for Capital Assets	1,27,50,000	1,47,50,000
Tender registration Deposit	2,45,750	2,45,750
Input Credit of GST	18,66,737	2,15,62,480
Miscellaneous Expenses	12,66,202	14,00,003
Advance Recoverable Other than in Cash	11,680	11,680
MEIS Duty Scrips	-	19,118
TDS Receivable	-	4,500
	4,11,54,288	7,59,38,829

NOTE NO. 19
EQUITY SHARE CAPITAL

(a) Capital Structure of the Group

PARTICULARS OF CAPITAL	AS AT 31ST MARCH 2021		AS AT 31ST MARCH 2020	
	NO.OF SHARES	TOTAL VALUE	NO.OF SHARES	TOTAL VALUE
<u>AUTHORISED</u>				
Equity Shares of Rs.10/- each	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
<u>ISSUED, SUBSCRIBED & FULLY PAID-UP :</u>				
Equity Shares of Rs.10/- each	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000
	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000
<u>ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP :</u>	0	0	0	0
	0	0	0	0

(b) Details of Shareholding

Shareholders holding more than 5% of Equity Shares :

SR. NO	NAME OF SHAREHOLDER	NO.OF SHARES AS ON 31.03.21	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31.03.20	PERCENTAGE HOLDING
A. <u>EQUITY SHARES</u>					
1. Amit Devchand Rambhia	...	28,00,000	23.33%	28,00,000	23.33%
2. Nikit Devchand Rambhia	...	28,00,000	23.33%	28,00,000	23.33%
3. Devchand Rambhia	...	22,58,360	18.82%	22,58,360	18.82%

(c) Reconciliation of the number of Equity Shares outstanding

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Number of Shares at the beginning of the year :	1,20,00,000	60,00,000
(+) Bonus shares issued	-	60,00,000
(+) Fresh issue made	-	-
(-) Shares forfeited	-	-
Number of Shares at the end of the year	1,20,00,000	1,20,00,000

(d) Voting Rights

The Group has one class of equity shares having face value of Rs.10 per share. Each shareholder is eligible for one voting right per share.

(e) Capital Management

The Group adheres to a disciplined Capital Management Framework in order to safeguard it's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders.

The Group strategically manages its funds by :-

- Maintaining Diversity of Sources of Financing and spreading the maturity across periods in order to minimise liquidity risk.
- Analysing and managing its financial market risks like foreign exchange, interest rates and commodity prices, and minimise the impact or market volatility on earnings.
- Analysing the changes in macro economic factors affecting business environment and re-organising its capital structure accordingly to adapt to the ever changing dynamics of business environment.
- Leveraging Optimally in order to maximise shareholder returns.

The Net Gearing Ratio at the end of the Reporting period was as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Gross Debt	27,92,05,393	41,64,69,763
Less: Liquid Assets	80,47,077	1,89,81,532
Net Debt	27,11,58,316	39,74,88,231
Total Equity (As Per Balance Sheet)	29,41,10,131	29,17,46,061
Net Gearing Ratio	0.92	1.36

* Liquid Assets Comprises of Cash & Cash Equivalents only.

(v) Dividends

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
i) <u>On Ordinary Shares</u> Final Dividend for the year ended 31st March 2020 of Rs 0.25 per fully paid share net of waivers of dividend	9,66,770	9,00,000
TDS on dividend declared for the year ended 31st March 2020	68,430	1,85,000
Total Dividend Paid	10,35,200	10,85,000
ii) <u>Dividends not recognised at the end of the reporting Period</u> In addition to the above dividend for the year ended 31st March 2020, the directors have recommended to conserve their reserves for future operations and not to declare any dividend for the reporting period under consideration i.e 31st March 2021 (For 31st March 2020 it was 0.25 Rupees)	0	10,35,200

**NOTE NO. 20
OTHER EQUITY**

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Securities Premium</u>		
Opening Balance	6,78,00,000	12,78,00,000
Add: Premium Collected on Issue of Shares	-	-
Less: Utilised	-	(6,00,00,000)
Closing Balance	6,78,00,000	6,78,00,000
<u>Retained Earnings</u>		
Opening Balance	9,91,84,664	13,23,56,551
Less: Opening Ind AS Adjustments	(27,738)	(27,39,695)
Add: Surplus As per Profit & Loss Account	35,90,538	(2,93,47,190)
Less: <u>Appropriations</u>		
Dividends Paid	9,66,772	9,00,000
TDS on Dividend/ Dividend Distribution Tax Paid	68,430	1,85,000
Closing Balance	10,17,12,262	9,91,84,666
<u>Foreign Currency Translation Reserve</u>		
Opening Balance	48,74,956	20,13,983
Less: Adjustments for prior periods	(5,29,769)	-
Add: Changes for the Year	3,40,494	28,60,973
Closing Balance	46,85,681	48,74,956
<u>Other Comprehensive Income</u>		
a) <u>Actuarial Gains or Losses on Defined Benefit Plans</u>		
Opening Balance	(1,13,561)	3,46,266
Add: Changes for the Year	25,749	(4,59,827)
Closing Balance	(87,812)	(1,13,561)
	17,41,10,131	17,17,46,061

NOTE NO. 21
BORROWINGS (NON CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Secured Borrowings	4,31,07,458	13,65,21,392
<u>Unsecured Borrowings</u>		
Office Rent Deposit	-	13,24,055
	4,31,07,458	13,78,45,447

Terms of Repayment of Secured Borrowings

Car Loan of Rs. 10,00,000 (Sanction Amount) is secured by way of exclusive first charge created by hypothecation of concerned Car. The Balance loan as on March 31, 2021 is repayable in 23 monthly instalments of Rs.20,517 each. Interest to be serviced as and when debited. Interest @ 8.50% is applicable on the said loan.

Car Loan of Rs. 9,99,000 (Sanction Amount) is secured by way of exclusive first charge created by hypothecation of concerned Car. The Balance loan as on March 31, 2021 is repayable in 7 monthly instalments of Rs.20,730 each. Interest to be serviced as and when debited. Interest @ 9.66% is applicable on the said loan.

Property Loan of Rs.4,00,00,000 (Sanction Amount) is secured by way of exclusive first charge created on the concerned Property. The Balance loan as on March 31, 2021 is repayable in 41 monthly Repayment of Rs.7.41 Lakhs. Interest to be serviced as and when debited. Interest as per Marginal Cost of funds based Lending Rate (MCLR) is applicable on the said loan.

Property Loan of Rs.12,00,00,000 (Sanction Amount) is secured by way of exclusive first charge created on the concerned Property. The Balance loan as on March 31, 2021 is repayable in 81 monthly instalments of Rs.21,18,328 each. Interest to be serviced as and when debited. Interest as per Long Term Reference Rate (LTTR) of the Concerned Financial institution, is applicable on the said loan.

Car Loan of Rs. 36,00,000 (Sanction Amount) is secured by way of exclusive first charge created by hypothecation of concerned Car. The Balance loan as on March 31, 2021 is repayable in 57 monthly instalments of Rs 76,490 each. Interest to be serviced as and when debited. Interest @ 9.96% is applicable on the said loan.

Working Capital Term Loan of Rs 2,50,00,000 (Sanction Amount) is secured by way of hypothecation of Stocks and Book Debts. The Balance as on 31st March, 2021 is repayable in 27 monthly instalments of Rs 6,94,445 each with moratorium of first 12 months. Interest to be serviced as and when debited. Interest @ 7.50% is applicable on the said loan.

NOTE NO. 22
LEASE LIABILITIES (NON CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Lease Liabilities	30,58,845	67,03,985
	30,58,845	67,03,985

NOTE NO. 23
OTHER FINANCIAL LIABILITIES (NON CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Deposit against Goods on Rent	-	5,10,366
	-	5,10,366

NOTE NO. 24
PROVISIONS (NON CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Provision for Gratuity	66,43,020	63,11,275
	66,43,020	63,11,275

Disclosure

Provision for Gratuity has been made based on present value of obligation under defined benefit plan determined through actuarial valuation carried out by an Actuary using Projected Unit Credit Method. The Details of the same have been elaborated in Note No.51

NOTE NO. 25
DEFERRED TAX LIABILITIES(NET)

PARTICULARS	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF OCI	TOTAL DEFERRED TAX (ASSET)/LIABILITY RECOGNISED IN BALANCE SHEET
Balance as on 01.04.2019	-	19,74,288	8,51,597	28,25,885
<u>For the Year 2019-20</u>				
Carrying Value of Property Plant & Equipment	64,49,696	16,23,259	-	-
Provision for Gratuity	(12,78,594)	(3,21,797)	-	-
Actuarial Gains on Employee Benefit Expenses	(7,92,824)	-	(1,99,538)	-
Expected Credit Losses	(7,83,368)	(1,97,158)	-	-
Impairment of Assets	(40,87,993)	(10,28,866)	-	-
Deferred tax on Carry forward business Losses	(58,36,078)	(15,17,380)	-	-
Gains/(losses) from Translating Financial Statements of Foreign	28,63,527	-	7,20,692	-
(DTA)/DTL as on 31.03.2020		(14,41,942)	5,21,155	(9,20,787)
<u>For the Year 2020-21</u>				
Carrying Value of Property Plant & Equipment	1,31,63,116	33,12,893	-	-
Provision for Gratuity	(73,21,399)	(18,42,650)	-	-
Actuarial Gains on Employee Benefit Expenses	(1,17,345)	-	(29,533)	-
Expected Credit Losses	(22,90,914)	(5,76,577)	-	-
Expected Credit Losses on Loans	(10,83,827)	(2,72,778)	-	-
Impairment of Assets	(32,70,663)	(8,23,160)	-	-
Deferred tax on Carry forward business Losses	(2,46,32,511)	-	-	-
Gains/(losses) from Translating Financial Statements of Foreign Operations.	33,18,538	-	8,35,210	-
(DTA)/DTL as on 31.03.2021		(2,02,272)	8,05,676	6,03,404

NOTE NO. 26
BORROWINGS (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Secured Borrowings</u>		
Cash Credit	19,96,09,398	20,17,37,535
Current Maturities of Long Term Borrowings	1,60,99,091	2,13,14,894
Other borrowings	44,44,446	65,01,887
<u>Unsecured Borrowings</u>		
Short Term loans & advances from Related Parties	92,45,000	3,40,70,000
Short Term loans & advances from Others	67,00,000	1,50,00,000
	23,60,97,935	27,86,24,316

NOTE NO. 27
TRADE PAYABLES (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Trade payables to Other than Related Parties</u>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	1,17,29,107	1,39,56,334
Other Trade Payables	11,58,28,180	30,56,46,596
<u>Trade Payables to Related Parties (Refer Note No 52)</u>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	11,18,754	2,11,764
Other Trade Payables	-	2,88,665
	12,86,76,041	32,01,03,359

Out of the total payables to Micro and Small enterprises, disclosed in the table above, Rs.97,06,281/- stand overdue as on 31st March 2021. However, no interest is due or payable on such balance, pursuant to mutual agreement between the parties.

NOTE NO. 28
LEASE LIABILITIES (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Payables towards Lease Liability	36,45,141	78,30,689
	36,45,141	78,30,689

NOTE NO. 29
OTHER FINANCIAL LIABILITIES (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Office Rent Payable	-	22,000
Deposit Payable	-	10,000
Interest Payable	35,51,977	19,82,223
Interest on Income Tax Payable	12,94,400	-
	48,46,377	20,14,223

NOTE NO. 30
OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Statutory Liabilities	1,13,03,880	96,80,876
Advances From Debtors	24,55,983	2,02,54,778
Advance for Property	-	13,00,000
Advance Payable other than in Cash	-	69,243
Others	5,05,819	4,87,940
	1,42,65,682	3,17,92,837

NOTE NO. 31
PROVISIONS (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Audit Fees Payable	1,18,750	1,42,500
Professional Fees Payable	3,65,000	3,80,000
Electricity Charges Payable	98,383	85,921
Clearing Charges Payable	56,857	-
Freight Charges Payable	3,34,920	57,671
Salary Payable	28,95,106	34,72,612
Dividend Payable	7,200	7,200
Security Charges Payable	-	9,000
Provision for Gratuity	7,95,724	4,61,653
	46,71,940	46,16,557

NOTE NO. 32
CURRENT TAX LIABILITIES(NET)

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Direct Taxes	1,14,44,277	72,51,175
	1,14,44,277	72,51,175

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT

NOTE NO. 33 REVENUE FROM OPERATIONS

(a) Recognition of Revenue

The Group derives revenue primarily from sale of IT Hardware & its peripherals, Alkaline Water Ionizers, Solar Power Supply System and other Consumer Electronic Goods. It also derives revenue from renting of Alkaline Water Ionizers.

Revenue is recognised upon transfer of control of promised products or services to the customers in an amount that reflects the consideration the group expects to be entitled to, in exchange for those products or services.

Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage of completion method. When there is uncertainty as to the measurement of ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Maintenance revenue is recognized over the term of underlying maintenance agreement.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on allocation of discounts/ incentives to each of the underlying performance obligations that corresponds to the progress by the customer towards earning the discount/ incentive. The Group presents revenue net of Indirect Taxes.

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Net Sales (Domestic)	74,67,99,371	69,03,67,841
Service Charges(Domestic)	1,24,95,804	1,90,60,376
Rental Charges	3,91,711	24,06,404
Transportation Charges recovered	1,61,18,031	10,04,989
	77,58,04,917	71,28,39,610

(b) Remaining Performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the group expects to recognize these amounts of revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance obligations completed till date.

(c) Movement in Contract Balances

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>Contract Liability</u>		
Opening Balance	2,02,54,778	17,62,026
<u>Less:</u> Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period.	(2,02,54,778)	(17,62,026)
<u>Add:</u> Revenue not recognised in the reporting period that is to be included in the closing balance of contract liability balance at the end of the period.	24,55,983	2,02,54,778
Closing Balance	24,55,983	2,02,54,778
<u>Contract Assets</u>		
Opening Balance	2,71,30,600	1,67,02,158
<u>Less:</u> Expense recognised in the reporting period that was included in the contract asset balance at the beginning of the period.	(1,44,50,734)	(64,27,624)
<u>Add:</u> Expense not recognised in the reporting period that is to be included in the closing balance of contract asset balance at the end of the period.	47,68,373	1,68,56,066
Closing Balance	1,74,48,239	2,71,30,600

**NOTE NO. 34
OTHER INCOME**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Additional CST Collected from Customers	1,06,659	72,565
Rent on Investment Property	16,14,600	32,29,200
Reimbursement of Lease Rent Paid	-	3,37,500
Support Service Charges	5,54,420	-
Office Rent Waiver Received	27,86,240	-
Finance Charges	1,59,746	1,69,428
Liabilities no Longer Payable	26,52,137	-
Discount Received	3,08,251	-
Interest Income	7,15,594	7,69,367
Interest on Late Payment from Debtors	113	2,18,758
	88,97,760	47,96,818

Measurement of Other Incomes

- (i) Interest Income is accrued on a time basis by reference to the principal amount outstanding and the effective interest rate.
(ii) Rent income is recognized on a periodic basis as and when the Group becomes entitled to receive the amount as per the agreement between the contracting parties.

**NOTE NO. 35
COST OF MATERIALS CONSUMED**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Net Purchase	52,44,87,192	57,58,66,436
Service Charges	20,15,661	50,36,695
Consumables & Others	76,095	2,22,572
	52,65,78,948	58,11,25,703

**NOTE NO. 36
CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Opening Stock / Inventories	27,42,50,580	25,49,70,393
<u>Less:</u> Closing Stock / Inventories	(17,55,30,454)	(27,42,50,580)
	9,87,20,126	(1,92,80,187)

**NOTE NO. 37
EMPLOYEE BENEFIT EXPENSES**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Director's Remuneration	66,50,000	90,75,000
Salary & Bonus to Employees	2,95,05,878	4,57,20,937
Employers Contribution to Provident Fund & ESIC	7,56,800	14,59,326
Staff Welfare Expenses	3,29,713	4,73,453
Contribution to and Provision for Gratuity	12,64,855	14,23,917
	3,85,07,246	5,81,52,633

**NOTE NO. 38
FINANCE COSTS**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Bank Charges on Finance	1,91,322	1,37,020
Interest Expenses	3,04,10,864	2,28,63,036
Interest on Income Tax Payment	17,26,305	-
Finance Charges on lease Liabilities	10,35,583	17,66,184
Processing Charges	11,78,944	4,26,334
	3,45,43,019	2,51,92,574

NOTE NO. 39
DEPRECIATION AND AMORTISATION EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Depreciation on Property, Plant & Equipment	33,83,184	29,59,961
Depreciation on Right to Use Assets	70,73,986	79,28,236
Depreciation on Investment Property	2,20,045	4,40,065
Amortisation of Intangible Assets	83,846	1,10,337
	1,07,61,061	1,14,38,599

NOTE NO. 40
IMPAIRMENT EXPENSES / LOSSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Impairment of Property, Plant and Equipment	-	8,17,330
	-	8,17,330

NOTE NO. 41
OTHER EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Accounts & Administrative Expenses	9,66,537	6,17,480
Bank Charges	2,66,792	4,91,809
Certification Charges	22,30,350	12,11,397
Central Sales Tax Paid	33,449	28,466
Clearing Charges	13,76,029	1,87,537
Cloud Services	2,90,945	3,30,598
Commission Expenses	5,84,517	3,82,494
Conveyance	2,38,782	5,96,334
Custom Duty Paid	6,77,978	-
Discount Given	-	4,74,045
Electricity Charges	10,22,560	14,00,205
Goods lost in Transit	47,228	-
Insurance Charges	7,69,871	6,80,136
Interest on Late Payment to Creditors	2,51,441	-
Interest on Late Payment of TDS	1,44,722	23,008
Interest on Late Payment of GST	71,766	40,080
GST Late Fees Paid	9,750	16,980
Labour Charges	-	97,900
Land Maintenance Charges	-	-
(Profit) / Loss Due To Foreign Exchange Fluctuation	(8,09,005)	8,55,097
Loading & Unloading Expenses	-	1,26,555
H R Service Fees	-	55,000
Manpower Services	22,73,457	-
Manufacturing Expenses	1,52,767	2,75,957
Preliminary Expenditure W/off	14,00,003	13,61,259
Office & Factory Maintenance Charges	5,54,982	1,47,134
Maintenance Charges on Office Premises	30,060	-
Office Maintenance Charges on Investment Property	77,772	5,89,569
Property Tax on Investment Property	59,544	1,19,088
Property Tax on Office Premises	59,544	-
Payment to Auditor's	3,20,000	3,20,000
Printing & Stationery	92,047	2,80,785
Professional Fees	84,98,707	45,51,159
Profession Tax	2,500	2,500
Provision for Expected Credit Losses	32,06,236	15,50,000
Amortisation of Fair Value Changes	22,382	(57,393)
R & D Expenses	7,500	9,000
Rent, Rates & taxes	1,36,500	17,60,000
Rates, Taxes and others	-	2,13,096
Repairs & Maintenance	5,14,987	6,35,121
Royalty Paid	11,76,475	7,71,000
Sales Promotion & Advt Expenses	1,65,803	5,15,530
Service Expenses	24,19,087	2,68,000
Software Expenses	21,600	28,100
Stamp duty and Registration Charges	43,063	1,42,560
Sundry Expenses	2,47,511	5,11,518

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Telephone & Mobile Charges	74,816	1,53,169
Tender Registration Fees	-	1,000
Testing Charges	-	2,34,300
Transportation Charges	24,01,060	13,01,027
Travelling Expenses	3,17,531	36,06,235
VTS Expenses	1,02,924	4,31,327
Website Development Charges	33,000	4,812
	3,25,85,570	2,73,40,976

NOTE NO. 41.1

DETAILS OF PAYMENTS TO AUDITORS

Payment made to Auditors for Different kinds of Audits are as Follows:-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>Payment to Auditors</u>		
Statutory Audit	1,25,000	1,25,000
Tax Audit	75,000	75,000
Internal Audit	1,20,000	1,20,000
Total Payments to Auditors	3,20,000	3,20,000

NOTE NO. 42

INCOME TAX EXPENSE

A. Disclosure Pursuant to Ind AS 12

(a) Major Components of Income Tax

Sr. No.	PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
(a)	<u>Tax on Items Routed Through Profit or Loss Section</u>		
	(i) <u>Income Tax</u>		
	Current Tax under Income Tax Act, 1961	1,30,95,071	92,87,113
	Adjustments in respect of income tax of previous years.	15,25,991	28,46,269
	(ii) <u>Deferred Tax</u>		
	Tax Expense on Origination & Reversal of Temporary Difference	(2,77,711)	(18,98,850)
	Tax Expense Reported in statement of Profit or Loss [(i) +(ii)]	1,43,43,352	1,02,34,532
(b)	<u>Tax on Items Routed Through Other Comprehensive Income</u>		
	(i) Income Tax	-	-
	(ii) Deferred Tax	1,70,005	(3,32,997)
	Tax Expense Reported in Other Comprehensive Income [(i) +(ii)]	1,70,005	(3,32,997)

B. Reconciliation of tax expense and accounting profit multiplied by Domestic Tax Rate applicable in India:

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Profit Before Tax	4,30,06,708	3,28,48,801
Corporate Tax Rate as per Income Tax Act, 1961	25.17%	21.29%
Tax on Accounting Profit (A)	1,08,23,928	69,92,525
<u>Adjustments as per Income Tax</u>		
<u>Add:</u> Depreciation as per Companies Act	1,15,94,187	1,22,71,725
<u>Add:</u> Disallowances U/s 37	82,34,896	43,14,901
<u>Add:</u> Loss of Foreign Subsidiary not deductible under Indian Income Tax	-	-
<u>Add:</u> Notional Guarantee Premium Expense	5,33,340	5,33,340
<u>Add:</u> Disallowance of Gratuity Premium	8,61,570	12,78,597
<u>Add:</u> Disallowance of Contribution to statutory Funds	4,62,798	6,04,875
<u>Less:</u> Depreciation as per Income Tax	(43,83,729)	(28,81,529)
<u>Less:</u> Other Additions / (Deductions)	(70,77,512)	(1,30,73,552)
Corporate Tax Rate as per Income Tax Act, 1961	1,02,25,550	30,48,357
Tax on Gross Adjustments as per Income Tax	25.17%	25.17%
(B)	25,73,566	7,67,210
Tax after adjustments as per Income Tax Act, 1961	[(A)+(B)]	77,69,733
<u>Less:</u> Transferred to Deferred Taxes	(3,12,421)	15,17,380
Net Income Tax Payable by the Group	1,30,95,071	92,87,113
Incremental Deferred Tax Liability/(Asset) on account of PPE and Intangible Assets, Employee Benefits, Expected Credit Losses & Carried forward Losses	(2,77,711)	(18,98,850)
Incremental Deferred Tax Liability/(Asset) due Defined Benefit Obligations	1,70,005	(3,32,997)
Incremental Deferred Tax Liability/(Asset) due Translation of Foreign operations	-	(2,554)
Net Deferred Tax Expense/(Benefit) (D)	(1,07,706)	(22,34,401)
Total Tax Expense Recognised for the Year (E) = [(C)+(D)]	1,29,87,365	70,52,712
Effective Tax Rate [(E)/(A)*100]	30.20	21.47

C. Calculation of Corporate Tax Rate

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Basic Tax Rate Applicable to the Group as per Income Tax Act	22%	22%
Surcharge Applicable	10%	10%
Education Cess	4%	4%
Corporate Tax Rate as per Income Tax Act, 1961	25.17%	25.17%

NOTE NO. 43

PROFIT / (LOSS) FROM DISCONTINUING OPERATIONS

i. Wemart Global FZE

a) Description

The parent company has decided to discontinue the operations of foreign subsidiary viz. Wemart Global FZE by passing a board resolution on 5th of July 2019. Accordingly, the operating losses of the aforesaid subsidiary for the current year has been shown as discontinued operation as per IND AS 105 'Non-current Assets Held for Sale and Discontinued Operations'.

b) Financial Performance and Cash Flow Information

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Revenue	-	-
Other Income	-	-
Expenses	81,24,082	4,84,34,685
Profit Before Tax	(81,24,082)	(4,84,34,685)
Income Tax Expense	-	-
Total Profit from Discontinued Operations	(81,24,082)	(4,84,34,685)
Other Comprehensive Income From discontinued Operations	-	-
Total Comprehensive Income from Discontinued Operations	(81,24,082)	(4,84,34,685)

The Cash inflows incurred by Wemart Global FZE

CASH FLOWS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Net Cash Flow from Operating Activities	(10,51,046)	(33,47,770)
Net Cash inflow / (outflows) from investment Activities	4,55,011	28,63,527
Net Cash flow from Financing Activities	-	-
	(5,96,035)	(4,84,243)

The cumulative foreign exchange losses recognised in other comprehensive income in relation to the discontinued operation is :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>Other Comprehensive Income</u>		
Foreign Currency Translation Gain / (Loss)	4,55,011	28,63,527
<u>Less:</u> Tax effect on Foreign Currency Translation Gain / (Loss)	(1,14,517)	(2,555)
	3,40,494	28,60,972
Net Foreign Currency Translation Gain / (Loss) recognised in Other Comprehensive Income		

ii. Technofy Digital Private Limited

a) Description

Due to inappropriateness of going concern assumption of subsidiary Company viz. Technofy Digital Private Limited and Intention/commitment by the Company to sell its significant Asset i.e Leasehold Land in Gujarat (Right of Use Asset) by passing a Special Resolution on 02nd of January 2021, the operating losses of the aforesaid subsidiary has been shown as discontinued operations and Assets & Liabilities associated with such Asset of Disposal Group have been classified separately from other assets of Group as per IND AS 105 "Non current Assets Held for Sale and Discontinued Operations"

b) Financial Performance and Cash Flow Information

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Revenue	-	-
Other Income	44,17,696	1,62,902
Expenses	1,97,97,749	49,95,657
Profit Before Tax	(1,53,80,053)	(48,32,755)
Income Tax Expense	15,17,380	(15,17,380)
Total Profit from Discontinued Operations	(1,68,97,433)	(33,15,375)
Other Comprehensive Income From discontinued Operations	-	-
Total Comprehensive Income from Discontinued Operations	(1,68,97,433)	(33,15,375)

The Cash inflows incurred by Technofy Digital Private Limited

CASH FLOWS	FOR THE YEAR ENDED 31ST MARCH 2021
Net Cash Flow from Operating Activities	5,17,72,595
Net Cash inflow / (outflows) from investment Activities	(2,06,97,498)
Net Cash flow from Financing Activities	(3,18,19,577)
	(7,44,480)

c) Assets and Liabilities of Disposal Group classified as held for Sale

PARTICULARS	AS AT 31ST MARCH 2021
<u>Assets classified as held for sale</u>	
Furniture & Fixtures	34,903
Right of Use Asset	21,04,46,581
Investments	71,55,473
Loans & Deposits	1,45,000
Cash & Cash Equivalents	3,37,662
Other Current Assets	23,62,089
Total Assets of Disposal Group held for Sale	22,04,81,708
<u>Liabilities associated with assets classified as held for sale</u>	
Loan from Non Banking Financial Institution	12,94,64,821
Loan from Related Parties	1,62,00,000
Other Financial Liabilities	7,44,206
Other Current Liabilities	4,79,62,491
Provisions	63,730
Total Liabilities of Disposal Group held for Sale	19,44,35,248

NOTE NO. 44

OTHER COMPREHENSIVE INCOME

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>Items That will not be reclassified to Profit/Loss Account</u>		
Actuarial Gains/Losses on Employee Benefit Expenses	1,95,754	(7,92,824)
<u>Items That will be reclassified to profit/Loss Account</u>		
Gains/(Losses) arising from translating financial statements of foreign Operations	4,55,011	28,63,527
	6,50,765	20,70,703

NOTE NO. 45

EARNINGS PER SHARE

The Basic and Diluted Earnings Per Share (EPS) computed as per the requirements under Ind AS 33 on 'Earnings Per Share' issued by Institute of Chartered Accountants of India are as under :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>Calculation of Basic EPS</u>		
<u>Continuing Operations</u>		
A. Profit From Continuing Operations (Numerator)	2,86,63,356	2,24,02,870
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000
Basic Earnings Per Share(EPS) [(A) / (B)]	2.39	1.87

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>Discontinuing Operations</u>		
A. Profit From Discontinuing Operations (Numerator)	(2,50,21,515)	(5,17,50,060)
B. <u>Equity Shares Outstanding as on Balance sheet Date</u> Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000.00
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000
Basic Earnings Per Share(EPS) [(A)/(B)]	(2.09)	(4.31)
A. Profit/Loss for the Period	35,90,538	(2,93,47,190)
B. <u>Equity Shares Outstanding as on Balance sheet Date</u> Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000
Basic Earnings Per Share(EPS) [(A)/(B)]	0.30	(2.45)
<u>Calculation of Diluted EPS</u>		
<u>Continuing Operations</u>		
A. Profit From Continuing Operations (Numerator)	2,86,63,356	2,26,14,268
B. <u>Equity Shares Outstanding as on Balance sheet Date</u> a. Weighted Average Number of Equity Shares b. Potential Equity shares	1,20,00,000 0	1,20,00,000 0
Total Equity Shares for Calculation of Diluted EPS (Denominator)	1,20,00,000	1,20,00,000
Diluted Earnings Per Share(EPS) [(A)/(B)]	2.39	1.88
<u>Discontinuing Operations</u>		
A. Profit From Discontinuing Operations (Numerator)	(2,50,21,515)	(5,17,50,060)
B. <u>Equity Shares Outstanding as on Balance sheet Date</u> a. Weighted Average Number of Equity Shares b. Potential Equity shares	1,20,00,000 0	1,20,00,000 0
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000
Diluted Earnings Per Share(EPS) [(A)/(B)]	(2.09)	(4.31)
A. Profit/Loss for the Period	35,90,538	(2,93,47,190)
B. <u>Equity Shares Outstanding as on Balance sheet Date</u> a. Weighted Average Number of Equity Shares b. Potential Equity shares	1,20,00,000 0	1,20,00,000 0
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000
Diluted Earnings Per Share(EPS) [(A)/(B)]	0.30	(2.45)

NOTE NO. 46

DISCLOSURE OF CURRENT ASSETS & LIABILITIES

A. Basis of classification of Current Assets

The Group classifies an asset as current asset when :-

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as Non-Current

Recovery Period for Current Assets

Pursuant to requirements of Ind AS-1, disclosures regarding current assets which are expected to be recovered within twelve months and after twelve months from the reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2021			AS AT 31ST MARCH 2020		
	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL
Loans & Deposits	24,88,680	-	24,88,680	35,43,895	-	35,43,895
Inventories	17,55,30,454	-	17,55,30,454	27,42,50,580	-	27,42,50,580
Trade Receivables	38,37,61,587	-	38,37,61,587	40,05,97,823	-	40,05,97,823
Other Financial Assets	1,10,999	-	1,10,999	2,38,192	-	2,38,192
Other Current Assets	4,35,16,377	-	4,35,16,377	7,59,38,829	-	7,59,38,829

B. Basis of classification of Current Liabilities

The Group classifies a liability as current liability when :-

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period .

All other Liabilities have been classified as Non-Current

Credit Period for Current Liabilities

Pursuant to requirements of Ind AS-1, disclosures regarding current Liabilities which are expected to be paid within twelve months and after twelve months from the reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2021			AS AT 31ST MARCH 2020		
	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL
Borrowings (Current)	6,88,35,635	-	6,88,35,635	7,68,86,781	-	7,68,86,781
Trade Payables	12,86,76,041	-	12,86,76,041	32,01,03,359	-	32,01,03,359
Lease Liabilities	36,45,141	-	36,45,141	78,30,689	-	78,30,689
Other Financial Liabilities	55,90,583	-	55,90,583	20,14,223	-	20,14,223
Other Current Liabilities	6,22,28,173	-	6,22,28,173	3,17,92,837	-	3,17,92,837
Provisions	47,35,670	-	47,35,670	46,16,557	-	46,16,557
Current Tax Liabilities	1,14,44,277	-	1,14,44,277	72,51,175	-	72,51,175

NOTE NO. 47

CONSOLIDATION DISCLOSURES

A. The List of subsidiaries, associates and joint ventures included in the Consolidated Financial Statements are as under :-

NAME OF ENTITY	RELATION WITH PARENT	COUNTRY	AS AT 31ST MARCH 2021		AS AT 31ST MARCH 2020	
			PROPORTION OF EFFECTIVE OWNERSHIP (%)	PROPORTION OF VOTING POWER HELD (%)	PROPORTION OF EFFECTIVE OWNERSHIP (%)	PROPORTION OF EFFECTIVE OWNERSHIP (%)
Wemart Global FZE	Subsidiary	U.A.E.	100%	100%	100%	100%
Technofy Digital Private Limited	Subsidiary	India	100%	100%	100%	100%
ICT Infratech Services Private Limited	Joint Venture	India	50%	50%	50%	50%

B. Salient Features of Parent & Subsidiary in the Group Financial Statements for the year ended 31st March 2021

NAME OF THE ENTITY	NET ASSETS = TOTAL ASSETS MINUS TOTAL LIABILITIES		SHARE IN PROFIT OR LOSS		SHARE IN OTHER COMPREHENSIVE INCOME		SHARE IN TOTAL COMPREHENSIVE INCOME	
	% OF GROUP'S NET ASSETS	AMOUNT	% OF GROUP'S PROFIT OR LOSS	AMOUNT	% OF GROUP'S OTHER COMPR- EHENSIVE INCOME	AMOUNT	% OF GROUP'S TOTAL COMPREHEN- SIVE INCOME	AMOUNT
Parent Group								
Panache Digilife Limited	110.17%	32,40,35,717	1170.96%	4,20,43,698	7.03%	25,749	894.14%	3,53,79,277
Subsidiaries								
Wemart Global FZE	(0.37%)	(10,83,827)	(226.26%)	(81,24,082)	5.48%	20,082	(204.81%)	(81,04,000)
Technofy Digital Private Limited	(7.46%)	(2,19,28,366)	(656.94%)	(2,35,87,604)	0.00%	-	(596.13%)	(2,35,87,604)
Joint Venture								
ICT Infratech Services Private Limited	0.01%	17,546	(1.43%)	(51,303)	0.00%	-	(1.30%)	(51,303)
CFS Adjustments	102.36%	30,10,41,070	286.33%	1,02,80,709	12.51%	45,831	91.90%	36,36,370
	(2.36%)	(69,30,938)	(186.33%)	(66,90,171)	87.49%	3,20,412	8.10%	3,20,412
Total	100%	29,41,10,131	100%	35,90,538	100%	3,66,243	100%	39,56,781

C. Disclosure of Interest in other entities - Joint Ventures and Associates.

a) Summarised Balance Sheet of material joint ventures

PARTICULARS	ICT INFRA TECH SERVICES PRIVATE LIMITED		ICT INFRA TECH SERVICES PRIVATE LIMITED	
	AS AT 31ST MARCH 2021		AS AT 31ST MARCH 2020	
Total Non - Current Assets		3,28,881		4,08,925
<u>Current Assets</u>				
Cash & Cash Equivalents	1,36,751		1,91,008	
Other Assets	51,25,132	52,61,883	51,91,932	53,82,940
Total Assets		55,90,764		57,91,865
<u>Non - Current Liabilities</u>				
Financial Liabilities (excluding trade Payables)	-		-	
Other Liabilities (including Trade Payables)	-	-	-	-
<u>Current Liabilities</u>				
Financial Liabilities (excluding trade Payables)	1,99,266		3,06,906	
Other Liabilities (including Trade Payables)	62,58,211	64,57,477	62,49,066	65,55,972
Total Liabilities		64,57,477		65,55,972
NET ASSETS		(8,66,713)		(7,64,107)

b) Summarised Statement of Profit and Loss of material joint ventures

PARTICULARS	ICT INFRA TECH SERVICES PRIVATE LIMITED		ICT INFRA TECH SERVICES PRIVATE LIMITED	
	FOR THE YEAR ENDED 31ST MARCH 2021		FOR THE YEAR ENDED 31ST MARCH 2020	
Revenue		2,50,000		10,72,250
<u>Other Income</u>				
Interest income on loan	-		-	
Others	-	-	13,717	13,717
Total Income		2,50,000		10,85,967
<u>Expenses</u>				
Depreciation & Amortisation Expenses	34,953		43,573	
Finance Costs	-		1,91,507	
Income Tax Expense	(35,142)	(189)	1,68,527	4,03,607
Total Other Expenses		3,52,796		11,05,156
Total Expenses		3,52,607		15,08,763
Profit/(loss) for the Year		(1,02,607)		(4,22,796)
Other Comprehensive Income		-		-
TOTAL COMPREHENSIVE INCOME		(1,02,607)		(4,22,796)

c) Reconciliation of carrying amounts of material joint ventures

PARTICULARS	ICT INFRA TECH SERVICES PRIVATE LIMITED		ICT INFRA TECH SERVICES PRIVATE LIMITED	
	FOR THE YEAR ENDED 31ST MARCH 2021		FOR THE YEAR ENDED 31ST MARCH 2020	
Opening Net Assets		(7,64,107)		(3,41,311)
<u>Adjustments for the year</u>				
Profit/(loss) for the year	(1,02,607)		(4,22,796)	
Other Comprehensive Income for the Year	-	(1,02,607)	-	(4,22,796)
Closing Net Assets		(8,66,714)		(7,64,107)
% Share of the Group		50%		50%
Group's Share		(4,33,357)		(3,82,054)
Goodwill		4,50,903		4,50,903
Adjustments for the year		-		-
CARRYING AMOUNT		17,546		68,850

NOTE NO. 48
RISK MANAGEMENT

The respective Board of Directors of the companies included in the Group has overall responsibility for establishment and oversight of the Group's risk management framework.

The Group, through three layers of defence viz: policies & procedures, review mechanism, and assurance, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The audit committee of the companies included in the Group oversees the formulation and implementation of Risk Management Policies. The risk and mitigation plan are identified, deliberated and reviewed at appropriate Forums.

A. Market Risk Management

Market Risk is the risk that changes in market prices-such as foreign exchange rates-will affect the Group's income or the value of Financial Instruments. The objective of Market Risk Management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

i. Foreign Exchange Risk

In General, the Group is a net payer of Foreign Currency. Accordingly, changes in exchange rates and in particular a strengthening of Indian rupee will positively affect the group's net results as expressed in Indian Rupees. The currency towards which the group is exposed to risk is US Dollars.

The Quantitative Summary about the Group's exposure to currency risk as on different reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2021			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Dollars in Hand	3,633.00	2,67,043	-	-
EEFC Account	270.46	19,880	-	-
Trade Payables	2,42,591.93	1,78,31,647	-	-

PARTICULARS	AS AT 31ST MARCH 2020			
	USD	EQUIVALENT IN INR	GBP	EQUIVALENT IN INR
Dollars in Hand	3,633.00	2,73,877	-	-
EEFC Account	270.46	20,389	-	-
Trade Payables	4,64,598.47	3,50,24,174	-	-

Sensitivity Analysis

A reasonable possible strengthening/weakening of foreign currencies to which the group is exposed to, against all other currencies as at reporting date would have affected the measurement of financial exposure denominated in a foreign currency and would have affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact on forecast sales and purchases.

SENSITIVITY TO MOVEMENT IN FOREIGN CURRENCY	% MOVEMENT IN RUPEE (ASSUMED)	PROFIT OR (LOSS) AFTER TAX	
		STRENGTHENING OF RUPEE	WEAKENING OF RUPEE
<u>As at 31st March 2021</u>			
US DOLLAR	1%	1,31,291	(1,31,291)
<u>As at 31st March 2020</u>			
US DOLLAR	1%	2,59,891	(2,59,891)

ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to changes in interest rates relates primarily to the Overdraft CC Account, Tems loans from bank and financial institutions and other Working capital loans. The group's total outstanding debt in local currency presented in the Financial Statements is a combination of fixed rate and floating rate Debts. For the portion of local currency debt on fixed rate basis, there is no interest rate risk. Floating Rate Debts are linked to domestic interest rate benchmarks issued by Reserve Bank of India like Marginal Cost of funds based Lending Rate (MCLR) and other domestic interest rate benchmarks issued by Financial institutions like Long Term Reference Rate (LTRR) of the Financial Institution.

The Exposure of Group's Borrowings to interest rate changes at the end of reporting period are as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Cash Credit	19,96,09,398	20,17,37,535
Term Loans	13,61,14,228	15,68,38,410
Other Working Capital Loans	44,44,446	65,01,887
	34,01,68,072	36,50,77,832

Sensitivity Analysis

A hypothetical 10 basis point shift in MCLR rates on the unhedged loans would result in corresponding increase/decrease in interest cost for the Group on a yearly basis.

SENSITIVITY TO MOVEMENT IN INTEREST RATES	FOR THE YEAR ENDED 31ST MARCH 2021		
	ASSUMED INTEREST RATE MOVEMENT IN BPS	IMPACT ON PROFIT OR LOSS AFTER TAX	
		INCREASE	DECREASE
<u>Change in Interest Cost</u>			
Cash Credit *	10 bps	(1,99,609)	1,99,609
Term Loans *	10 bps	(1,36,114)	1,36,114
Other Working Capital Loans *	10 bps	(4,444)	4,444
		(3,40,168)	3,40,168
<u>Less: Tax Effect on Interest Cost</u>		85,614	(85,614)
Net Effect on Profit & Loss Account		(2,54,555)	2,54,555

* Holding all other variables constant

SENSITIVITY TO MOVEMENT IN INTEREST RATES	FOR THE YEAR ENDED 31ST MARCH 2020		
	ASSUMED INTEREST RATE MOVEMENT IN BPS	IMPACT ON PROFIT OR LOSS AFTER TAX	
		INCREASE	DECREASE
<u>Effect on Change in Interest Cost</u>			
Cash Credit *	10 bps	(2,01,738)	2,01,738
Term Loans *	10 bps	(1,56,838)	1,56,838
Other Working Capital Loans *	10 bps	(6,502)	6,502
		(3,65,077)	3,65,077
<u>Less: Tax Effect on Interest Cost</u>		91,883	(91,883)
Net Effect on Profit & Loss Account		(2,73,195)	2,73,195

* Holding all other variables constant

B. Financial Risk Management

i. Credit Risk

Credit Risk is the Risk of Financial Loss to the group if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

Trade Receivable and other financial assets

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into the contract, delivery terms and conditions of payments. The Group's review includes external ratings (if they are available), financial statements, industry information and business intelligence.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry, trade history with the group and existence of previous financial difficulties.

Expected Credit loss for trade receivable:

The Group, based on internal assessment which is driven by the historical experience/current facts available in relation to defaults and delays in collection thereof, the group is making provision on trade receivables based on Expected Credit Loss(ECL) model. The reconciliation of ECL is as follows :-

PARTICULARS	AS AT	AS AT
	31ST MARCH 2021	31ST MARCH 2020
Opening Balance	3,25,264	6,53,461
<u>Changes in Loss Allowance</u>		
Loss Allowance for the year, based on ECL Model.	32,06,236	15,50,000
Write Off as Bad Debts	12,40,586	18,78,197
Closing Balance repoted under Note No.13	22,90,914	3,25,264

ii. Liquidity Risk

Liquidity Risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by cash or another financial asset. The group manages liquidity risk by maintaining sufficient cash and bank balances and by having access to funding through an adequate amount of committed credit lines. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The respective finance departments of the companies included in the group are responsible for managing the short term and long term liquidity requirements. Short term liquidity finance is reviewed daily by finance department. Long Term Liquidity position is reviewed on a regular basis by the respective board of directors of the companies included in the group and appropriate decisions are taken according to the situation.

Maturity Analysis

The remaining contractual maturities on non-derivative Financial Liabilities are as follows:-

As at 31st March 2021

NON-DERIVATIVE FINANCIAL LIABILITIES	CONTRACTUAL CASH FLOWS		TOTAL
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	
Borrowings	25,22,45,033	15,64,25,181	40,86,70,214
Trade Payables	12,86,76,041	-	12,86,76,041
Lease Liabilities	36,45,141	30,58,845	67,03,986
Other Financial Liabilities	-	55,90,583	55,90,583

As at 31st March 2020

NON-DERIVATIVE FINANCIAL LIABILITIES	CONTRACTUAL CASH FLOWS		TOTAL
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	
Borrowings	27,86,24,316	13,79,25,392	41,65,49,708
Trade Payables	32,01,03,359	-	32,01,03,359
Lease Liabilities	88,81,281	74,01,381	1,62,82,662
Other Financial Liabilities	5,10,366	20,14,223	25,24,589

The gross outflows disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purpose and which are not usually closed out before contractual maturity.

NOTE NO. 49 **LEASES**

i) Where the Group is a Lessor :-

The lease rentals received during the year are as follows :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Lease Rentals Received	16,14,600	35,66,700

The group has given its office premise under non-cancellable operating lease, however the lock-in period of the agreement has ceased before the reporting date.

The operating lease agreements are renewable on a period basis, and these lease agreements are also subjected to price escalation clauses.

ii) Where the Group is a Lessee

This note explains the impact of the application of ind AS 116 Leases on the group's financial statements.

Practical Expedients Applied

As per Ind AS 116, the group has used the following practical expedients permitted by the standard:

- 1) accounting for operating leases with a remaining lease term of less than 12 months as short-term leases
- 2) excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- 3) using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.
- 4) applying a single discount rate to a portfolio of leases with reasonably similar characteristics

The lease liabilities recognised in the balance sheet at the date of initial application i.e. April 1, 2019 & balance of lease liability in Financial Statements as on 31st March 2021, is as follows:

PARTICULARS	AMOUNT
Lease Liability recognised under Ind AS 116 as on 01st April 2019	2,27,54,710
<u>Add:</u> Interest Accrued for the Year	17,66,184
<u>Less:</u> Lease Payments Made	(99,86,220)
Lease Liability recognised in the Financial Statements as on 31st March 2020	1,45,34,674
<u>Add:</u> Interest Accrued for the Year	10,35,583
<u>Less:</u> Lease Payments Made	(60,80,031)
<u>Less:</u> Rent Waiver Received	(27,86,240)
Lease Liability recognised in the Financial Statements as on 31st March 2021	67,03,986

Details with respect to right of use Assets :

PARTICULARS	CARRYING AMOUNT OF ASSET AS AT 1ST APRIL 2020	CHANGES DURING THE YEAR	DEPRECIATION	CARRYING AMOUNT OF ASSET AS AT 31ST MARCH 2021
Buildings	20,53,60,773	(18,98,84,083)	95,72,461	59,04,229

Other Transactions recorded in the Financial statements pertaining to Leases are as follows

- Interest Expense on Lease liabilities amounts to Rs 10,35,583/-
- The expense relating to payments not included in the measurement of the lease liability and recognised as expense in the Statement of Profit and Loss during the year amounted to Rs. 1,36,500/-
- Total cash outflow for leases amounts to Rs 62,16,531/- during the year including cash outflow of short-term and low value leases.

NOTE NO. 50

ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are :

PARTICULARS	NOTES	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Current Assets			
<u>Fixed Charge Asset</u>			
Assets		-	-
<u>Floating Charge</u>			
Trade Receivables	Note No. 13	38,37,61,587	39,29,72,941
Inventory	Note No. 12	17,55,30,454	27,42,50,580
Cash and Cash Equivalents	Note No. 14	3,37,662	10,82,143
Total current assets pledged as security		55,96,29,703	66,83,05,665
Non-Current Assets			
<u>First Mortgage</u>			
Motor Car	Note No. 2	60,35,980	20,11,497
Right of Use Asset	Note No. 3	21,04,46,581	19,23,82,558
Capital WIP	Note No. 4	6,29,81,601	6,29,81,601
<u>Floating Charge</u>			
Investment properties	Note No. 5	2,43,70,384	2,48,10,474
Financial assets at fair value through profit/loss	Note No. 8	71,55,473	65,17,902
Total non-current assets pledged as security		31,09,90,019	28,87,04,032
Total assets pledged as security		87,06,19,722	95,70,09,697

NOTE NO. 51

EMPLOYEE BENEFIT EXPENSES

A Disclosures pursuant to Ind AS-19

i. Defined Contribution Plans

The Group makes contributions, determined as a specified percentage of employee salaries in respect of qualifying employees towards Provident Fund (PF) and Employee State Insurance Corporation (ESIC), which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

The Group has contributed the following amounts to the fund :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Employer's Contribution to Provident Fund & ESIC	7,56,800	14,59,326

ii. Defined Benefit Plans.

The Group's gratuity plan to provide post employment benefits to its employees is reported in accordance with Ind AS 19, "Employee Benefits" - based on an actuarial valuation carried out in respect of such gratuity plan.

(a) The amounts recognised in Balance sheet are as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Present Value of Defined Benefit Obligation</u>		
Wholly Funded	-	-
Wholly Unfunded	74,38,744	67,72,928
	74,38,744	67,72,928
<u>Less: Fair Value of Plan Assets</u>	-	-
Amounts recognised as Liability (See Note No.24 & Note No.31)	74,38,744	67,72,928

(b) The amounts recognised in statement of Profit and Loss are as Follows:-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Current Service Cost	8,24,615	11,04,215
Interest Cost	4,40,240	3,19,702
Past Service Cost	-	-
Expenses included in Employee Benefits (See Note No.37)	12,64,855	14,23,917

(c) The amounts recognised in Other Comprehensive Income are as Follows:-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Actuarial (Gains) / Losses	(1,95,754)	7,92,824
Expenses included in Other Comprehensive Income (See Note No.44)	(1,95,754)	7,92,824

(d) The Reconciliation of Opening and Closing Balances of Defined Benefit Obligation is as Follows :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Opening Balance of present value of Defined Benefit Obligation	67,72,928	47,01,507
<u>Add:</u> Current Service Cost	8,24,615	11,04,215
<u>Add:</u> Interest Cost	4,40,240	3,19,702
<u>Add:</u> Past Service Cost	-	-
<u>Add:</u> Actuarial Losses/(gains)	(1,95,754)	7,92,824
	78,42,029	69,18,248
<u>Less:</u> Defined Benefit Claims Settled	4,03,285	1,45,320
	74,38,744	67,72,928

(e) Breakup of Other Comprehensive Income

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Actuarial losses / (gains) arising from change in financial assumptions	2,76,997	7,77,134
Actuarial losses / (gains) arising from change in Demographic assumptions	-	-
Actuarial losses / (gains) arising from change in experience adjustments	(4,72,751)	15,690
	(1,95,754)	7,92,824

(f) Actuarial Assumptions

Principal actuarial assumptions at the Reporting date are as follows :-

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Discount Rate (per anum)	6.50%	6.80%
Salary Growth Rate (per anum)	7.00%	7.00%
Retirement Age	60 Years	58 Years
<u>Attrition Rate</u>		
Younger Ages	5.00%	5.00%
Older Ages	1.00%	1.00%

(h) Maturity profile of defined benefit obligation

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
Within 1 Year	7,95,724	4,61,653
Year 1 to Year 2	2,13,527	2,11,397
Year 2 to Year 3	2,06,160	2,04,104
Year 4 to Year 5	1,99,047	1,97,062
Year 5 to Year 6	1,92,180	1,90,264
Year 6 to Year 10	14,31,178	6,24,578
After 10 Years	44,00,928	48,83,870

NOTE NO. 52
RELATED PARTY DISCLOSURES

(a) Details of Related Parties

i) List of Related Parties on whom control is established by the Parent Company

NAME OF RELATED PARTY	RELATIONSHIP WITH THE GROUP
Wemart Global FZE	Wholly Owned Subsidiary
Technofy Digital private Limited	Wholly Owned Subsidiary

ii) Key Managerial Personnel

NAME OF RELATED PARTY	RELATIONSHIP WITH THE GROUP
Amit D. Rambhia	Managing Director
Nikit D. Rambhia	Joint Managing Director
Devchand Rambhia	Whole-Time Director
Vishal Lalan	Chief Executive Officer (CEO)
Nitesh M Savla	Chief Financial Officer (CFO)
Jinkle Khimsaria	CS & Compliance Officer
Jayachandran Sunderamoorthy	Director (Technofy Digital private Limited)
Chetan Vrujlal Dhakan	Managing Director (Wemart Global FZE)

iii) List of Related Parties with whom transactions has taken place during the Reporting Period

NAME OF RELATED PARTY	RELATIONSHIP WITH THE GROUP
Wemart Global FZE	Wholly Owned Subsidiary
Technofy Digital Private Limited	Wholly Owned Subsidiary
Amit D. Rambhia	Managing Director
Nikit D. Rambhia	Joint Managing Director
Devchand L. Rambhia	Whole-Time Director
Vishal Lalan*	Chief Executive Officer
Nitesh M. Savla	Chief Financial Officer
Jinkle Khimsaria**	CS & Compliance Officer
Panache Innovations Limited	Company having Common Director
Eddy & Andy International Limited	Company having Common Director
ICT Infratech Services Private Limited	Joint Venture
Rambhia IPR Services LLP	Firm in which Director is a Partner
Deepa A. Rambhia	Relative of Director
Kavita N. Rambhia	Relative of Director

* Mr. Vishal Lalan has resigned from the post of "Chief Executive Officer" with effect from 07th September, 2020.

** Ms. Jinkle Khimsaria has resigned from the post of "Company Secretary & Compliance Officer" with effect from 15th June, 2021.

(b) List of Transactions with Related Parties

The Group has identified all the related parties having transactions during the year as per details given hereunder:-

NAME OF THE PERSON / ENTITY	RELATION WITH THE GROUP	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 20-21
Amit D. Rambhia	Managing Director	Remuneration	28,00,000
Nikit D. Rambhia	Joint Managing Director	Remuneration	28,00,000
Devchand L. Rambhia	Whole-Time Director	Remuneration	10,50,000
Deepa A. Rambhia	Relative of Director	Remuneration	15,75,000
Kavita N. Rambhia	Relative of Director	Remuneration	10,75,000
Nitesh M. Savla	Chief Financial Officer	Remuneration	12,92,297
Vishal Lalan	Chief Executive Officer	Remuneration	13,43,750
Jinkle Khimsaria	CS & Compliance Officer	Remuneration	5,50,599
Amit D. Rambhia	Managing Director	Loan Taken	34,00,000
Amit D. Rambhia	Managing Director	Interest on Unsecured Loan	2,29,487
Nikit D. Rambhia	Joint Managing Director	Loan Taken	8,75,000
Nikit D. Rambhia	Joint Managing Director	Interest on Unsecured Loan	6,66,723

NAME OF THE PERSON / ENTITY	RELATION WITH THE GROUP	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 20-21
Devchand L. Rambhia	Whole-Time Director	Loan Taken	4,50,000
Devchand L. Rambhia	Whole-Time Director	Interest on Unsecured Loan	1,02,894
ICT Infratech Services Private Limited	Joint Venture	Services Availed	2,50,000
Panache Innovations Limited	Company having Common Director	Sales	2,15,14,742
Panache Innovations Limited	Company having Common Director	Services Availed	3,56,540
Panache Innovations Limited	Company having Common Director	Purchases	92,49,885
Rambhia IPR Services LLP	Firm in which Director is a Partner	Royalty Paid	11,76,475

The above mentioned transactions with related parties are stated after excluding tax and carried out at arms length prices.

(c) Amount Receivable / Payable from / to related parties as on reporting dates are as Follows:-

PARTICULARS	RELATION WITH THE GROUP	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Amounts Receivable from Related Parties</u>			
<u>Receivables for Sales & Services Provided</u>			
Panache Innovations Limited	Company having Common Director	2,19,35,198	1,59,25,291
ICT Infratech Services Private Limited	Joint Venture	58,99,392	60,16,858
Devchand L. Rambhia	Whole-Time Director	-	35,000
		2,78,34,590	2,19,77,149
<u>Loans & Advances Recoverable</u>			
Vishal Ialan	Chief Executive Officer	-	11,38,079
Total Receivables from Related Parties		2,78,34,590	2,31,15,228
<u>Amounts Payable to Related Parties</u>			
<u>Payables for Purchases & Services Availed</u>			
Panache Innovations Limited	Company having Common Director	-	28,771
ICT Infratech Services Private Limited	Joint Venture	-	65,065
Rambhia IPR Services LLP	Firm in which Director is a Partner	11,18,754	1,82,993
Deepa A. Rambhia	Relative of Director	1,06,890	1,27,800
Kavita N. Rambhia	Relative of Director	83,920	95,800
		13,09,564	5,00,429
<u>Payable towards Borrowings Taken</u>			
Amit D. Rambhia	Managing Director	34,00,000	-
Amit D. Rambhia (Interest Payable)	Managing Director	2,12,275	23,502
Nikit D. Rambhia	Joint Managing Director	44,45,000	35,70,000
Nikit D. Rambhia (Interest Payable)	Joint Managing Director	6,16,719	84,127
Devchand L. Rambhia	Whole-Time Director	14,00,000	3,05,00,000
Devchand L. Rambhia (Interest Payable)	Whole-Time Director	95,177	92,594
		67,69,171	3,42,70,223
<u>Expenses Reimbursable</u>			
Nitesh M. Savla	Chief Financial Officer	4,027	4,971
Jinkle Khimsaria	CS & Compliance Officer	4,493	-
		8,520	4,971
<u>Payables to KMP and their Relatives as Remuneration</u>			
Nitesh M. Savla	Chief Financial Officer	92,677	97,076
Jinkle Khimsaria	CS & Compliance Officer	48,742	48,742
		1,41,419	1,45,818
Total Payables to Related Parties		82,24,181	3,49,21,441

Compensation Paid to Key Managerial Personnel (KMP) :

The remuneration of Directors and other members of Key Managerial Personnel are as follows :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
Short Term Benefits	84,92,896	1,12,94,216
Post Employment Benefits	24,82,604	24,82,604
Other Long-Term Benefits	-	-
Share Based Payments	-	-
Termination Benefits	-	-
Total	1,09,75,500	1,37,76,820

NOTE NO. 53

FAIR VALUE MEASUREMENT HIERARCHY

A. The Disclosure requirements pursuant to Ind AS 107 "Financial Instruments: Disclosures" are as Follows

(a) Category wise classification for applicable Financial assets & Liabilities.

PARTICULARS	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020
<u>Financial Assets</u>		
<u>Measured at Amortised Cost</u>		
Loans	41,08,444	66,52,853
Trade Receivables	38,37,61,587	40,05,97,823
Other Financial Assets	1,35,999	2,68,361
Cash & Cash Equivalents	83,84,739	1,89,81,532
Bank Balances Other Cash & Cash Equivalents	7,200	7,200
Total financial Assets Measured at Amortised Cost (I)	39,63,97,969	42,65,07,769
<u>Measured at Fair Value Through Profit and Loss Account (FVTPL)</u>		
Investment in Mutual Funds	71,55,473	65,17,902
	71,55,473	65,17,902
Total Value of Financial Assets [(I)+(II)]	40,35,53,442	43,30,25,671
<u>Financial Liabilities</u>		
<u>Measured at Amortised Cost</u>		
Borrowings	42,48,70,214	41,64,69,763
Trade Payables	12,86,76,041	32,01,03,359
Lease Liabilities	67,03,986	1,45,34,674
Other Financial Liabilities	55,90,583	25,24,589
Total of Financial Liabilities Measured at Amortised Cost	56,58,40,824	75,36,32,385
Total Value of Financial Liabilities	56,58,40,824	75,36,32,385

(b) Disclosures relating to recognition of items of income, expenses, gains or losses related to financial instruments

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2021	FOR THE YEAR ENDED 31ST MARCH 2020
<u>Net gains/(losses) on financial assets and Financial liabilities measured at amortised cost :-</u>		
(i) Exchange Difference Gains/ (Losses) on revaluation or settlement of items denominated in Foreign Currency (Trade Receivables, Loans Given, etc.)	8,09,005	(8,55,097)
(ii) Liabilities no Longer Payable	26,52,137	-
(iii) Office Rent Waiver	27,86,240	-
(iv) Amortisation of Fair Value Changes	22,382	(57,393)
(v) Finance Charges (Net)	1,59,746	1,69,428
(vi) Interest Income	7,15,594	7,69,367
(vii) Interest Expense	(3,04,10,864)	(2,28,63,036)
(viii) Finance Charges on Lease Liabilities	(10,35,583)	(17,66,184)
(ix) Bank Charges on Finance	(1,91,322)	(1,37,020)
(x) Processing Charges	(11,78,944)	(4,26,334)
(xi) Provision for Expected Credit Losses	(32,06,236)	(15,50,000)
Total	(2,88,77,846)	(2,67,16,269)
<u>Net gains/(losses) on financial assets measured at Fair Value Through Profit and Loss Account (FVTPL) :-</u>		
(i) Notional Fair Valuation gain on Bonds	6,37,571	1,62,902
	6,37,571	1,62,902

B. Disclosure pursuant to Ind AS 113 "Fair Value Measurement"- Fair Value Hierarchy of Financial assets and Financial Liabilities :-

AS AT 31ST MARCH 2021	CARRYING VALUE IN BOOKS	LEVEL OF INPUT USED FOR FAIR VALUATION		
		LEVEL 1	LEVEL 2	LEVEL 3
<u>Other Financial Assets</u>				
Investment in Mutual Fund	71,55,473	71,55,473	--	--

Valuation Method by using Level 1 inputs

Investments, made in Mutual Funds by the Group has been measured with respect to the Market movements in instrument's Net Asset Value (NAV) over the reporting period. Hence the instrument has been classified as Level-1, since the same has been valued at its respective market price as on reporting date.

NOTE NO. 54
DISCLOSURE UNDER SECTION 186 OF COMPANIES ACT

Particulars of Loans, Deposits and Guarantees as at the year end

NAME OF THE ENTITY	AS AT 31ST MARCH 2021	AS AT 31ST MARCH 2020	NATURE OF ASSISTANCE	PURPOSE FOR WHICH LOAN/ GUARANTEE IS PROPOSED TO BE UTILISED BY RECIPIENT
Karram Warehousing Private Limited	13,49,192	12,38,192	Inter Corporate Loan	Short Term Working Capital
Shree Rajlaxmi Textiles	10,00,000	10,00,000	Advance	Advance for Purchase of Property

AS PER OUR REPORT OF EVEN DATE
FOR KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[IICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

CA KETAN N.GADA
PARTNER
(MEM NO. 106451)

MR. AMIT D. RAMBHIA
MANAGING DIRECTOR
DINO:- 00165919

MR. NIKIT D. RAMBHIA
JOINT MANAGING DIRECTOR
DINO:- 00165678

PLACE: MUMBAI
DATED: 29/06/2021
UDIN: 21106451AAAADD8203

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 29/06/2021

PANACHE DIGILIFE LIMITED

Regd. Off.: Bldg.A3, 102-108 & 201-208, Babosa Industrial Park, Mumbai – Nashik Highway NH3, Saravali Village, Bhiwandi, Thane-421302, Maharashtra India
Corporate Off.: Unit No. 002, Raheja Plaza-1, L.B.S. Marg, Ghatkopar West, Mumbai-400086, Maharashtra, India
Tel: 022-2500 7002/7502; Email: info@panachedigilife.com; Website: www.panachedigilife.com
CIN: L72200MH2007PLC169415

NOTICE TO MEMBERS

Notice is hereby given that the **Fourteenth Annual General Meeting** ("AGM") of the Members of **Panache Digilife Limited** will be held on Tuesday, 28th September, 2021 at 3.00 p.m. through Video Conferencing / Other Audio - Video means ("VC / OAVM") to transact the following business;

Ordinary Business:

1. To receive, consider and adopt –

- a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the reports of the Board of Directors and Auditors thereon, and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the report of the Auditors thereon.

2. To appoint a Director in place of Mr. Nikit Rambhia, Director, (DIN 00165678), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

3. Approval of Related Party Transactions

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

"RESOLVED THAT in supersession of the earlier resolution passed and pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's policy on Related Party Transaction(s), approval of the Shareholders be and is hereby accorded to Board of Directors of the Company to enter into contract(s) / arrangement(s) / transaction(s) with M/s Panache Innovations Limited ("PIL"), related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for the Sale / Purchase of IT products, consumer electronics, software etc. and Availing and / or rendering services on such terms and conditions as the Board of Directors may deem fit, upto maximum aggregate value of ₹ 70.00 Crore for the financial year 2022-23, provided the said contract(s) / arrangement(s) / transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT in this regard, the Board is hereby authorized to:

- a. negotiate, finalise, vary, amend, renew and revise the terms and conditions of the transaction(s), including prices/pricing formula and tenure;
- b. enter into, sign, execute, renew, modify and amend all agreements, documents, letters, undertaking thereof, from time to time, provided that such amendments etc. are on arms' length basis.

RESOLVED FURTHER THAT the Board of Directors of the Company, Chief Financial Officer or Company Secretary of the Company, be and is hereby severally authorized to do all such acts and deeds as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto.”

**By order of the Board of Directors of
Panache Digilife Limited**

**Date: August 12, 2021
Place: Mumbai**

**Harshil Chheda
Company Secretary
Membership No. A62645**

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), which sets out details relating to Special Businesses to be transacted at the Fourteenth Annual General Meeting ("AGM"), is annexed hereto.
2. In view of the continuing Covid-19 pandemic, to ensure social distancing norms, the Ministry of Corporate Affairs ("MCA") vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and clarification Circular No. 02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ("SEBI Circular") have permitted the holding of the Annual General Meeting ("the Meeting / AGM") through Video Conferencing facility or Other Audio-Visual Means ("VC / OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circulars, the 14th AGM is being convened and conducted through VC / OVAM. The deemed venue of the AGM shall be the Registered Office of the Company.

The procedure for joining the AGM through VC/ OAVM is mentioned in this Notice.

3. Since this AGM is being held through VC/ OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting.

The route map, Proxy Form and Attendance Slip are therefore, not annexed to this Notice.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Additional information of Directors seeking re-appointment at the ensuing AGM as stipulated under Companies Act, 2013, Secretarial Standard on General Meetings (SS- 2) and Regulation 36(3) of SEBI (LODR) Regulations, 2015, is annexed of this Notice as Annexure A.
7. The Board of Directors have considered and decided to include the item no. 3 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
8. Members of the Company, holding shares either in dematerialised form or physical form, as on Friday, August 27, 2021 (cut-off date for receiving Notice and Annual Report), shall be entitled for receiving of the Annual Report for the period 2020-21, through their registered mail id. Any person, who acquires shares of the Company and become Member of the Company after sending of the Notice and holding shares as on cut-off date i.e. Tuesday, September 21, 2021, may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company, Bigshare Services Private Limited at e-mail vinayak@bigshareonline.com or to Central Depository Services (India) Limited at email helpdesk.evoting@cdslindia.com.

9. Notice of the AGM and the Annual Report for the Financial Year 2020-21 are being sent electronically to the Members whose E-mail IDs are registered with the Depository Participant(s) and / or Company's Registrar and Share Transfer Agents. Any member, who has not registered his Email id, may register his / her Email ID with Registrar and Share Transfer Agents and may also request for a copy of Annual Report electronically. Annual Report for 2020-21 along with Notice of the AGM is available at the website of the Company at www.panachedigillife.com and website of the Stock Exchange i.e. National Stock Exchange Limited of India at www.nseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
10. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. As on the date of this Notice all the shares of the Company are held in dematerialised form.
12. Members holding Shares in physical mode are requested to intimate changes in their address, bank details, ECS mandate, nomination, power of attorney, change in name/ address etc. to Bigshare Services Private Limited, Registrar and Share Transfer Agents (RTA) of the Company located at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai - 400059. Members holding Shares in electronic mode are requested to send the intimation for change of address, bank details, ECS mandate, nomination, power of attorney, change in name/ address etc. to their respective Depository Participants, any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.
13. Members holding shares in the physical form and desirous of making / changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13, as applicable for this purpose to the Company's Registrar and Share Transfer Agents (RTA), Bigshare Services Private Limited, who will provide the form on request. In respect of shares held in electronic / demat form, the Members may please contact their respective depository participant.
14. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, September 21, 2021.
15. Any person who is not a Member as on the cut-off date i.e. Tuesday, September 21, 2021 should treat this Notice for information purposes only.
16. Members holding Shares in physical form are requested to register their email IDs with the Company's RTA i.e. Bigshare Services Private Limited and Members holding Shares in electronic / demat mode are requested to register their email IDs with their respective Depository Participants (DPs). Members whose email IDs have undergone any change or whose IDs require any correction, may kindly update the same with the RTA or the DPs, as stated above.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's RTA, Bigshare Services Private Limited.
18. Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividends not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect

shall lie against the Company. Members are requested to contact M/s. Bigshare Services Private Limited / Secretarial Department of the Company for encashing the unclaimed dividends standing to the credit of their account.

19. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents can send an e-mail to compliance@panachedigilife.com from their registered e-mail address.

If case you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

The Members may also write an e-mail to the Compliance Officer of the Company at compliance@panachedigilife.com or call on 022-25007002 in case of any grievance connected with e-voting.

20. Instructions for members for attending the AGM through VC/OAVM are as under:

- a. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
- b. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- c. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
- d. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- e. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request from their registered e-mail id mentioning their name, demat account number/folio number, email ID, mobile number along with their queries at compliance@panachedigilife.com from Wednesday, September 22, 2021 from 9:00 a.m. (IST) to Friday, September 24, 2021 till 5:00 p.m. (IST). Shareholders who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- h. The Members who do not wish to speak during the AGM but have queries on financial statements or any matter to be placed at the AGM may send the same latest by Friday, September 24, 2021 mentioning name, demat account number/folio number, email ID, mobile number at compliance@panachedigilife.com. These queries will be replied suitably either at the AGM or by e-mail.

- i. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
- j. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

21. E-Voting

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standards on General Meetings ("SS-2") and Regulation 44 of SEBI Listing Regulations and MCA Circulars, the facility for remote e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through Central Depository Services (India) Limited ("CDSL"). Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting and e-voting during the AGM.

The instructions for Remote E-Voting and E-Voting during the Meeting are as under:

- i. The e-voting period begins on Saturday, September 25, 2021 (9:00 a.m.) to Monday, September 27, 2021 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 21, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter and the same will be enabled during the AGM for the Members who have not casted their vote through remote e-voting.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

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

- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL),

	Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

- v. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
 - 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

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

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN no. 210901067 for Panache Digilife Limited.
- x. 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.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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

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

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

- 1) **For Physical shareholders** - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - 2) **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).
 - 3) **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
22. The Company has appointed Mr. Dharmesh Zaveri, proprietor of M/s. D. M. Zaveri & Co., Company Secretaries, as the Scrutinizer for conducting the e-voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.
 23. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes casted at the AGM, thereafter unblock the votes casted through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, who shall then countersign and declare the result of the voting forthwith.
 24. Based on the Scrutinizer's Report, the Company will submit within two working days from the conclusion of the AGM to the Stock Exchange, details of the voting results as required under Regulation 44(3) of the Listing Regulations.
 25. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.panachedigilife.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of results by the Chairman or a person authorized by him and communicated to the National Stock Exchange Limited of India.
 26. The resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 28, 2021 subject to receipt of the requisite number of votes in favour of the resolutions.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3:

Pursuant to provisions of Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of ordinary resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15 of the said Rules and transactions other than in ordinary course of business and on arm's length basis.

As per regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, ("SEBI LODR") also requires that all material related party transactions shall require approval of the shareholders through ordinary resolution.

Accordingly, on the recommendation of Audit Committee and Meeting of the Board of Directors held on August 12, 2021, approved related party transactions and now seek approval of the shareholders by way of Ordinary Resolution under Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015 to enable the Company to enter into following related Party Transactions in one or more tranches. The transactions under consideration, is proposed to be entered into by the Company with M/s Panache Innovations Limited ("PIL") is in the ordinary course of business and at arm length basis.

Details as per Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014

Name of the Related Party	Name of Director or Key Managerial Personnel who is related, if any	Nature of Relationship	Nature and Particulars of the contract or arrangements	Material terms, Monetary value and Duration
Panache Innovations Limited (PIL)	Mr. Amit Rambhia, Mr. Nikit Rambhia and Mr. Devchand Rambhia	Amit Rambhia is Director, Promoter & Member in PIL. Nikit Rambhia & Devchand Rambhia are Promoter Members in PIL.	- Sale / Purchase of IT products, consumer electronics, software etc. - Availing and / or rendering services	Transactions with PIL shall be on a continuous basis / need based in accordance with the terms and conditions agreed between the parties and in ordinary course of business. Aggregate Monetary value for the proposed transactions for the Financial Year 2022-23 shall not exceed ₹ 70.00 Crore. The transactions shall be on arm's length basis.

There is no other information relevant or important for the Shareholders to take decision on the proposed resolution.

Except Mr. Amit Rambhia (being Director and promoter member in PIL), Mr. Devchand Rambhia & Mr. Nikit Rambhia, (being promoter member in PIL), and their relatives, none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Item No. 3.

The Board of Directors recommend passing of the resolution as set out at Item no. 3 of this notice for approval by the shareholders.

Annexure A to Notice of 14th AGM

Additional Information of directors seeking appointment / reappointment at the Fourteenth Annual General Meeting pursuant to SS-2 and SEBI Listing Regulations:

Name of the Director	Nikit Devchand Rambhia (DIN: 00165678)
Date of Birth / (Age)	October 9, 1978 (42 years)
Qualifications	B. Com from Mumbai University and MBA
Experience / Brief Profile	<p>Mr. Nikit Rambhia is a Joint Managing Director of the Company. He is associated with the Company as Director since inception and was re-designated w.e.f. February 17, 2020.</p> <p>Mr. Nikit Rambhia holds an MBA degree in Marketing from the University of Mumbai and has got over 18 years of experience in handling operations.</p> <p>He is involved with the strategic direction of the company and manages all the operations and strategic partnerships. He personally oversees the planning and execution of new projects, critically evaluates and helps better the operations, which are overlooked by a team of seasoned professionals from varied backgrounds.</p> <p>He is an active member of ASIRT, TAIT, and ASSENT.</p>
Nature of expertise in specific functional area	Management & overall business execution
Terms and conditions of appointment or re-appointment	Mr. Nikit Rambhia is re-appointed as Joint Managing Director of the Company for a period of 3 years w.e.f. February 17, 2020 to February 16, 2023. His appointment is liable to retire by rotation. His appointment is due for retire by rotation and being eligible has offered himself for re-appointment and accordingly proposed to shareholders for their approval.
Remuneration last drawn	Rs. 28,00,000
Date of 1st Appointment on the Board	March 30, 2007 (Since Inception)
No. of Board Meetings attended during the FY 2020-21	All meetings (i.e. four out of four meetings)
Shareholding in the Company as on March 31, 2021	28,00,000 Equity Shares
Relationship with other Directors, Manager & Key Managerial Personnel	Son of Devchand Rambhia (Whole-Time Director) & Brother of Amit Rambhia (Managing Director).
Directorships held in other companies	ICT Infratech Services Private Limited – Director
Committee Memberships / Chairmanship in other companies	NIL

By order of the Board of Directors
For **Panache Digilife Limited**

Date: August 12, 2021
Place: Mumbai

Harshil Chheda
Company Secretary
Membership No. A62645



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